



MBHASHE LOCAL MUNICIPALITY

**AUDITED ANNUAL REPORT
2021/22 FY**

2021/22 FINANCIAL YEAR

CHAPTER 1

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CHAPTER 1

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

IT IS MY PLEASURE TO PRESENT THE 2021/22 ANNUAL REPORT OF THE MBHASHE LOCAL MUNICIPALITY.

STRATEGIC ALIGNMENT TO PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

It is my honour to present to you the annual report for financial 2021-2022 in terms of section 127(5) (a)(i) of the Municipal Finance Management Act No.56 of 2003. As we look back from the journey travelled during the financial under review, the leadership wishes table to its communities the annual performance with reflections on the service delivery progress, achievements challenges that have been encountered and strategies to overcome them in achieving the objectives of the strategic direction of the municipality.

The local government and other spheres of government are still at work towards achieving the objectives that are outlined in the national development plan vision, which aims to eliminate poverty and reduce inequality by 2030 to better the lives of our people. COVID19 pandemic has brought setbacks that have affected the progress in the service delivery and impacted negatively in achieving the vision. The increase in the unemployment rate, instability in our currency.

CORRECTIVE ACTIONS TAKEN TO ENSURE THAT STRATEGIC OBJECTIVES AS STIPULATED IN THE IDP WERE ACHIEVED

The 2021-2022 financial year marked the last leg of the municipal five-year IDP that was developed from 2017-2022. The local government leadership of the previous term was wrapping-up the mandate of the policy responsibilities that were outlined by the national government in strides to fulfil the needs of our communities. The change of leadership came with its overwhelming challenges and interesting developmental issues that needed unity to successfully execute the leadership responsibilities, without compromising the service

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delivery plans. In the same pulse, I am proud to acknowledge and highlight that the local government leadership that has recently been elected in November 2022, complimented well in the execution of the outstanding responsibilities of the previous leadership.

The financial year under review has been a challenging one for our communities and the entrusted leadership. Just when we marked the service delivery achievements of the financial year 2020-2021, natural disasters caused by heavy rains resulted to floods that washed away most of our roads infrastructure and human settlements. This has taken us back to start on the service delivery progress. The municipality had to implement turnaround strategies to address the challenges that burdened the limited financial resources of the municipality. Turnaround strategies to effectively utilise the available financial resources were applied to drive the delivery of services; these included utilisation of the equitable share to maintain roads that were in severe state and also sourcing of funds from other government spheres and partners. The department of Cooperative Governance and Traditional Affairs has intervened to elevate and address the disaster issues, though the unfolding of plans are expected to be implemented in the next financial year of 2022-2023.

As part of local economic development, the municipality in partnership with government agencies has continued to provide SMMEs development support, Agricultural support and Tourism development with focus to Oceans Economy with government agencies. The included business training support and incubation program to support local SMMEs.

As part of addressing the inequalities, the municipality has updated the indigent register and conducted workshop to the new ward councillors as part of capacitating them on technical issues associated with the initiative. I am quite pleased to share that, qualifying households from our respective communities are responding positively to this support. The Expanded Public Works Program (EPWP), municipal fund and other grants have played a great part in decreasing the unemployment rate. These opportunities continue to assist the municipality in addressing the environmental issues, community safety and waste management.

The municipality has initiated the establishment of waste management forum that started in Dutywa town during the second quarter (October to December) to respond to the environmental cleanliness issues that are raised by our communities as well as to impart the knowledge of recycling to promote environmental cleanliness. This initiative is planned to be rolled out to the entire wards of Mbhashe.

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METHODS USED/IMPLEMENTED TO IMPROVE PUBLIC PARTICIPATION AND ACCOUNTABILITY

The office of the Executive Mayor has embarked on Mayoral Imbizos that were held during the third quarter (January- March) 2022 as one of its foremost responsibilities consultative process. This played a crucial role to give a clear base for accurate situational and needs analysis, for the new leadership of the municipality to make informed decision, while serving as a base assessment to the performance of the 2021-2022 financial year.

The functionality of council structures and Ward Committee structures have impacted positively in promoting the participatory right of communities; as a result, the municipality has been able to convene the IDP/Budget and Performance Management Forum to assess the performance against the approved IDP. The Municipal Public Accounts Committee will conduct annual report roadshows as part of its oversight, we promote full participation of communities as a way of exercising their rights of access to information to promote accountability and assess the performance the municipality for the financial year under review.

Despite the challenges alluded from the previous paragraph, the council is pleased to count a number of achievements in most of its key performance areas. The municipality has reached the 90% of performance which marks a slight drop compared to the previous financial year. This was due to the challenges encountered in setbacks experiences during the disaster season.

The municipality has been receiving the Unqualified audit opinion with improved findings over the previous financial years, and it is our hope that the performance over the period under review has stepped towards reaching the improved results for the municipality.

STATEMENT OF CORRECTIVE ACTIONS WHEREBY SERVICE DELIVERY CAN BE IMPROVED

The municipality of Mbhashe has executed its 2021-2022 financial year SDBIP based on the existing vision that was adopted by the previous council. The vision of Mbhashe remains striving to better the lives of our people, as it says “*A Municipality that excels in promoting social cohesion, stimulates economic growth and sustainable development*”. Even though we have reached the end of 2021-2022 financial year, counting successes and shortfalls but the municipality continues with the mission statement in which we work towards fulfilling it

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“By becoming an effective and efficient municipality with accountable leadership that is able involve communities in the provision of quality services”.

The leadership acknowledges that there is still a great improvement to be made in the following areas of performance;

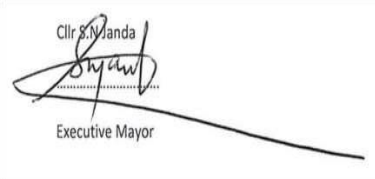
- the frequent monitoring of all municipal projects i.e. basic service delivery and so forth.
- Improved accelerated initiation of project planning processes and Supply chain Management processes to improve spending on municipal infrastructure grants.
- Establish partnership with other relevant organisations to put into implementation the plans of the municipality around tourism as another potential area of investment.

As we may be aware that municipalities depend on Municipal Infrastructure Grants to roll out the infrastructure needs for our communities, we still need to improve on introducing other innovative ways to boost municipal revenue enhancement to accelerate service delivery.

The journey of service delivery is continuous and requires all of us who call themselves public servants, to work together with government in finding developmental ways of improving the lives of our people.

On behalf of the municipality, allow me to express my gratitude and give recognition to the dedicated councillors, traditional leadership and administration whom against all odds, with powers and responsibilities, unitedly stood together to bring to reality the provision of quality services to our communities; using the mechanisms in place as guided by a number of pieces of legislation. As we conclude this chapter, let us move forward together motivated to provide improved customer care service and quality services in the financial year ahead.

President Nelson Rolihlahla Mandela *“I have walked that long road to freedom. I have tried not to falter; I have made missteps along the way. But I have discovered the secret that after climbing a great hill, one only finds that there are many more hills to climb”*



Cllr. S. Janda
Executive Mayor

SAMKELO JANDA

Executive Mayor, Mbashe Local Municipality

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COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGER'S OVERVIEW

The year of reporting covers the period 01 July 2021 until 30 June 2022 . In terms of legislation, the Municipal Manager is designated as the Accounting Officer, and he /she must perform his/her functions in good faith, act with fidelity, honesty, integrity and in the best interest of the municipality. The Accounting Officer as the head of Administration must oversee the execution and implementation of all council policies. It gives me pleasure to reflect on the challenges and achievements of the municipality for the year.

As the Accounting Officer of the Mbhashe Local Municipality, I confirm that the 2021- 2022 Annual report has been compiled in line with the Local Government Municipal Systems Act 32 of 2000, the Local Government Municipal Finance Management Act 56 of 2003. In the 2021- 2022 Annual report specific interventions had to be put in place to address the wide range of challenges which faced the municipality. This annual report will primarily focus on the achievements and constraints experienced with the implementation of corrective measures during the financial year under review.

The five-year term of office of the previous Council terminated on the 08 November 2021 and the new term of Council started on the 09 November 2021. Therefore, this annual report covers both the end and the start of the new term as that happened during the same financial year of reporting. There are some wards that were affected by the demarcation but as follows 1,2,3,4,5,6,10,12,14,16,17,18,20,24,25,27,31 and 32. The above changes were generally not accepted by the communities affected as they believe it will affect in terms of their priorities which are already submitted and accepted in their original wards

The municipality as a primary point of service delivery is faced with tremendous responsibility of ensuring good quality of life to the community of Mbhashe at large through provision of basic services.

The main Service Delivery focus during the financial year was on the following areas:

- Implementation and Monitoring of roads Maintenance Plan with use of in-house construction plant in each unit
- Construction of new gravel roads
- Construction of four new access roads Phelandaba to Macirheni, Chibini, Matolweni and Lower Falakahla
- The construction of ward 25 sport field is not yet completed during the year as the service who was initial appointed was terminated and the municipality appointed new service providers
- Construction of phase of the municipal offices was also not completed due to poor performance of the service provider and the provider is working outside the duration of contract with penalties being charged to the service provider.
- The construction of ward 13 Sports field was started towards the end of the financial year as a multiyear project

The performance of the municipality has been measured against the targets set out in the IDP on a quarterly basis in a form of Service Delivery and Budget Implementation Plan. The municipality did not perform well in spending the Municipal Infrastructure Grant (MIG) as it ended the financial year at 65 percent due to a number of reasons. The municipality is also proud of cascading down the PMS from Senior Management level to lower levels within the institution even though it has its teething problems, and the staff regulations requires that the PMS must be cascaded to all levels as from 01st July 2022.

The following plans and strategies were developed and some reviewed in 2021-2022 financial year:

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- Integrated Waste Management Plan
- Local Economic Development Strategy
- Spatial Development Plan
- Coastal Management Plan
- Integrated Community Safety Plan
- Communication Strategy
- Disposal of Municipal Land Policy
- Roads Maintenance Policy
- Roads Maintenance Plan
- Institutional Development Policy
- Cost containment policy
- Consequence management policy

To attend to the challenge of poor revenue collection as the municipality is located to communities, Mphashe LM has reviewed its Credit Control and Debt Management Policy and still utilizing the services of the service provider for debt collection which was appointed in the previous year. This resulted in an increase in collection albeit the resistance from Rate Payers which is being managed.

There has also been an improvement in the following areas:

- The municipality for the fifth time has received the Unqualified Audit opinion
- Alignment of the IDP Scorecard and SDBIP with the assistance of the District Municipality and Provincial COGTA
- Training of MPAC organized by municipality and other spheres of government to sharpen its oversight skills.
- Functionality of both the audit Committee and Risk Committee
- The municipality is financial stable

All the above confirms the municipality's commitment to improve the good governance and provision of quality services.

Finally, I would like to thank the Municipal Council, Management team and the entire municipal staff for their valued contributions and unreserved efforts which has made us succeed as a Municipality. I can therefore say Mphashe Local Municipality will be a champion of sustainable growth with the aim of building better communities. Furthermore, this Annual Report serves as a record of and accounting mechanism to communities on the institution's achievements and challenges, as well as the mitigation and remedial measures implemented to address the latter. While it reflects that progress has been made in service delivery, there are undeniably challenges. To strengthen and streamline the institution and its operations to enable the institution to expand and expedite service delivery to the residents of Mphashe Local Municipality.

Mr. M NAKO

MUNICIPAL MANAGER

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1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Mbhashe Local Municipality (EC 121) is a category B municipality which falls within the Amathole District Municipality (ADM) and consists of 32 wards, 63 Councillors and 12 Traditional leaders after local government elections. The municipality is strategically located in the South Eastern part of the Eastern Cape Province, and is bound by the Qhora River in the south to Mncwasa River in the north along the Indian Ocean. Mbhashe Local Municipality (MLM) occupies a strategic geographic position within the Amathole District municipality and covers approximately 3200 km² in extent (after the last national elections). There are three main urban centres, namely Dutywa, Gatyana and Xhora. Dutywa is the administrative head centre of the municipality. Mbhashe has earned the name from the beautiful river called Mbhashe which flows from the banks of Ngcobo flowing through Dutywa Gatyana and Xhorha. Mbhashe is comprised of the three towns, Dutywa, Gatyana and Xhora and numerous rural settlements. The area also boasts the head offices of the AmaXhosa Kingdom at Nqadu Great Place.

Mbhashe Local Municipality (EC 121) has total population of 277 250 with a household of 58 727 resulting to a household size of 4.7 in 2018 according to IHS Markit Regional eXplorer version 1962. This equates to an average annual growth rate of 1.12% in the number of households from 2008 to 2018. With an average annual growth rate of 0.28% in the total population. However, to IHS Markit Regional eXplorer version 2070, when compared to other regions, the Mbhashe Local Municipality accounts for a total population of 275,000, or 31.1% of the total population in the Amathole District Municipality, which is the most populous region in the Amathole District Municipality for 2019. Compared to Amathole's average annual growth rate (0.06%), the growth rate in Mbhashe's population at 0.36% was significantly higher than that of the district municipality. When looking at the average annual growth rate, it is noted that Mbhashe ranked second (relative to its peers in terms of growth) with an average annual growth rate of 0.4% between 2009 and 2019.

NB: The municipality is still awaiting for official results from Stats SA

POPULATION PROJECTIONS

For the sake of planning purposes, a projection of population till 2026 at a five-year interval is calculated and presented hereunder. An average annual growth rate is considered based on the increase of population in census 2011 from 2001, this is worth noting that the change of population is very much insignificant over the year.

POPULATION BY POPULATION GROUP, GENDER AND AGE

An analysis on 2011 Stats SA Census shows that a bulk of 52% of population is children (age 0-19). About 8% falls in pension group (age 65 +), whilst 40% is at economically active ((age 20-64). This

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clearly indicates that 60% population is dependent on 40% of youth, which highly demands further consideration of capacity and skill development of the youth population.

It is important for researchers and planners to note that age distribution further indicates that the male population decreases compared to female population with increase of age. The following figure, drawn from Stats SA Census 2011, shows that at child level (0-19) male population is higher than female (51:49) compared to male to female ratio of 54: 46 for total population, which decreases at youth (20-29) to 47:53 that further decreases to 37:63 at age 65 and above. This clearly indicates that male population is more prone to death with increase of age in comparison to female.

This indicates that the planner has to find a way out of improvement of health and safety of males and capacity improvement of females. In 2016, there is a significantly larger share of young working age people between 20 and 34 (24.2%), compared to what is estimated in 2021 (22.5%). This age category of young working age population will decrease over time. The fertility rate in 2021 is estimated to be significantly higher compared to that experienced in 2016. The share of children between the ages of 0 to 14 years is projected to be significant smaller (34.6%) in 2021 when compared to 2016 (36.2%).

In 2016, the female population for the 20 to 34 years age group amounts to 12.2% of the total female population while the male population group for the same age amounts to 12.0% of the total male population. In 2021, the male working age population at 11.5% still exceeds that of the female population working age population at 11.0%, although both are at a lower level compared to 2016. In Mbhashe Local Municipality's male/female split in population was 86.7 males per 100 females in 2019. According to IHS Markit Regional Explorer v 2070, Mbhashe Local Municipality has significantly more females (53.56%) than males, when compared to a typical stable population. This is most probably an area with high male out migration to look for work elsewhere. In total there were 147 000 (53.56%) females and 128 000 (46.44%) males.

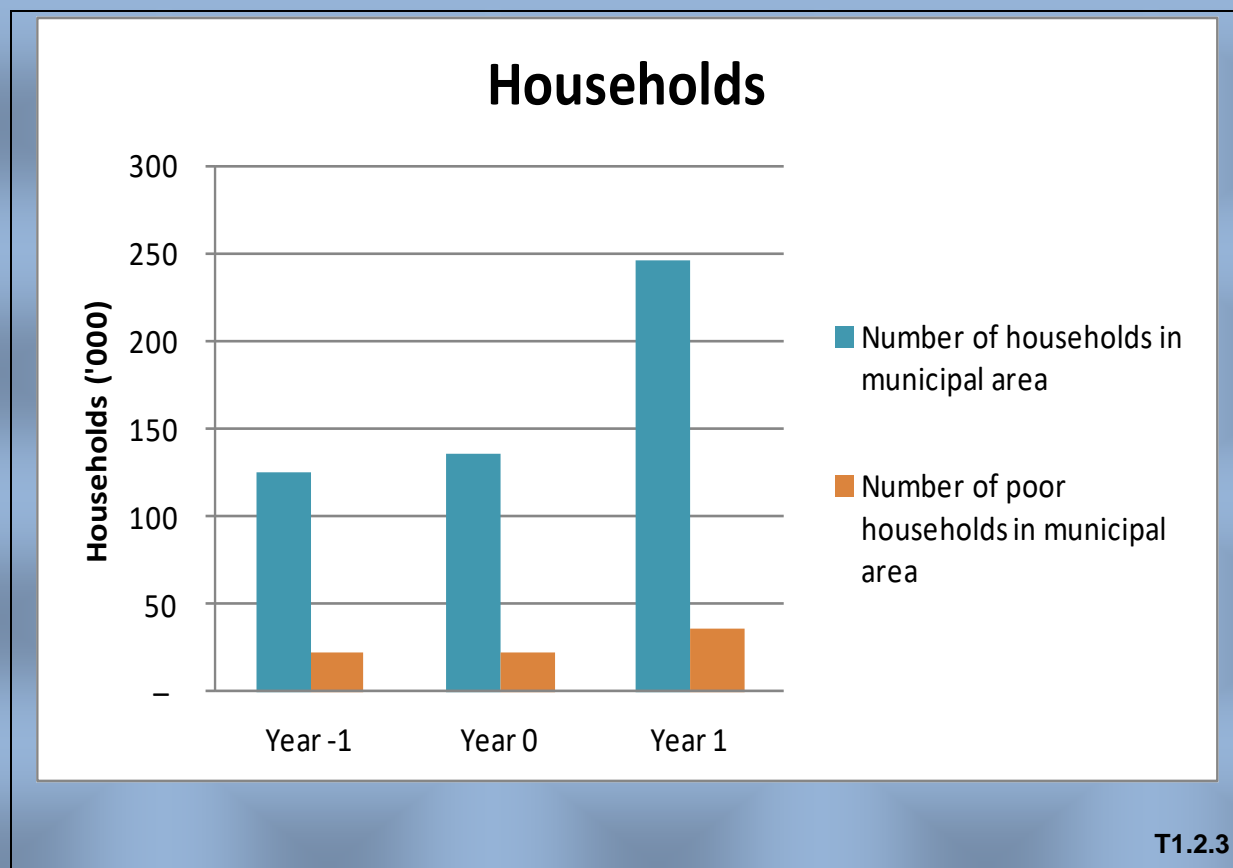
NB: The municipality is still awaiting for official results from Stats SA

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Population Details									
Population '000									
Age	Year -2			Year -1			Year 0		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 – 19	68	64	132	68	64	132	68	64	132
Age: 20 – 29	17	19	36	17	19	36	17	19	36
Age: 30 – 49	15	25	40	15	25	40	15	25	40

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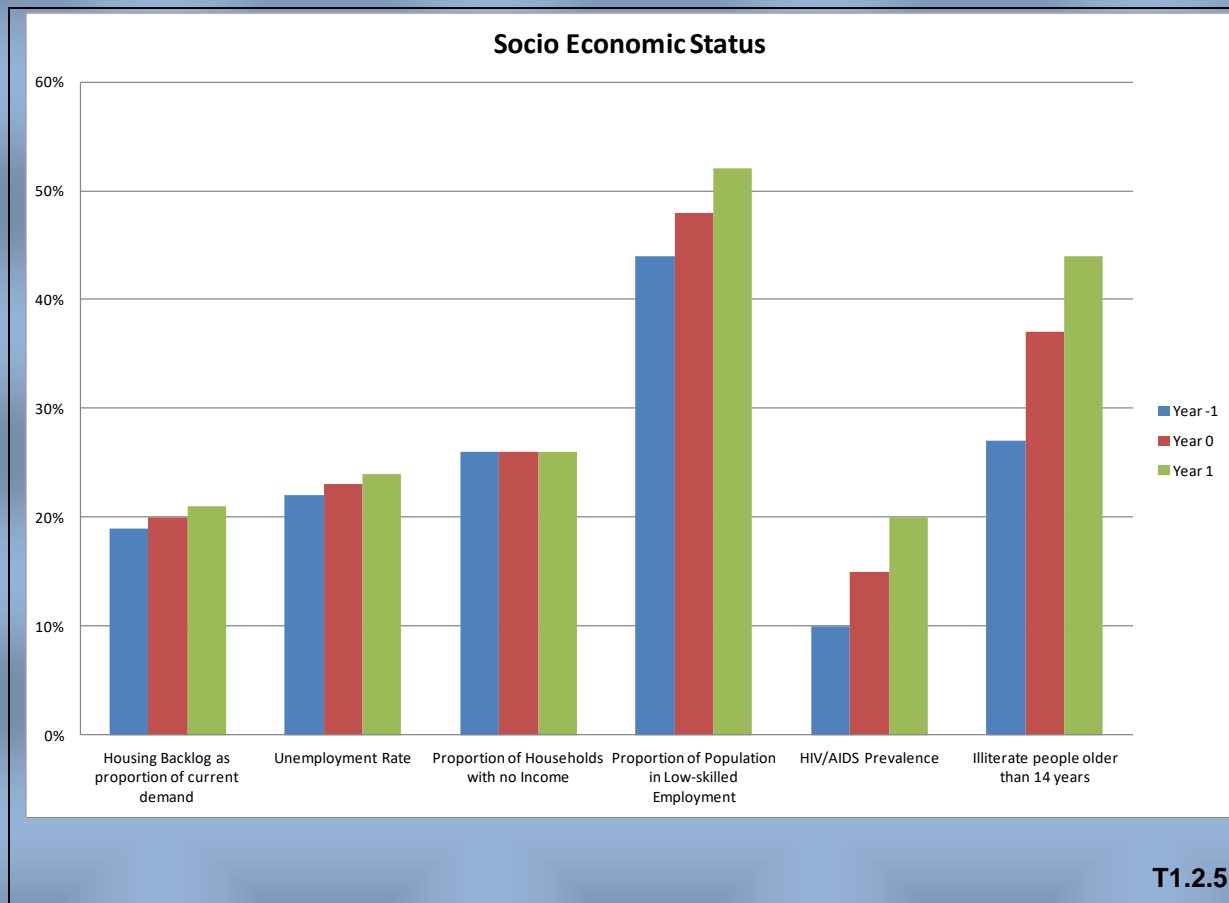
Age: 50 – 64	10	16	26	10	16	26	10	16	26
Age: 65+	8	13	21	8	13	21	8	13	21
<i>Source: Statistics SA</i>									
Year 0, Year -1, Year -2									T 1.2.2



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 -2	33.00%	93.00%	14.00%	33.00%	9.20%	60.01%
Year -1	33.00%	93.00%	14.00%	33.00%	9.20%	60.01%

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Year 0	33.00%	93.00%	14.00%	33.00%	9.20%	60.01%
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OVERVIEW OF POPULATION WITHIN MBHASHE

Overview of Neighbourhood within Mbhashe Local Municipality		
SETTLEMENT TYPE	HOUSEHOLDS	POPULATION
TOWNS		
Dutywa	1730	12099
Gatyana	1123	3 444
Xhora	758	2 780

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Sub-total	4369	18323
URBAN POPULATION		
Urban	215 30	6.2

RURAL POPULATION		
Rural	239 045	93.8
Sub-total	250 115	100
INFORMAL SETTLEMENTS		
Dutywa (GPO)	222	557
Dutywa (Zone 14)	459	1900
Gatyana (Police camp)	217	590
Agriculture	131	207
EmaBhaceni9	57	103
Sub-total	1086	3357

SETTLEMENT TYPE	HOUSEHOLDS	POPULATION
TOWNSHIPS		
Dutywa Ext 3	107	107
Dutywa Ext 7	344	344
Mzamomhle Towns	1038	1038
Xhora Ext 5	104	104

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Xhora Ext 6	537	537
Gatyane Ext 4	244	244
Gatyane Ext 5	498	498
Sub-total	2 872	2 872
T1.2.6		

NATURAL RESOURCES	
Major Natural Resource	Relevance to Community
Arable lands	High quality of soils suitable for crop production and animal farming
Forest assets or existing vast tracts of land for future forestation	Existence of high demand for wood products with longer return on investments
Fisheries and Marine	Proven untapped potential for aqua-culture business
Coastline natural beauty	Undeveloped tourism offerings at coastline can be used to solicit good revenue
Heritage tourism	Heritage tourism can also bring more revenue in community through the established routes as such Phalo routes.
Mining	Many communities in Mbhashe are endowed with mining opportunities such as granite and sand, however these communities are not licenced to mine. Such opportunities need to be explored
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CHAPTER 1

COMMENT ON BACKGROUND DATA:

The primary sector agricultural activities taking place in Mbashe Municipality is mainly focused on very low base crop production and livestock farming at subsistence can be improved. The sector is underdeveloped and not diversified and had a subdued contribution to both the GDP and the GVA. Small-scale and subsistence farmers in the Municipality are not producing at optimal levels, due to a number of constraining factors. It is, therefore, important that emerging farmers are supported in expanding their farming activities into viable and sustainable enterprises that will not only increase the income generated and jobs created by these activities but will also grow sufficiently to form the basis of further beneficiation opportunities. The farming activities must also include the aqua-culture farming, forestry, and animal farming.

The development of the Tourism industry at Mbashe LM is based on giving people a reason to come, a reason to stop, a reason to stay and a reason to spend. This means that any destination should first comprise a unique and specific asset, that people should be made aware of this asset in order to attract them to the destination, that they should be provided with a range of additional attractions and activities to ensure that they stay in the area for longer, which will then ensure that their money is spent at the location. Thus the municipality's strategic thrust is therefore, aimed at stimulating the development of the Tourism industry in Mbashe Municipality, by taking full advantage of the unique cultural, coastal, historical and natural assets found in the Municipality. The purpose is therefore to ensure that these tourism attractions and activities are effectively developed and marketed, in order to establish Mbashe Municipality as a unique and worthwhile tourism destination.

T1.2.8

1.3 SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

In terms of service delivery, Mbashe Local Municipality managed to achieve the total number of 19 Key Performance Indicators. On roads the Municipality planned to construct 20.5 km and managed to construct 18.1 kms of new Roads, the remaining kms will be completed in 2022/23 financial year. The Km's of gravel road maintained are 341.2 Kms. 1 Community Hall has been constructed at Manganyela Ward 20 and one sport facility in construction at Ward 13 expected to be completed in 2022/23 financial year, Ward 25 contract has been terminated and the Municipality is in process of appointing new contractor to complete the remaining works, it is expected to be completed in 2022/23 financial year and Ward 1 has been advertised. Ngumbela sports facility is practical completed. Surfacing of internal streets in Dutywa town has been handed over for construction and site establishment done. The main challenge that we are facing as the Municipality is the steep terrain within the Municipal jurisdiction which results to the high unit costs and limit the number of kilometers constructed in each financial year. The steep terrain also results to short life span of the roads on both construction and maintenance.

The Municipality is faced with huge backlogs on roads due to the vastness of the area and current disasters. The MIG funds can only cater for at least 6 gravel roads for the year under review whilst the Municipality has 32 wards. As a remedial action the Municipality planned to lobby for funding in other sector departments. On other project there are delays on project approvals, as COGTA needs environmental authorization prior the approvals. The same challenge experienced on roads is also

CHAPTER 1

applicable on electrification. The Municipality does not generate much revenue as it is made up of rural areas, only depending on Grant funding from National Treasury. Municipality also lobby funding from other sector department to address the huge backlog.

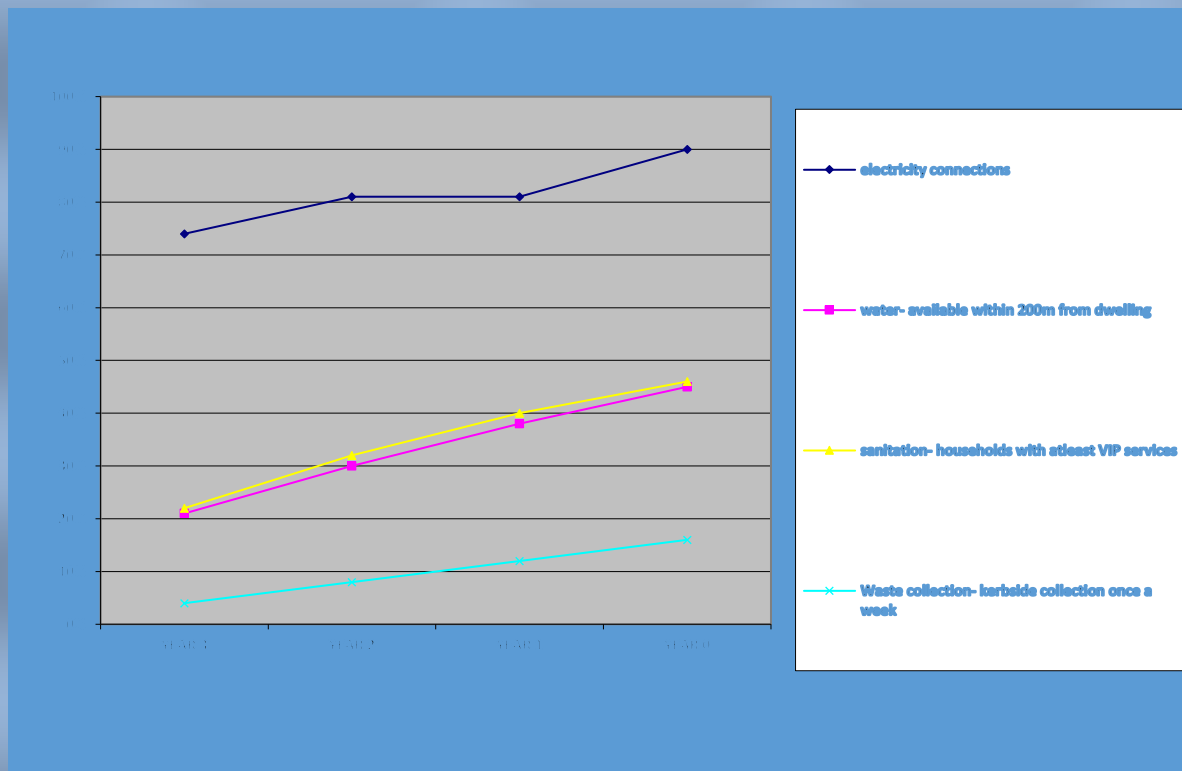
ELECTRICITY - On Electricity the municipality has energised 360 households with grid and maintained 100 non-grid (solar) in 2021/22 FY. There is a backlog of 3665 households for the connection which is inclusive of extension and infills.

WASTE MANAGEMENT - Mbashe municipality is responsible for providing Waste Management services to its areas of jurisdiction. Waste Management Services is the main municipal service rendered by Mbashe and as such should receive the requisite attention from the institution. Since the establishment of Mbashe LM in 2000, this service has generally been provided to urban areas and surrounding townships of Dutywa, Gatyana and Xhorha. The waste management services has been extended to all 32 wards of the municipality through rural waste programme.

In terms of waste collection, the municipality is serving all wards including rural areas. Rural sanitation in terms of VIP and providing water supply within 200m from each household, however there is still huge backlog for water.

T 1.3.1

PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES



T1.3.2

CHAPTER 1

COMMENT ON ACCESS TO BASIC SERVICES:

The Municipality has completed 1 planned Community Hall (ward 20), currently constructing 1 sport facility (Ward 13). Ward 25 sport facility still in construction and will be completed in 2022/23 FY. 341.2km roads maintained, 18.1km access roads constructed, Msikithi access road funded by Office of the premier (OTP) has been advertised and Siyibane access road is awaiting Environmental authorization ,12 stormwater channel maintained in each unit and 12 culverts installed in each unit, 4000m² of paving has been done at Gatyana (1000m²), Xhora (1000m²) and Dutywa (2000m²) towns.

T1.3.3

1.4 FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The municipality continues to closely monitor its financial health status as we are not out of the woods yet. Over the past couple of years the municipality has done very well in terms of recovering from the financial distress situation it once found itself in. During the year under review the municipality embarked on various initiatives to try and improve financial management. These included using the additional of R 50m that was received in order to curb the impact of the COVID-19 as efficiently as possible. The municipality's cash balances improved from last year's R172m to R248m during the year under review. The municipality ensured that it settles most of its outstanding creditors at year-end in order to avoid using the 2021/22 budget for 2020/21 commitments.

Outstanding debt and revenue collection is another concern for the municipality just as it is for all other municipalities, therefore one of our main priorities was to focus on debt collection and maximizing revenue collection. To enhance our debt collection processes the municipality utilizes its internal staff and is in the process of appointing a debt collector again to enhance this process. This has yielded positive results in the past as the municipality had managed to collect around 60% of its current debt. The challenge has always been around collecting the long outstanding debt and therefore the focus on the debt collector will be on the long outstanding debt.

However the municipality is still in the sound financial position and can be considered as a going concern, as its current assets exceeded its current liabilities at year end.

T1.4.1

CHAPTER 1

Financial Overview: Year 0			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	341,721,162	343,062,162	331,324,041
Taxes, Levies and tariffs	9,000,000	9,000,000	12,760,143
Other	22,620,000	22,640,000	13,896,632
Sub Total	373,341,162	374,702,162	357,980,816
Less: Expenditure	424,541,162	425,902,162	294,868,438
Net Total*	-51,200,000	-51,200,000	63,112,378

T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	41%
Repairs & Maintenance	5%
Finance Charges & Impairment	0%
	T1.4.3

COMMENT ON OPERATING RATIOS:

Employee Costs

The employee costs are 41% of the total operating budget. This was outside the acceptable norm of 25% to 40% guideline set out by National Treasury. The municipality reviews the Organogram on a yearly basis and in the next coming year measures will be put in place to bring this percentage down within the norm. The municipality will ensure that only posts that are affordable are funded in the budget.

Repairs and Maintenance

The Repairs and Maintenance were 5% of the total budget. This is below the recommended norm of 8% of the operating budget by National Treasury. This area causes for concern because the municipality needs to put aside adequate resource for Repairs and Maintenance of its assets. This therefore means that the municipality needs to allocate more funds for Repairs and Maintenance in the next financial years. These could depreciate very rapidly.

Non- cash items

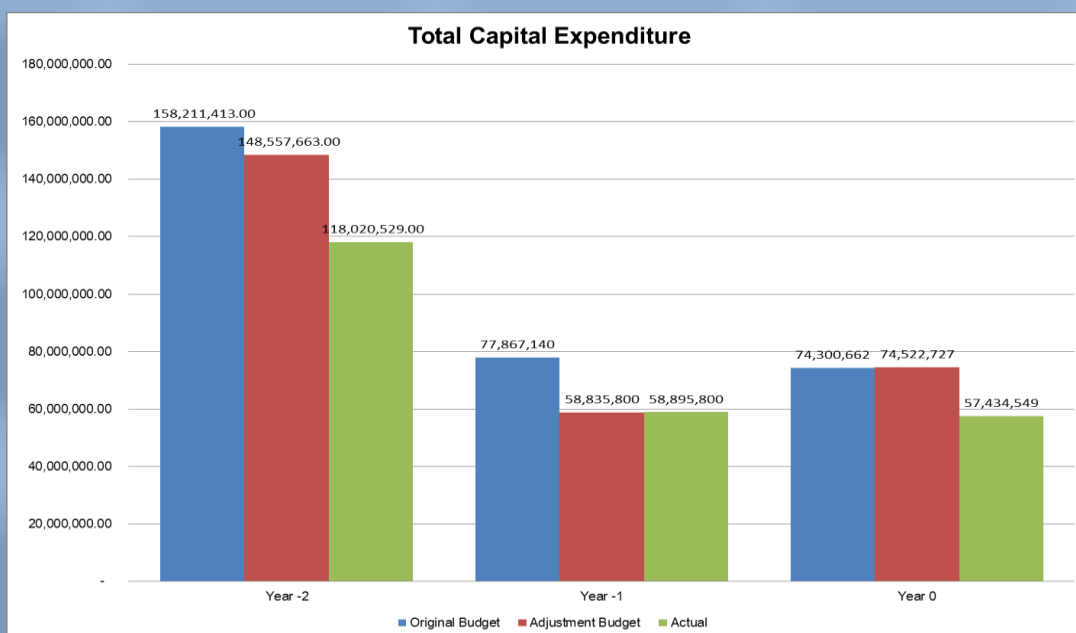
The municipality has made provision for depreciation as well as for impairment of debtors as it is a requirement. As much as these are non-cash items, these provisions are cash backed to the tune of R15m. This is a good practice as the municipality does not only have surplus budget but also cash backed non- cash items.

T1.4.3

CHAPTER 1

Total Capital Expenditure: Year -2 to Year 0			
			R'000
Detail	Year -2	Year -1	Year 0
Original Budget	158,211,413.00	77,867,140	74,300,662
Adjustment Budget	148,557,663.00	58,835,800	74,522,727
Actual	118,020,529.00	58,895,800	57,434,549

T1.4.4



T1.4.5

COMMENT ON CAPITAL EXPENDITURE

The original capital budget for the 2021/2022 amounted to R 74 300 662. During the adjustment budget the capital budget was increased to R 74 522 727 which is equal to 0.3% increase of the original budget with R 57 434 549 actual expenditure.

T1.4.5

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Mbhashe Local Municipality has embarked on a number of projects and programmes to improve its performance. Its organisational structure is reviewed annually to ensure that it remains relevant to the strategic objectives of the municipality as reflected in the Integrated Development Plan.

CHAPTER 1

The municipality's organisational structure was reviewed in May 2022 for implementation 2022/2023 Financial Year. For 2021/2022 FY the organisational structure had vacancies that were prioritised and were all filled.

A review in the organisational structure will ensure that the municipality continues to deliver on its constitutional mandate and remains aligned with the IDP. The organisational performance at organisational level is managed and evaluated through the Service Delivery and Budget Implementation Plan (SDBIP) top layer, down to the departmental layer through departmental SDBIP. Performance Management has been cascaded down from TG 18 up to TG 10. After the National Treasury had identified officials in municipalities who must have a prescribed minimum competency qualifications, all section 56 managers and other officials from budget and treasury office have obtained the qualifications and others are still continuing professional development, and this is aimed at ensuring sound financial management in the local government sector.

The municipality has a workforce of 292 permanent employees. The municipality has managed to place 23 Interns. All Senior Managerial positions in terms of Section 56 and 54A have been filled.

T1.5.1

1.6 AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT YEAR 0 (CURRENT YEAR)

The municipality has received an unqualified audit opinion with matters of emphasis in 2019/20 financial year. The emphasis of matters raised by Auditor general relate to:

- i. Restatement of corresponding figures in the AFS;
- ii. Impairment loss on consumer debtors

The municipality will develop an audit action plan in order to address the findings especially the recurring findings by the AG. This will be taken to council for adoption and be monitored on a regular basis for implementation.

Relevant stakeholders will be consulted on the developed audit action plan so as to track the attainability of actions to address the issues raised

T 1.6.1

CHAPTER 1

1.7 STATUTORY ANNUAL REPORT PROCESS

MUNICIPAL ANNUAL REPORT PROCESS ACTION PLAN FOR FY 2021/22				
Nr	Description of activity	Timeframe	Actual Date	Responsible Person/ Department
1	Prepare Annual Report information as per the National Treasury format including the Annual Performance Report	8 July – 15 July 2022		Operations and All Senior Managers
2	Tabling of the draft Annual Report Process Plan to the Management team	11-Jul-2022		Senior Manager Operations
3	Tabling of the Annual Report Process Plan to Audit Performance Committee	19-Jul-2022		MM
4	Annual Report Working Session	2, 3, 4 & 5 August 2022		All SM's
5	Tabling of the Annual Report to the Mayoral Committee	11-Aug-2022		MM
6	Tabling of the Annual Report to Audit Performance Committee	17-Aug-2022		MM
7	Tabling of the un-audited Annual report to Council. The Annual Report submitted complies with the requirements of Section 121(3) (a-k).	31-Aug-2022		Mayor
8	Council to submit un-audited Annual report to MPAC for verifying of councils' directive on service delivery & senior managers (Section 56) performance against signed performance agreements	31-Aug-2022		MM
9	Submission of un-audited Annual Report to Auditor-General including the Annual Financial Statements and Annual Performance Report	31-Aug-2022		MM
10	Public participation process for Annual Report in terms of Section 130 of MFMA	18,24 & 25 October 2022		MPAC
11	Tabling of Final Draft Annual Report to MAYCO	24 Nov 2022		MM

CHAPTER 1

12	Municipality considers AG's report on the audit of the Annual Report and complies with Section 126 (5)	30 Nov 2022		Municipal Manager
13	Convening of the MPAC to consider the Annual Report. This must be concluded within 7 days of receipt of AGs report.	1-Dec-2022		MPAC/Speaker's Office
14	Mayor tables audited Annual Report and financial statements to Council	14 Dec 2022		Mayor
15	MPAC tables the Oversight report to the Council	14 Dec 2022		MM/Speaker's Office
16	Adoption of the Oversight Report by Council in terms of Section 129 of the MFMA	14 Dec 2022		Council
17	Publicizing of the Annual Report for public comments in terms of Section 127 (5) (a) of the MFMA (after adoption by Council)	19 Dec 2022		Senior Manager Operations
18	Publicizing of the Oversight Report as per Section 21(a) of the Municipal Systems Act and Section 75 of MFMA	19 Dec 2022		Senior Manager Operations
19	Submission and circulation of the Annual Report, Annual Financial Statements and Oversight Report to Provincial Legislature in terms of Section 132 (1 & 2) of the MFMA	19 Dec 2022		MM

T1.7.1

COMMENT ON THE ANNUAL REPORT PROCESS:

There has been an improvement in the Annual report process for the year under review. The municipality has set up business processes that will ensure that quarterly performance reports culminate into the annual report process.

In addition, an annual performance report has been developed which also assesses the performance of service providers for the year under review.

The annual report of 2021/22 has been compiled in accordance with requirements of section 121 of the MFMA, 56 of 2003 and section 46 of MSA, 32 of 2000 as well as the format prescribed by National Treasury and the purpose of the report is

- to provide feedback on the activities of the municipality
- to provide a report on performance in the service delivery and budget implementation for the year end and,

CHAPTER 1

- to promote accountability to the community for the decisions made from July 2021 to June 2022.

This Annual Report has been developed according to the provisions of circular 63 of the MFMA which indicates that real transparency and accountability can only be achieved where there is a clear link between the strategic objectives agreed with the community, the IDP, the Budget and SDBIP, in year reports, Annual Financial Statements, Annual Performance Report and the Annual Report.

T1.7.1.1

CHAPTER 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Mbhashe Local Municipality is constituted in terms of Section 12 read with Section 18 of the local government Municipal Structures Act no 117 of 1998 and consists of 63 Councillors (Females 32 and Males 31) and 02 Traditional Leaders (01 Male, 01 Female). The Municipality is categorized as an Executive committee type of a Municipality. The political arm of the municipality includes the Executive Mayor, members of the Mayoral Committee, the Council Speaker and the Chief Whip of the Council.

In its most abstract sense, governance is a theoretical concept referring to the actions and processes by which stable practices and organization arise and persists. These actions and processes may operate in formal and informal organization of any size; and they function for any purpose, good or evil, for profit or loss.

T 2.0.1

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political governance in our municipality consists of the set of processes, customs, policies, laws and institution affecting the way people direct, administer or control and organisation. It also includes the relationships amongst the many players involved and the organisational goals. The principal players include the communities, management and Councillors. Other stakeholders include employees, service providers, customers, businesses, political parties, community organisations and regulators. The Council operates as an Executive Type.

Municipal Manager is the head of the administration. Senior Manager Development Planning advises Municipal Manager on matters of town planning, housing and Local Economic Development and matters of land use management. Senior Manager Corporate Services advises MM on Human Resource issues, ICT, document management and Council Support services, Chief Financial Officer advises the municipal manager on financial management, supply chain management, financial reporting and asset management. Senior Manager Infrastructure advises MM on construction and maintenance of roads and storm water, electrification. Senior Manager Community Services advises MM on road safety and security services, waste management, free basic services, environmental management and expanded public work programs (EPWP). Senior Manager Operations advises MM on issues of governance, Integrated Development, Communications, public participations and customer care, legal and compliance issues ,Special programs, internal audit and performance management.

T2.1.0

CHAPTER 2

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Political governance in the municipality consists of the set of processes, customs, policies, laws and institution affecting the way people direct, administer, control and organising. It also includes the relationships amongst the many players involved and the organisational goals. The municipality in terms of governance has established section 79 committees which include MPAC, Women's Caucus, Ethics Committee, Members Interest Committee and Local Communicators Forum, and section 80 committees which include Municipal transformation and Institutional development, Service delivery and Infrastructure development, Local economic development , Municipal financial viability and Good governance and public participation.

The Municipality has an Audit Committee which has been established in-terms of Section 166 and has 3 members which are not in the employ of the Municipality, the committee seats on a quarterly basis and as when needs arise, they assist the Municipality on matters of internal controls and performance management and financial matters of the Institution.

MPAC Committee has a composition of 12 members comprising of 1 Traditional Leader and 11 councillors and of which the Chairperson is appointed by the Council. The members of the MPAC are not members of the Mayoral Committee, the committee seats on a quarterly basis and as when the need arise. Its role is to exercise oversight over the functions of the Municipality and make recommendations to the Council.

The Municipality also established Local Communicators Forum which deals with communicating projects and programmes of the Municipality internally and externally and it seats on a quarterly basis. It is constituted by the number of Councillors agreed upon by the Council.

T2.1.1

CHAPTER 2

POLITICAL STRUCTURE

EXECUTIVE MAYOR: Cllr. Samkelo Nicholas Janda (ANC)



SPEAKER: Cllr. Babalwa Majavu (ANC)



CHIEF WHIP: Cllr. Mantshiyose (ANC)



CHAPTER 2

MPAC CHAIRPERSON Cllr. N. Ganda: (ANC)



Stakeholders include employees, service providers, customers, businesses, political parties, community organisations and regulators.

The Council operates on an Executive Type.

T2.1.1

The following Support Committees have been established in terms of Section 80 of the Municipal Structures Act to assist the Executive Mayor: -

MAYORAL COMMITTEE

5. Cllr. F. Ndaule Portfolio Head Good Governance and Public Participation (ANC)
6. Cllr. N. Mgedezi Portfolio Head - Developmental Planning (ANC)
7. Cllr. N. Ngxamtwana Portfolio Head - Community Services (ANC)
8. Cllr. M.K Makapela Portfolio Head - Infrastructure Services (ANC)
9. Cllr. N. Apleni Portfolio Head - Budget and Treasury (ANC)
10. Cllr. N. Ngomthi Portfolio Head - Corporate Services (ANC)

COUNCILLORS

Mbhashe Municipality comprises of a total of 63 Councillors of which 32 are Ward Councillors and the other 31 are Proportional Representative (PR) Councillors. The Council also has 02 Traditional leaders. Council continues to operate as an Executive Committee System. Out of 32 wards 30 wards are governed by ANC whilst the 2 wards are governed by 1 Independent Councillor and the other one by UDM. As at end of June 2022 the municipality had 63 Councillors

T2.1.2

CHAPTER 2

PARTY NAME	NUMBER OF SEATS (Wards + PR)		
	WARD	PR	TOTAL
African National Congress	30	15	45
African transformation movement	0	1	1
United Democratic Movement	1	7	8
Democratic Alliance	0	1	1
Economic Freedom Fighters	0	4	4
Independent Councillors	1	0	1
African Taxi alliance	0	1	1
Batho pele movement	0	1	1
Pan African Congress	0	1	1
TOTAL	32	31	63

POLITICAL DECISION-TAKING

The municipality has processes that take decisions up to the Council. The items that need decision start from management, standing committees, Mayoral Committee and then to the Council. Each of the Committees deliberate on matters that fall within the specific terms of reference of that particular Committee as stipulated in the delegation framework, and make recommendations to the Executive Mayor for approval, or where necessary for endorsement by the Mayoral Committee for final approval by the full Council. Any matter that has financial implications has to be discussed by the management before it is recommended by the Executive Mayor and approved by the Council. The Council resolutions are implemented at 100% rate and monitoring of those resolutions are taken to Council for noting.

T2.1.3

CHAPTER 2

2.2 ADMINISTRATIVE GOVERNANCE

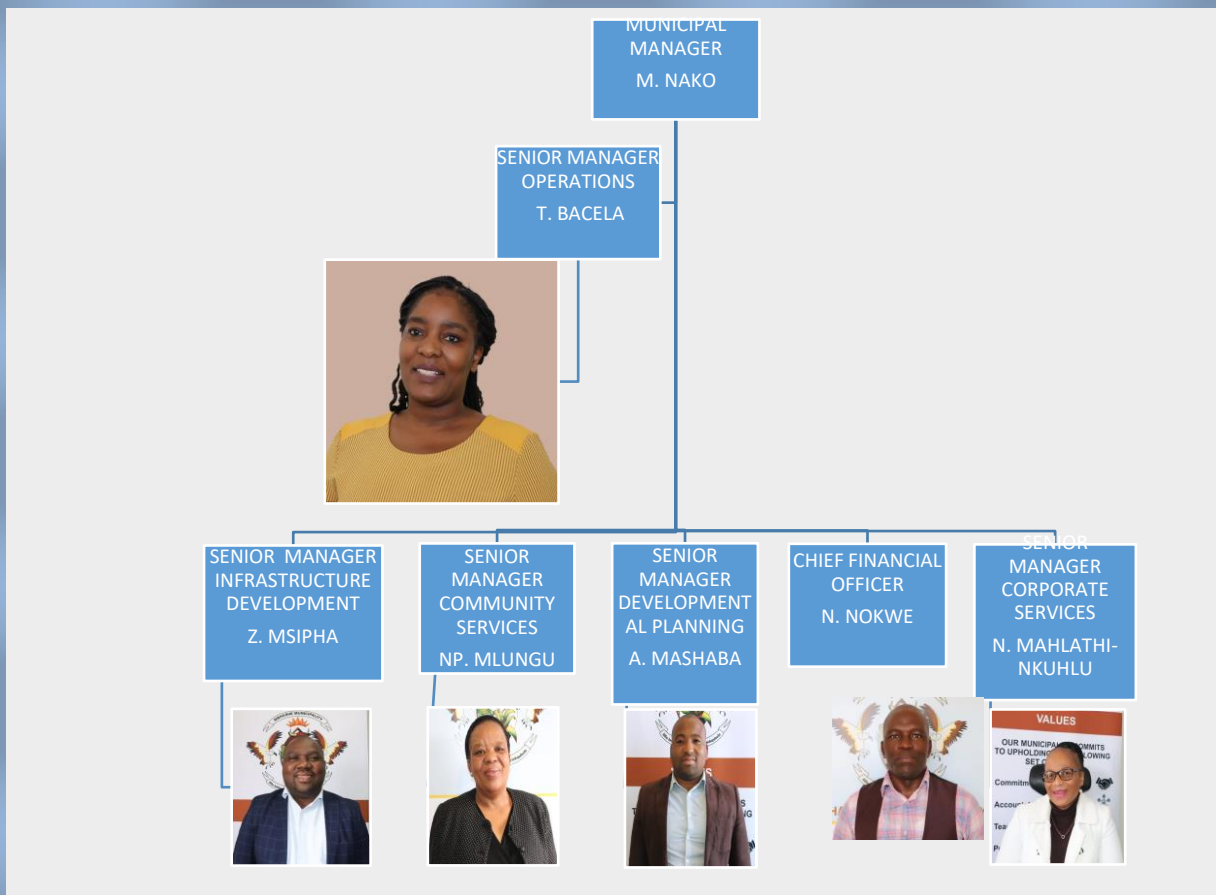
INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Municipal Manager is the head of the administration. Senior Manager Development Planning advises Municipal Manager on matters of town planning, housing and Local Economic Development and matters of land use management. Senior Manager Corporate Services advises MM on Human Resource issues, HR management, ICT, document management and Council Support services, Chief Financial Officer advises the municipal manager on financial management, supply chain management, financial reporting and asset management. Senior Manager Infrastructure advises MM on roads and storm water, electrification. Senior Manager Community Services advises MM on road safety and security services, waste management, free basic services, disaster management and EPWP works program. Senior Manager Operations advises MM on issues of governance, Integrated Development and in the development of all strategic documents and on internal planning issues. There were no major changes in terms of structures in the year under review.

T2.2.1

CHAPTER 2

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE STRUCTURE



The above diagram depicts the senior management structure of Mbashe and all posts were filled as at the end of the year 30 June 2022. The administration is led by the Municipal Manager and 6 Senior Managers that are directly accountable to him. The municipality has 6 departments which are reporting according to the 5 Key Performance Areas of Local Government which are as follows:

- Service Delivery & Infrastructure Development - departments that are contributing are Infrastructure, Community Services and Developmental Planning
- Local Economic Development - Development Planning
- Municipal Financial Viability – Departments that are contributing are Budget and Treasury Office, Community Services, Infrastructure and Corporate Services
- Municipal Transformation & Institutional Development - All departments are contributing
- Good Governance & Public Participation – All departments are contributing

CHAPTER 2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Mbhashe Local Municipality remains totally committed to good governance. The organization is structured in such a way that the eight major characteristics required for good governance are enshrined in its operations. This ensures that a municipality is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of the law. The municipality also takes the issue of corruption seriously and is trying to minimize it by strengthening its systems. Through IGR structures the views of minorities are taken into account and the voices of the most vulnerable in society are heard in decision-making. IGR is also responsive to the present and future needs of society, through planning processes that start at community level. Above all, the commitment from the leadership both political and administrative is essential to maintain good governance.

The system that the municipality followed included processes through which the municipality's objectives are set and pursued in the context of social, regulatory, political, technological, economical and market environment. These included mechanisms to monitor the actions, policies and decisions of the municipality and its service providers. These practices then are affected by the attempts to align the interest of all stakeholders, including national & provincial government, district municipality, businesses, non-governmental organization, community based organization and communities.

An audit was done by the Municipality on the attendance by sector departments to the Local IGR meetings, subsequently the Municipality wrote to the Office of the Premier for intervention and is still waiting for response from the Office of Premier, however, the Municipality still urges CoGTA to assist in this regard during IGR meetings.

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

The municipality participates in the SALGA National Members Assembly, with a constitutional mandate to bring development and opportunities to the people of South Africa. This forum was held in February 2022 for the year under review. The municipality also attends other structures of the province i.e. SALGA working groups, EPWP Provincial Steering Committee, Provincial Waste Forum, COGTA EC MIG Forum, and Joint Operations Committee (JOC), etc.

CHAPTER 2

The municipality has a functional Intergovernmental Relations forum and due to non-attendance of members in the IGR Clusters, the Municipality together with SALGA and COGTA have further reviewed the IGR Framework to come up with effective ways of encouraging members to attend the IGR Clusters. All IGR meetings in the financial year 2021/22 were convened on site as the threat of COVID-19 Pandemic continue to decrease

T

T 2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The municipality is participating in the Eastern Cape Provincial Political and Technical MUNIMEC. This platform in our view is a relevant space to engage and unlock challenges facing municipalities in the province. A Technical District Development Model (DDM) structure has been established at a Provincial level in 2020/21 FY which is chaired by the Premier where District Municipalities and Local Municipalities partake, the Mbashe LM has since requested CoGTA for training of all stakeholders involved in the DDM structure.

T2.3.2

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The municipality does not have an entity but has good relations with an entity under the district, which is Amathole District Development Agency, trading as ASPIRE.

T2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

There are forums that were established by the district municipality and Mbashe local municipality participates in the forums of the district municipality such as DIMAFO which is attended by Local Municipality Executive Mayors, Municipal Managers, state owned enterprises and government departments that are within Amathole District. This forum assists municipalities to have a common understanding and be able to discuss developmental issues that affect the district at large. There are other forums at the district level such (MM's Forums and Directors Forums) where all municipalities tend to be part of.

T2.3.4

CHAPTER 2

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The municipality has a legislative requirement to involve communities in its decision making and has a relationship with its citizens that can take many forms. A majority of municipal records and reports must also be accessible and available to the public. These reports provide information about the services and activities of the municipality. The municipality has been affected on its public participation processes, where programmes due to COVID-19 as public participation were done virtually instead of normal process in the year under review, however there are many community-based meetings that were held using different approaches. The public participations done has assisted the municipality largely in ensuring that there is an understanding by communities on programmes and decision-making process in the municipal environment.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Mbhashe local municipality has a comprehensive 5-year communication strategy developed in 2017/18 financial year which is reviewed annually. The municipality's website has been revamped and is functioning effectively. Information required to be placed on the website as stipulated in S75 of the Municipal Finance Management Act is updated on a regular basis.

Further to this, publicity production in form of digital posters, fliers and banners are developed to maximise communication with the public and these are distributed in various social media platforms to stakeholders. The use of social media as another pillar also assists in closing the communication gap wherein the municipality is able to get response on issues affecting communities in real time. The municipality continues with the use of traditional forms and channels of communication which still contribute and play a crucial role in sharing information to the public; the use of both commercial and community radio and print media (Newsletter and Local Newspapers that are distributed in Mbhashe area) also play a vital role in reaching communities.

CHAPTER 2

Local Communicators Forum as another platform created for local government sphere, coordinated through the local municipality is active and it sits on a quarterly basis to share the integrated plans and programs to improve communication

Public Participation and Communication

Public participation is a principle that is accepted by all spheres of government in South Africa. Participation is one of the cornerstones of our democracy and has equal benefits for politicians, public servants, civil society and communities:

Consultation will help government make more appropriate decisions based on the real needs of people. The more informed people are, the better they will understand what government is trying to do and what the budget and resources limitations are. Public representation can only claim to be accountable if they have regular interactions with the people they represent and if they consult and report back on key government decisions.

Government cannot address all the development needs on its own and partnerships are needed with communities

Imbizo's and public meetings are important methods used for consultation with the public and imbizo's are meant to encourage participation and allows the public from a particular area to interact directly with the Executive Mayor. Mayoral Committee conducts 3 community Imbizo's annually in the 3 units of the municipality, to give feedback to communities where government departments are expected to attend. Moreover, the municipality meets with communities on structured public meetings that were established by the municipality as required by legislation i.e. IDP & Budget Roadshows and Forums which focus on developments and amendments on the Integrated Development Plan, Annual Report Roadshows,

Public meeting and report-back meetings

Public representatives often use public meetings to inform the public on issues or consult them around specific development or other programmes. Public meetings are also platforms to report back on government programmes. Public servants maybe asked to participate in these meetings to provide technical support and information and hear the public's views and concerns.

T2.4.1

CHAPTER 2

WARD COMMITTEES

Ward committees are elected in all wards to serve the communities of the ward. Ward Committee members not exceeding ten are elected in each ward to assist and advise the Ward Councillor and increase community participation. They are very useful in spreading information, assessing needs, building partnerships, consulting the community and sharing updates about challenges and services delivery progress and issues.

In the year 2021/22, the municipality has recently established Ward Committees in all 32 Mbashe wards following the Local Government election held in November 2022

Ward Committee are provided with administrative support through Public Participation Office to support their functioning.

Ward Councillors

Ward councillors are the representatives of specific geographical areas and are placed to be the link between the people and the municipality. They should bring people's needs and problems to the municipality and consult and inform the community around municipal services and programmes. For the year under review the municipality had 32 ward Councillors.

Community Development Workers (CDWs)

Community development workers are deployed by government to work in communities to make sure that people can access government services. They have to give advice, help people with problems, assess needs and work with local organisation to build partnership with government.

They usually know the community well, have good contact with organisations and can help to do consultation, do research, spread information and monitor implementation. CDWs are working closely with ward councillor and ward committees.

However, the challenge that is facing the Mbashe area is that in eighteen (18) wards (6 Elliotdale, 6 Willowvale and 6 in Idutywa) there are no CDW's due to death or resignation and the Department of Local Government is taking a snail pace in filing the vacant positions since 2010. This also impacts negatively in the implementation of "Operation Masiphathisane" which is another platform that was created by government to bring services to the people and to enhance participation, and the absence of the CDWs in other wards handicaps this initiative as CDWs are expected to be the secretaries in the war room meetings also known as Operation Masiphathisane.

There is another platform for public participation that is used by the municipality which is called IDP Rep Forums.

CHAPTER 2

CUSTOMER CARE

The municipality also deals with public requests and complaints through a manual petition system and customer care service. The Municipality also has the suggestion boxes for complaints which are placed at municipal buildings.

T2.4.2

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
MPAC ROADSHOWS	21/10/2022 Candu C/Hall	05	05	95	Tabling of Draft Annual Report	Feedback on issues raised was provided during the meeting.
	21/10/2021 Bangiso C/Hall	04	08	40		
	25/10/2021 Jalamba C/Hall	06	05	60		
	25/10/2021 Gqubhuzeni C/Hall	06	05	45		
	26/10/2021 Phathilizwe C/Hall	08	06	100		
	26/10/2021 Gatyana TRC	08	06	55		
	17/08/2021	06	08	88		

CHAPTER 2

	Xhorha Indoor Sport Centre					
	19/08/2021	05	04	93		
	Dutywa Stadium					
	20/08/2021	04	04	72		
	Gatyana Indoor Sport Centre					
	17, 18 & 19 May 2021	8	7	236	Tabling of Final Draft 2022-2027 IDP, Budget and Tariff structure for consideration	Feedback on issues raised were provided during the meetings and matters affecting other departments were escalated to relevant departments
	Clustering of all Wards per town					
IDP/BUDGET REP FORUM & IDP/BUDGET ROADSHOWS	05/04/2022	06	10	77	2022-2027 Draft IDP and Confirmation of Priorities.	
	Gqubhuzeni C/Hall					
	05/04/2022	06	10	69		
	Mqhele C/Hall					
	06/04/2022	06	08	79		
	Gatyana TRC Hall					
	06/04/2022	06	08	20		
Gatyana TRC Hall – Rate Payers						
06/04/2022	06	08	121			
Phathilizwe C/Hall						
07/04/2022	09	05	111			
Dutywa TRC Hall						

CHAPTER 2

	07/04/2022 Candu TRC Hall	03	04	84		
	13/04/2022 Dutywa Council Chambers Rate Payers	03	05	08		
MAYORAL IMBIZOs	17/01/2022 Ward 14- Rhamra J.S.S	09	11	65	Introduction of new leadership, Identification of Priorities and presentation of objectives	Feedback on Mayoral Imbizos for Identifiacation of needs for IDP 2022-2027 was done wherein the needs were confirmed with communities
	17/01/2022 Ward 27-Fort Malan C/Hall	10	11	113		
	18/01/2022 Ward 23 - Bojini C/ Hall	08	08	150		
	18/01/2022 Ward 25 – Gatyana TRC Hall	07	07	32		
	19/01/2022 Ward 24- Phathilizwe C/Hall	07	04	129		
	20/01/2022 Johannes Notyhawa C/Hall	06	06	120		
	20/01/2022 Ward 29- Upper Nduku S.P.S	07	07	125		
	21/01/2022 Ward 30- Weza C/Hall	05	08	113		
	21/01/2022 Ward 11-Bhotwe Hall(Nqadu)	05	05	36		
	24/02/2022 Ward 15- Xhuba C/Hall	08	12	120		
	24/01/2022 Ward 13- Kasa C/Hall	08	12	99		
	25/1/2022	10	05	80		

CHAPTER 2

	Ward 20- Lower Desi C/Hall					
25/01/2022		06	04	90		
	Ward 16- Gqubhuzeni C/Hall					
31/01/2022		07	08	94		
	Madwaleni C/Hall					
31/01/2022		08	13	95		
	Dabane C/Hall					
01/02/2022		03	06	62		
	AB Siwendu C/Hall					
04/02/2022		03	07	74		
	Ward 09 -SIZINI SPS					
07/02/2022		06	05	160		
	Ward 5- Xawuka C/Hall					
07/02/2022		06	06	135		
	Ward 06- Luxeni C/Hall					
08/02/2022		06	05	187		
	Ward 31- Sikhobeni C/Hall					
	Ward 04- Gxarha C/Hall	04	06	80		
09/02/2022		08	05	140		
	Ward 12- Tyekelebende C/Hall					
09/02/2022		08	05	170		
	Ward 10- Bangiso C/Hall					
10/02/2022		04	05	148		
	Ward 02-Mamfeneni C/Hall					
10/02/2022		05	04	110		

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	Ward 03-Gwadana Tribal Authority					
	11/02/2022	05	04	76		
	Ward 08- Chizele Shed					
	11/02/2022	06	06	95		
	Ward 07-Candu C/Hall					
	14/02/2022	05	05	89		
	Ward 28-Mkatazo C/Hall					
	14/02/2022	05	05	72		
	Ward 17-Mpakama C/Hall					
	15/02/2022	05	15	42		
	Ward 18- Thafalehashe C/Hall					
	15/02/2022	04	10	84		
	Ward 19-Manzibovu C/Hall					
	16/02/2022	04	08	37		
	Ward 01 – Ratepayers Dutywa Council Chamber-					
	16/02/2022	03	04	80		
	Ward 21-Nkonjane C/Hall					

T2.4.3

CHAPTER 2

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Mbhashe municipality has made every effort to ensure maximum participation by members of the local community in the development of the IDP. The Mayoral Imbizos were held in each Ward of Mbhashe Municipality with full participation from community members. Communities were able to reflect on the progress on service delivery by acknowledging the work done while taking into consideration the disasters that have derailed the service delivery progress. Comments submitted by communities gives the municipality an opportunity to reflect on how it has given services to the community members, and the comments are the dipstick and measure of good governance as well as indicating areas of focus for the municipality to improve efficiency and effectiveness. The representative forum meetings held on a quarterly basis with various wards affords the municipality an opportunity to know whether the direction taken by the leadership of the municipality responds to community needs. The communities are afforded an opportunity to engage with the information presented by the municipality and their comments or inputs are being consolidated into a final report. These public meetings involve interaction with communities at ward levels and interactions with the reference groups which represents various stakeholders of the municipalities.

A number of developmental challenges were raised during these interactions. These issues have in turn been aligned with key development thrust of the municipality. The key development thrusts include:

- Construction of roads and road maintenance.
- Unemployment
- Poverty eradication, rural and economic development, and job creation
- Financial sustainability (e.g. revenue enhancement)
- Spatial development and the built environment
- Human settlement
- Public transport
- Environmental Management and climate change
- Social and community services

T2.4.3.1

CHAPTER 2

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 and 56 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	T2.5.1

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Corporate governance broadly refers to the mechanisms, processes and relations by which corporations are controlled and directed. Governance structures identify the distribution of rights and responsibilities among different participants in the corporation and include the rules and procedures for making decisions in corporate affairs.

Corporate governance includes the processes through which corporations/organizations objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies and decisions of corporations and their agents. Corporate governance practices are affected by attempts to align the interests of stakeholders.

For good governance practices these committees need support in relation to the following:

- Integrated reporting and levels of independent assurance
- How the combined assurance framework addresses all significant risks; and
- The practicalities of how the risk committee works with the audit committee

CHAPTER 2

- In our endeavor to practice good governance, the municipality strives to implement the following principles in all its activities:
- Rights and equitable treatment of shareholders-interest of other stakeholders
- Role and responsibilities of the various committee's members
- Integrity and ethical behavior
- Disclosure and transparency

T.2.6.0

2.6 RISK MANAGEMENT

RISK MANAGEMENT

Section 62 (1) ©(i) and 95 ©(i) of the Municipal Finance Management Act (Act 56 of 2003) requires the Accounting Officers to ensure that their municipalities and municipal entities have and maintain effective, efficient, and transparent systems of risk management.

Risk management is the systematic and formalized process to identify, assess, manage, and monitor risks. The unit has the responsibility of coordinating and supporting the overall institutional risk management process. The process of identifying, assessing, and managing risk remains the responsibility of management.

Risk Management is functional at Mphashe Local Municipality and is based on the legislative mandates of Risk Management Policy, Fraud and Anti – Corruption Policy to derive the benefits that would enhance the effectiveness and efficiency of the institution in meeting its obligation. The following risk documents are available:

- Risk Implementation Plan
- Strategic Risk register
- Operational Risk register
- ICT Risk register
- Fraud Risk register
- National disaster COVID-19 Risk register
- Disaster risk management register including COVID-19 Risk register

CHAPTER 2

Due to internal outbreak of COVID-19 Pandemic during 2020 financial year, where most of the operations in business and municipal environment were affected, Mbhashe municipality was forced to re-evaluate the existing strategies and plans of risk management in consideration of the Pandemic

Since October last year 2021, the country has been at Adjusted Alert Level 1, which meant that many normal activities would be resumed with health guidelines always followed.

Most of the restrictions on economic activity have been lifted.

We are now able to ease the restrictions further.

In deciding which restrictions to ease and which to keep in place, we are guided – as before – by the advice of the Ministerial Advisory Committee on COVID-19.

We have also looked to the experiences of other countries, including those where the complete lifting of restrictions has been followed by a surge in infections and deaths.

In compliance with the above regulations also taking into consideration that the COVID19 still exist, the municipality developed Disaster Risk management Plan at a strategic level. The plan covers and considers the internal and external factors that could have impact to the municipality in achieving its objectives.

The municipality has also developed an operational National COVID-19 Checklist, and the purpose of the checklist is to emphasize and ensure that, at least all those requirements as per the issued Disaster Management regulations are being adhered by the municipality. Coordination and monitoring of the checklist is done by Community Services department on a monthly and quarterly basis.

Implementation of the risk management policy:

Risk management policy requires that the institution should have a risk implementation plan that would outline plans regarding activities of risk management. Risk implementation plan is in place which incorporates all activities regarding strategic, operational, ICT and fraud risks. The risk implementation plan together with the risk terms of reference were presented to all relevant committees, i.e., senior management structure, risk management committee and audit committee for consideration and approval. The risk management implementation plan together with risk terms of reference for Mbhashe Local Municipality was prepared to give effect to the implementation of the risk management policy, fraud and anti-corruption policy and sets out all risk management activities planned for the 2021/22 fiscal year.

Each department appoints risk champions to coordinate risk management issues. Risk management has been institutionalized by the municipality where KPI for risk management have been included in the SDBIP for all heads of the Departments and that quarterly sessions where departments are reporting progress on risk registers. Strategic, fraud, ICT and Operational risk registers are updated and reported quarterly to the risk management committee and later to the audit committee.

CHAPTER 2

In some instances, departments convene their sessions/meetings on a monthly basis for the purposes of updating the risk register and confirming, updating and follow-up on the planned mitigations.

Risk management meetings:

Reference to the approved Risk Management Terms of Reference, all the planned four risk committee meetings were held successfully, and all the reports were further presented to the Audit Committee Structure. Mbashe Local Municipality has managed to hold its risk management committee meetings as per the risk management plan

Risk assessment:

Mbashe Local Municipality conducted annual risk assessment during fourth quarter as per approved SDBIP and risk implementation plan for it to be implemented in the next financial year. The overall purpose of risk assessment is to help the institution to identify and prioritize the most important risks as the institution is not expected to have the capacity to deal with all risks in an equal manner.

Inherent risks were assessed to establish level of exposure and residual risks assessment to determine the actual remaining levels of risk. Assessment tables were checked wherein each risk is evaluated in terms of potential impact.

There were ten top strategic risks as identified by the senior management, covered in the strategic risk register are as follows:

- Inadequacy of ICT as enabler to strategic outlook.
- Inadequately utilisation of human capital
- Inability to maintain and construct infrastructure
- Inability to attract investors
- Fraud and corruption
- Liquidity risk
- Inadequate asset Management
- Leadership instability
- Non-compliance to legislatives and prescripts
- Uncoordinated land development

T2.6.1

CHAPTER 2

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

Mbhashe Local Municipality has adopted a strategy of conducting anti-fraud and corruption awareness to its employees. The municipality has managed to conduct Anti-fraud awareness during 2021/22 financial year in six departments which are Community Services, Infrastructure, BTO, LED, Corporate services and Operations. Fraud risk registers were updated per department on a quarterly basis and all registers were assessed. Anti-Fraud and Anti-Corruption policy has been reviewed and adopted by Council in May 2022. The Anti-Fraud and Anti-Corruption policy requires the institution to have an Anti-Fraud and Corruption Hotline that will be procured during 2022/23 FY. The Terms of Reference for the Fraud and Corruption hotline are finalized. There is also a regulatory universe which has a list of acts/legislations, policies, and by-laws..

The Audit Committee also plays a role in monitoring of Anti-Fraud and Corruption strategy where on a quarterly basis they assess effectiveness as reflected in the Implementation Plan.

T2.7.1

CHAPTER 2

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

Supply Chain Management Policy was reviewed during the 2021/22 financial year and was submitted for approval to Council in May 2022. SCM policy is currently fully aligned with the latest regulations, few amendments to the SCM Policy were mainly to address the issue of deviations i.e. payments to educational institutions (in terms of the bursary policy), licensing of vehicles payments of subscriptions to professional bodies (SALGA, IMFO, IIA etc) these were previously done through deviation and now have been included in the policy.

Furthermore, three other policies dealing with SCM were submitted for review with no proposed changes and the policies are as follows: Commodity Based Procurement Policy, SCM Turnaround Policy and Standard on Infrastructure Procurement and Delivery Management.

The Municipality appointed CCG systems in line with the RT25 tender issued by National treasury for a financial accounting system that is mSCOA compliant system. Sage Evolution Advance procurement is a module used to procure goods and services needed by the municipality integrated with other modules.

Between R30 000 and R200 000 a 7-day notice procurement process is followed with adverts placed in the website as well as Municipal notice board in all three units (Dutywa, Xhorha and Gatyana). Upon closing, a register with all the relevant information is kept at the SCM office. The bids are then evaluated, and a report is compiled where recommendations are captured and approved.

Open tenders with the value of R200 000 and above follow the Bid Committee System namely; Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee. Committee members are appointed in writing by the Municipal Manager in line with the relevant legislation. The Municipal Manager has strengthened the functioning of the bid committees by including members of management across all three committees. Furthermore, regular trainings were provided by treasury to ensure that members understand their roles and responsibilities thus achieving full efficiency. The municipality is still not mastering the planning and implementation of procurement hence the slow start of project with a negative bearing in service delivery and grants funding

The latest PPPF Act thresholds is adhered to. BBBEE Act and point's allocation are applied throughout the municipal procurement. The 80/20 split applied to all contract values below R50 million and 90/10 to all above R50 million, in line with the latest Preferential Procurement Regulations.

CHAPTER 2

Contract Management

Contracts are monitored by SCM through maintenance of a contract register. End user departments in particular Infrastructure department with huge contracts needs to ensure that contract management is practiced. There is still room for improvement in so far as contract management is concerned. Buy-in from departments is also being sought to ensure that all employees play their pivotal role in contracts management. A comprehensive contract register is in place and is monitored on a monthly basis to track spending and performance on each contract. BTO has been engaging end user departments and service providers as part of contract management. Two other important register are Commitments register and Work in Progress register that are monitored and constantly updated

Code of Ethics

All Supply Chain Management practitioners, and members of the three Bid Committees, are required to sign a Code of Ethics as approved by Council annually. The code is based on the Code of Ethics issued by National Treasury. In all Bid Committee meetings members are required to declare their interests as part of the standing items in the agenda for each sitting. New Bid Committee members were appointed by the Municipal Manager to serve in various committee in the 2021/2022 financial year.

Training and Competency

In accordance with the requirements of Section 8 of the SCM Regulations, as well as Section 83 of the MFMA, all SCM Practitioners must have attained minimum level competencies in line with the relevant gazette. Continuous training of staff to meet this requirement is on-going, however majority of the members have achieved this requirement. This has been implemented beyond SCM officials, senior management and interns but extended to senior officials in other departments across the municipality. All of the four (04) SCM permanent staff have met the competency requirements.

General SCM Matters

Supply Chain Management office was adequately staffed as the position of SCM Manager was filled as it was vacant for the better part of the current year. There were other resignations during the financial year which resulted in the department to be under immense pressure.

SCM unit is responsible for the best procurement approach in compliance with the primary aim of ensuring that irregular expenditure resulting from that is avoided. This section on a monthly basis reports on Irregular procurement and expenditure. So far, there has been no new Irregular Expenditure incurred other than the one recurring from previous irregular contracts. This is one of the important steps towards achieving a clean audit.

CHAPTER 2

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. 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

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 and Supply Chain Management Practitioners.

Supply Chain Management is centralized and situated in the Budget and Treasury Office with 3 permanent staff members and three vacancies. All four employees have completed the minimum competency requirements. There has been many resignations as people look for greener pastures. This has resulted to a high rate of staff turnover in particular in the department.

T2.8.1

2.9 BY-LAWS

Newly developed	Revised	Public Participation Conducted prior to adoption of By-Laws	Dates of Public Participation	By-Laws Gazetted (Yes/No)	Date of Publication
Film By-Law	None	No	None	No	None
					T 2.9.1

CHAPTER 2

COMMENT ON BY-LAWS:

By-laws were adopted by council, however public participation still has to be done before the final approval and gazetting of By-laws. The municipality is in the process of requesting DEDEAT to assist in gazetting By-laws

T2.9.1.1

2.10 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report (Year -1)	Yes	
The annual report (Year 0) published/to be published	Yes	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	
All service delivery agreements (Year 0)	Yes	
All long-term borrowing contracts (Year 0)	No	n/a
All supply chain management contracts above a prescribed value (give value) for Year 0	Yes	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	Yes	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section		
Public-private partnership agreements referred to in section 120 made in Year 0	No	n/a
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	

CHAPTER 2

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 arrangements and municipal developments.

T 2.10.1

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

Section 75 of the MFMA requires that municipalities place key documents and information on their website, including the IDP, annual report, the annual budget, adjustments budgets and budget related documents and policies. There is a service provider supporting the municipality in updating and maintenance of website.

T2.10.1.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

A process of developing the latest public satisfaction survey has been started under the current year which is anticipated to be completed in 2022/23 FY

T2.11.1

COMMENT ON SATISFACTION LEVELS:

Since public satisfaction survey has not been done the municipality is aware of the backlogs in Electricity, road construction, maintenance and bridges.

T2.11.2 .2

CHAPTER 3

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

INTRODUCTION

Mbhashe Local Municipality has some key service achievements that came to completion during the year 2021/22 namely based on the institutional IDP. Infrastructure Services department objectives and strategies in delivery of services are linked with IDP and development of SDBIP with annual targets is based on the approved IDP. Tabulated below are projects: the provision of 18.1 kms of Roads and Storm Water control facilities (ward 11, 30, 29, 8, 19 & 22) that are of a good quality, safe & trafficable as per applicable standards, total of 341.2 kms Roads were maintained, 1 community hall (Ward 21) have been completed and 1 Community Hall (Ward 20) is in construction stage, 6000m² of paving has been done, 1 sport facility in construction stage (ward 25), and 360 households have been installed electricity through INEP.

The universal access with regards to waste management services has been achieved in the year under review. All our waste disposal sites are licensed, Dutywa and Gatyana licensed for closure and Xhorha landfill licensed for operation. The municipality has identified a space to construct landfill site at Dutywa and planning processes are unfolding and anticipated to start during 2022/23

T3.0.1

ACCESS ROADS CONSTRUCTED DURING THE YEAR UNDER REVIEW

No	Project name & Details	Start date	End Date	Total Value
1.	Bam to Zenzele Access Road (Ward 11, Gatyana)	12/09/2021	25/05/2022	R 2 098 988.57
2.	Matolweni to KuloZulu Access Road (Ward 30,	07/12/2021	13/05/2022	R 4 003 494.15
3.	Mpume to Gate Access Road (ward 29)	20/09/2021	27/06/2022	R 2 179 729.09
4.	Phelandaba to Macirheni Access Road (Ward 08)	14/09/2021	On progress	R 9 447 659.60
5.	Mhlahlane to Chibini Access Road (Ward 19)	07/09/2021	On progress	R 3 318 544.00
6.	Fumbatha Access Road (Ward 22)	20/09/2021	03/08/2022	R 2 331 593.67

CHAPTER 3

Name of Entity & Purpose (I)	Service Indicators (ii)	Year 0 Target (III)21/22	Year 0 Actual (iv)	Year 1 Previous Year (v)20/21	Year 1 Current Year	Year 1 Actual	Year 2 Current Year 19/20	Year 3 Current year18/19	Year 3 Following year (x)
Mbhashe Local Municipality & To develop quality infrastructure	Construction of New roads	26km	18.1km	30km	25km	25km	30km	30km	30km
	Maintenance of Access Roads	300km	341.2km	300km	331km	331km	320.7km	317.2km	320.7km
	Construction Public Facility	5	Ngumbela phase 1 sport facility completed, ward 25 sport field on construction. Ward 13 sportfield on construction, ward1 sportfield at tender stage,	Ngumbela sportfield completed	Ngumbela phase 1 sport facility completed, ward 25 sport field on construction. Ward 13 sportfield on construction, ward1 sportfield at tender stage, commu	Ngumbela phase 1 sport facility completed, ward 25 sport field on construction. Ward 13 sportfield on construction, ward1 sportfield at tender stage, commu	Ngumbela phase 1 sport facility completed, ward 25 sport field on construction. Ward 13 sportfield on construction, ward1 sportfield at tender stage,	Bulk earthworks at ward25, construction of ward 1 and 13 was at tender stage	Construction of ward 21 community hall (dutch), Construction of ECDC at ward12

CHAPTER 3

			ward2 1 comm unity hall compl eted		nity hall complet ed	ward2 1 comm unity hall compl eted			
	Construct ion of Sports Facility	2	Ward 2 compl eted phase 1	Ngumbel a phase 1 sport facility complete d, ward 25 sport field on constructi on	Ngumb ela phase 1 sport facility complete d, ward 25 sport field on constru ction	Ngum bela phase 1 sport facility compl eted, ward 25 sport field on constr uction	Ward 2 sportfiel d on constru ction ward 25 sport field on constru ction	ward 25 sport field on constru ction,	
6	Mbhashe Electrific ation project	360 house holds	279 house hold	658 househol ds	327 househ olds	327ho usehol ds	511 househ olds	N/A	
7	Paving	4000 sqm	4000s qm	4000sqm	4000sq m	4000s qm	4000sq m	4000sq m	

INTRODUCTION TO BASIC SERVICES

Housing Basic service is the most key focus function of the municipality for coordination of Human Settlements projects. Mbhashe LM basic services are provided by three internal departments, namely, Infrastructure Services, Community Services and Planning & Development. Focus areas for basic services are as follows: municipal roads and storm water, infrastructure community services (community halls etc), electrification (community lights & households connection), solid waste, traffic, safety and security, Registering Authority Services (Agent for Department of Transport), environmental management, libraries (agent for DSRAC), disaster management function, land use management, building regulations and human settlements. Water and Sanitation services are rendered by Amathole DM which is the Water Service Authority (WSA) and Water Services Provider (WSP).

CHAPTER 3

The provision and maintenance of road cuts across the functional areas of the Department of Transport DOT, ADM and Mbashe LM. Mbashe LM managed to construct 18.8 KM of new roads and maintained 300 KM of gravel roads. This was achieved with MIG and In-house construction/maintenance teams on each unit.

In terms of electricity distribution, Eskom is the licensed distributor of electricity in the whole of Mbashe Municipal Area.

In addition to other service delivery issues is the housing. The housing delivery process is very slow because the municipality does not have the developer status. All project implementation responsibilities are done by the Department of Human Settlement. The municipality's housing sub-unit is coordinated by the housing officer reporting to the Land and Housing manager.

Mbashe LM is providing waste management services to 60124 households in all 32 wards including rural areas. Collection of waste is done seven days a week in the case of urban areas and in the surrounding low cost and informal settlements: two days a week in the case of rural areas. This arrangement far surpasses the national norm of a minimum once a week.

All waste disposal sites are licensed, Dutywa and Gatyana are licensed for closure and Xhorha landfill licensed for operation. The municipality has identified a space to construct landfill site at Dutywa and planning processes are unfolding and anticipated to start during 2022/23 FY. Dutywa transfer station is operational.

T.3.1.0

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

Amathole is Water Service Provider (WSP)

Water and Sanitation

Mbashe Municipality is not a Water Service Authority (WSA) nor is a Water Service Provider (WSP), Amathole District Municipality (ADM) is responsible for both WSA & WSP. ADM has WSP satellite units to serve Mbashe Local Municipality in each unit and through District Engineering Forum and Water Forum that are facilitated by ADM and there is an integration and information for the planned and implemented projects.

T 3.1.1

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

There is no waste water treatment plant in Xhorha and Gatyana.

T3.2.1

CHAPTER 3

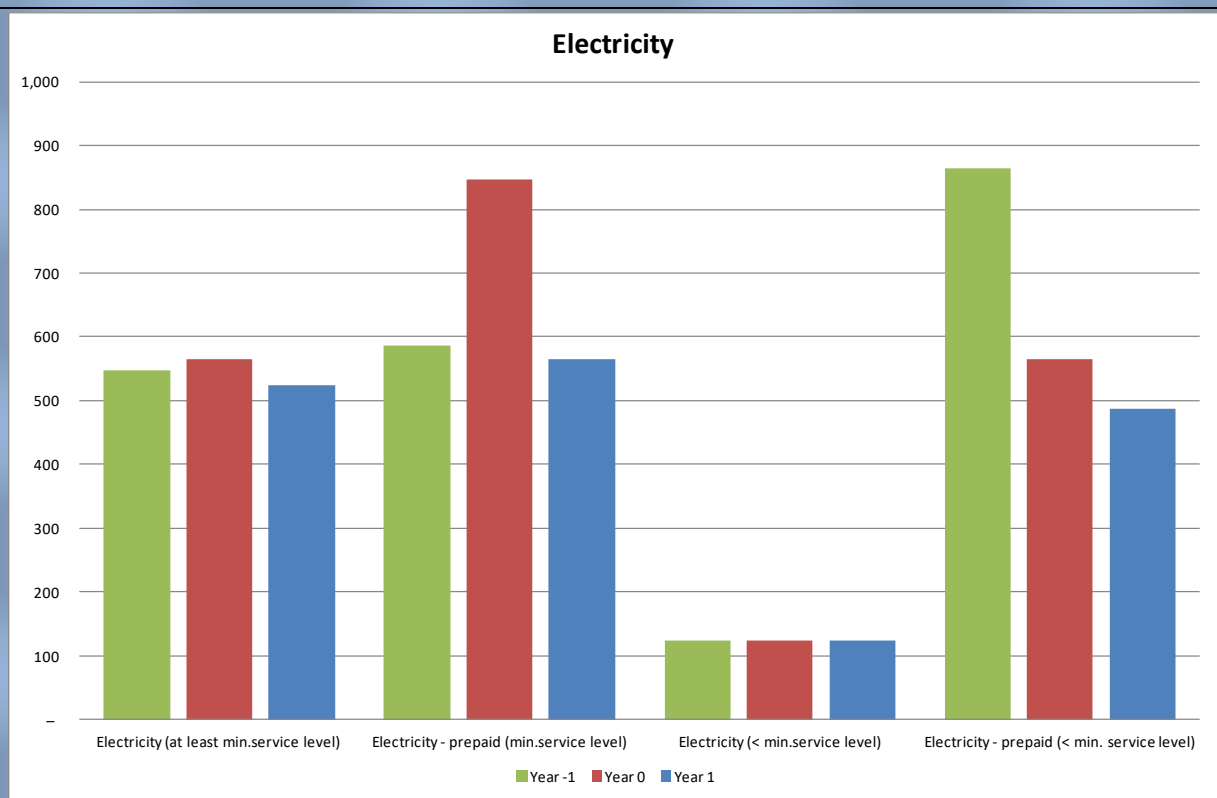
3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

ESKOM is the licensed distributor of electricity in the whole area of Mphashe LM. Mphashe Local Municipality, therefore, is not a licensed distributor of electricity; Integrated National Electrification Programme (INEP) grant under Schedule 5 of Division of Revenue Act for household electrification is being received by Mphashe LM for Shixini and Ntsimbakazi Electrification Programme. As at the end of 2021/22 financial year 360 households have been energised.

The municipality has embarked on consultation process with Eskom and Department of Energy in coming up with strategies to attend the historical backlogs, households extensions and infills.

T3.3.1



T3.3.2

CHAPTER 3

Electricity Services Delivery Levels				
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)	44661	48861	48861	54218
Electricity - prepaid (min.service level)	44661	48861	48861	54218
Minimum Service Level and Above sub-total	89322	97722	97722	108436
Minimum Service Level and Above Percentage	74%	81%	81%	90%
Energy: (below minimum level)				
Electricity (< min.service level)	15463	11263	11263	6266
Electricity - prepaid (< min. service level)	0	0	0	0
Other energy sources	15463	11263	11263	0.00
Below Minimum Service Level sub-total	15463.00	11263	11263	6266
Below Minimum Service Level Percentage	26%	19%	19%	10%
Total number of households	60124	60124	60124	60124

Households – Electricity Service Delivery Levels below the minimum						
Description	Households					
	Year -2	Year -1	Year -0	Year 1		
	Actual No	Actual No	Actual No	Original Budget No	Adjusted Budget No	Actual No
Formal Settlement						
Total Households	60124	60124	60124	60124	0	355

CHAPTER 3

Households below minimum service level	11263	11263	5532	11263	0	0
Proportion of households below minimum service level	81%	81%	90%	0	0	0
Informal Settlements						
Total Households						
Households below minimum service level						
Proportion of households below minimum service level						
						T3.3.4

CHAPTER 3

ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM IDP

Electricity Service Policy Objectives Taken from IDP									
Service Objectives	Outline Service Targets	Year 0		Year1		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									
To construct, maintain and upgrade quality infrastructure by June 2022	On Electricity the municipality has energised 360 households with grid and maintained 74 non-grid (solar) in 2021/22 FY	360 grid 100 solar maintenances	360 households connected & 74 solar maintained	658	355	355	426	74	0

CHAPTER 3

	out of 100 that was planned.								
									T3.3.5

CHAPTER 3

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	3	3	3		0%
4 – 6					
7 – 9					
10 - 12	3	3	3		0%
13 - 15					
16 - 18					
19 - 20					14%
Total					
T3.3.6					

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	15,081,000.00	12,492,000.00	6,492,000.00	6,492,000.00	0%	
Expenditure:						
Employees	1,820,077.69	1,926,907.12	1,926,907.12	1,797,657.69	7%	
Repairs and Maintenance	190,374.65	4,656,000.00	4,656,000.00	2,332,527.58	50%	
Other	7,992,782.43	12,492,000.00	6,492,000.00	5,653,814.30	13%	
Total Operational Expenditure	10,003,234.77	19,074,907.12	13,074,907.12	9,783,999.57	11%	
Net Operational Expenditure	-5,077,765.23	6,582,907.12	6,582,907.12	3,291,999.57	50%	

T.3.3.7

CHAPTER 3

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	-	-	-	0%	-
Ugrading of Street lights	1,840,000	1,840,000	857,573	47%	1,840,000
Shixini and Ntsimbakazi Electrification Project	12,492,000	6,492,000	5,653,814	87%	6,492,000
	-	-	-	0%	-
	-	-	-	0%	-
	-	-	-	0%	-

T.3.3.8

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

ESKOM is the licensed distributor of electricity in the whole area of Mphashe LM, therefore the Municipality is not a licensed distributor of electricity. Integrated National Electrification Programme (INEP) grant under Schedule 5 of Division of Revenue Act for household electrification is being received by Mphashe LM for Shixini and Ntsimbakazi Electrification Programme. As at the end of 2021/22 financial year 360 households have been energised and 658 households are currently in construction expected to be completed in 2021/22 financial year. There is no indicative budget for future plans. In 2020/21 financial year the municipality was allocated with an amount of R6 492 000.00 for electrification of 360 households at Mphashe Electrification Programme. According to Eskom the total number of backlog in the whole of Mphashe Area is 6266 households, this is inclusive of historic backlog, household extensions and infills. The most electrification backlog as per Eskom electrification report is in Xhorha. According to Eskom projections the backlog will be completed in 2022/23 financial year.

T3.3.9

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

INTRODUCTION TO WASTE MANAGEMENT

Mphashe municipality is responsible for providing Waste Management services to its areas of jurisdiction. Waste Management Services is the main municipal service rendered by Mphashe and as such should receive the requisite attention from the institution. The municipality has collected waste at least twice in rural and residential areas, and daily in Urban centres, transporting refuse, disposal waste

CHAPTER 3

management, street cleaning and implementing recycling initiatives in almost 60124 households in the 2021/22 FY. The Municipality has also adopted a five-year Integrated Waste Management Plan, with long- and short-term targets. The removal and eradication of illegal dump sites are the major challenge faced by the municipality in both rural and urban areas, however the municipality works positively to address these issues. The partnership with the Mandlenkosi Nkosi Foundation has been a major success and assist very well in the removal and recycling of waste in urban areas. Through Job Creation, the municipality had been able to respond to communities that live in poverty and by encouraging them to form cooperatives.

Since the establishment of Mbashe LM in 2000, this service has generally been provided to urban areas and surrounding townships of Dutywa, Gatyana and Xhorha. The waste management services have been extended to all 32 wards of the municipality through rural waste programme.

T3.4.1

Solid Waste Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Households
	Actual No.	Actual No.	Actual No.	Year 0 Actual No.
Solid Waste Removal (Minimum level)				
Removed at least once a week	60124	60124	60124	60124
Minimum service level & above subtotal	60124	60124	60124	60124
Minimum service level & above percentage	100	100	100	100
Solid waste removal (below minimum level)				
Removed less frequently than one week	7	7	7	7
Using communal refuse dump site	42624	27674	27674	27674
Other rubbish disposal	15301	10251	10251	10251
No rubbish disposal	3	3	3	3
Below minimum service level subtotal	57925	37925	0	0
Below minimum service level percentage	96	63	100	100
Total number of households	60124	60124	60124	60124

T3.4.2

CHAPTER 3

Households- Solid Waste Service Delivery Levels Below The Minimum						
Description	Year 3	Year 2	Year 1	Year 0		
	Actual No	Actual No	Actual No	Original budget No	Adjusted Budget No	Actual Budget No
Households below minimum service level	57925	37925		0		0
Proportion of households below minimum service level	96%	63%		0%		0%

T3.4.3

Waste Management Service Policy Objectives Taken From IDP								
Service Objectives	Outline Service Targets	2019/20		2020/21			2021/22	
		Target	Actual	Target	Actual		Target	
<i>Service Indicators</i> (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)
By providing quality waste management services								
To provide effective and affordable services to the community where these are a direct function of the Municipality by 2022	Number of households serviced	60124	60124	60124	60124	60124	60124	60124

T.3.4.4

CHAPTER 3

Employees: Solid Waste Management Services					
Job Level	Year -1	Year 2021			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	60	96	61	3	5%
4 – 6	22	17	17	1	4%
7 – 9	22	3	2	1	4%
10 – 12	5	3	2	5	0%
13 – 14	2	1	1	2	0%
16 – 18					0%
19 – 20	1	1	1	0	0%
Total	110			6	5%

T.3.4.5

Employees: Waste Disposal and other Services					
Job Level	Year -1	Year 2021			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3					
4 – 6	2	3	2	3	
7 – 9					
10 – 12					
13 – 14	2	3	2	3	
16 – 18	1	1	1	1	
19 – 20	1	1	1	1	
Total					

CHAPTER 3

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	685,460.00	700,000.00	690 460	610 000	22%
Expenditure:					
Employees	12,504,170.00	21,113,771.75	10 789 080.00	9 658 620.00	4%
Repairs and Maintenance	2,254,122.00	55,000.00	45 000	45 000	0%
Other	7,181,808.00	9, 127,899.00	-	-	0%
Total Operational Expenditure	21,940,100.00	30,296,670.75	11 524 540	10 313 620	6%
Net Operational Expenditure	-	-29,596,670.75	-29,596,670.75	-	71%

T3.4.7

Employees: Waste Disposal and other Services					
Job Level	Year -1	Year 2021			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3					
4 – 6	2	3	2	3	
7 – 9					
10 – 12					
13 – 14	2	3	2	3	
16 – 18	1	1	1	1	
19 – 20	1	1	1	1	
Total					

T3.4.6

CHAPTER 3

Capital Expenditure Year 0: Waste Management Services					
R' 000					
Capital Projects	Year 0				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	-	-	-	0%	-
Landfill Site Rehabilitation	8,412,169	8,412,169	1,861,826	22%	8,412,169
	-	-	-	0%	-
	-	-	-	0%	-
	-	-	-	0%	-
	-	-	-	0%	-

T3.4.9

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

A universal access with regards to waste management services has been achieved in the year under review. All waste disposal sites are licensed, Dutywa and Gatyana are licensed for closure and Xhorha landfill licensed for operation. The municipality has identified a space to construct landfill site at Dutywa and planning processes are unfolding and anticipated to start during 2022/23 FY. Refuse Collection has been budgeted for, the procurement of new trucks for Gatyana and Dutywa had been great success. The Development of a new landfill site will be attained within the five-year period. The auditing of the current disposal facilities. With bulk budget truck have been bought and Equipment and tools have been procured for staff.

T3.4.10

3.5 HOUSING

INTRODUCTION TO HOUSING

The 2009 HSP mentions that 98% of households need houses and refers to a housing waiting list comprising of 3200 names, all in urban areas.

Dutywa Extension 8 with 753 units : Conveyancing

Background

Mbhashe Local Municipality appointed Majeke Attorneys to do conveyancing for this project and they managed to do 98 title deeds and were handed over to the Municipality. Out of 98 title deeds, 88 title deeds get lost. Clayton Mkhululi Manxiwa and Co was appointed to redo the lost 88 title deeds and they are in the process of doing them.

CHAPTER 3

The Department of Human Settlements has appointed two conveyancing firms for the remaining units.

People illegally occupied these houses and the Municipality requested the Provincial Department of Human Settlements to assist in identifying those illegal occupants.

Status of the Project

- Conducting verification of rightful beneficiaries by Department of Human Settlements and Mbashe Local Municipality.
- 204 beneficiaries have been verified by the Provincial Department of Human Settlements.
- **753** Title Deeds have been completed
- Lost 99 Title Deeds and the remaining is ready for handing over.

Challenge

- Some of the houses are occupied illegally.

Recommendations

- The municipality to handover Title Deeds to the beneficiaries so as to identify the culprits.

HOUSING ASSISTANCE IN EMERGENCY HOUSING CIRCUMSTANCES

HOUSING DESTITUTE:

Status of the project:

Assessments and verifications of the destitute families are being conducted by this Department. Those findings are forwarded to the department of Human Settlements for emergency responses.

57 DESTITUTES : MBHASHE

Destitute project has been identified as the results of the petitioners during talking to Parliament to people, beneficiaries that were let out in Elliotdale 350, request by the late King Sigcawu and complaints from the Public Protector

DECEMBER 2021 AND APRIL 2022 DISASTER

During the month of April 2021 and December 2022, heavy rains were reported to have damaged houses at Mbashe. These varied from roof to side walls with others being destroyed. Assessments conducted revealed that some families were left homeless and destitute.

CHAPTER 3

PROGRESS

- Application for Housing Assistance in Emergency Housing Circumstances with 139 beneficiaries was submitted in January 2022 to the Department of Human Settlements
- Application for Housing Assistance in Emergency Housing Circumstances with 116 beneficiaries was submitted in April 2022 to the Department of Human Settlements.
- Applications were referred back by the Department of Human Settlements for corrections and were re submitted on the 15th of June 2022.
- SARS promised to donate blankets to the victims of April 2022 disaster.
- Distribution plan for those blankets was submitted to Amathole District Municipality.

CHALLENGES

- There are beneficiaries that were left behind because they were reported late after the applications were sent to the Department of Human Settlements.

PROJECT STATUS

WARD NO	PROJECT NAME	DELIVERY PLANNED	STATUS	CHALLENGES	INTERVENTION
13	Ellotdale (Walter Sisulu)	Demolish and Rebuild 175 units. Construction of 112 new units	Unblocked	Internal services not completed	The Provincial Department of Human Settlements is on tendering stage.
25	Willowvale	Rectification of 64 units. Construction of 33 new units	Unblocked	Internal Services not completed	Contractor has been appointed and will start soon.

T3.5.2

Housing information will reflect the information as contained in the Housing Sector Plan of 2017-2022.

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 in formal settlements
Year -3	4374	1147	28%

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Year -2	4374	1147	28%
Year -1			
Year 0	25562	24135	41.1%

Source:2016 community survey

T 3.5.2

CHAPTER 3

Housing Service Policy Objectives taken from IDP						
Service Objectives / Service Indicators	Service targets	2019/20		2020/2021		2021/22
		Target	Actual	Target	Actual	Target
Facilitate development of sustainable and viable human settlements by 2022						By facilitating the Provision of appropriate houses to destitute households.
To Facilitate the development of sustainable and viable human settlements by 2022	Number of informal settlements upgraded at Dutywa (W9) and Gatyana (W25)	-	-	-	2	

T3.5.3

EMPLOYEES: HOUSING SERVICES					
Job level	2019/20	2020/21			
	No. of employees	No. of posts	No. of employees	No. of vacancies	Vacancies as a total of vacant posts
0 – 3					
4 – 6					
7 – 9					
10 – 12	1	1	1	0	0%
13 – 15					
16 – 18					
Total	1	1	1	0	0%

CHAPTER 3

T3.5.3

Financial Performance Year 0: Housing Services					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	2,550,462.67	2,938,896.00	2,938,896.00	2,938,894.00	0%
Repairs and Maintenance	1,405,246.19	1,572,000.00	1,410,333.00	984,928.00	30%
Other	6,365,610.25	3,387,293.00	3,838,200.00	3,084,989.00	20%
Total Operational Expenditure	10,321,319.11	7,898,189.00	8,187,429.00	7,008,811.00	14%
Net Operational Expenditure	-10,321,319.11	-7,898,189.00	-8,187,429.00	-7,008,811.00	14%

T3.5.5

Capital Expenditure Year 0: Housing Services					
Capital Projects	Year 0				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	-	-	-	0%	-
	-		-		-

No expenditure in previous years.

T3.5.6

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

57 DESTITUTES: MBHASHE

Destitute project has been identified as the results of the petitioners during talking to Parliament to people, beneficiaries that were let out in Elliotdale 350, request by the late King Sigcawu and complaints from the Public Protector

CHAPTER 3

DECEMBER 2021 AND APRIL 2022 DISASTER

During the month of April 2021 and December 2022, heavy rains were reported to have damaged houses at Mphashe. These varied from roof to side walls with others being destroyed. Assessments conducted revealed that some families were left homeless and destitute.

PROGRESS

- Application for Housing Assistance in Emergency Housing Circumstances with 139 beneficiaries was submitted in January 2022 to the Department of Human Settlements
- Application for Housing Assistance in Emergency Housing Circumstances with 116 beneficiaries was submitted in April 2022 to the Department of Human Settlements.
- Applications were referred back by the Department of Human Settlements for corrections and were re submitted on the 15th of June 2022.

T3.5.7

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Mphashe Municipality's intervention to adopt and implement the Free Basic Alternative Program goes a long way to ensuring that a better life for all is a foreseeable reality and specifically to improve its capacity towards service delivery to its citizens. The Municipality has reviewed an Indigent and Pauper burial Policy which was approved by the Council in May 2022

The municipality has provided the following services under its indigent support program:

1. Refuse removal
2. Electricity to indigents

The Free Basic Services objectives are to provide indigent households with access to basic services. This support is funded through equitable share received from National Treasury. As per the approved scorecard the municipality has allocated a budget for Free Basic Services and the target has been achieved. The municipality is on track to fully comply with provisions of the equitable share allocation, which dictates that the municipality must fully support indigent residents within its jurisdiction.

The municipality has provided assistance in non-electrified areas by providing them with free basic alternative energy in the form of solar panels. During 2021/22 the municipality has identified areas at Msikithi, Siyibane, Chaphaza (ward 8) & Langeni (ward 13) that still needs electricity where the

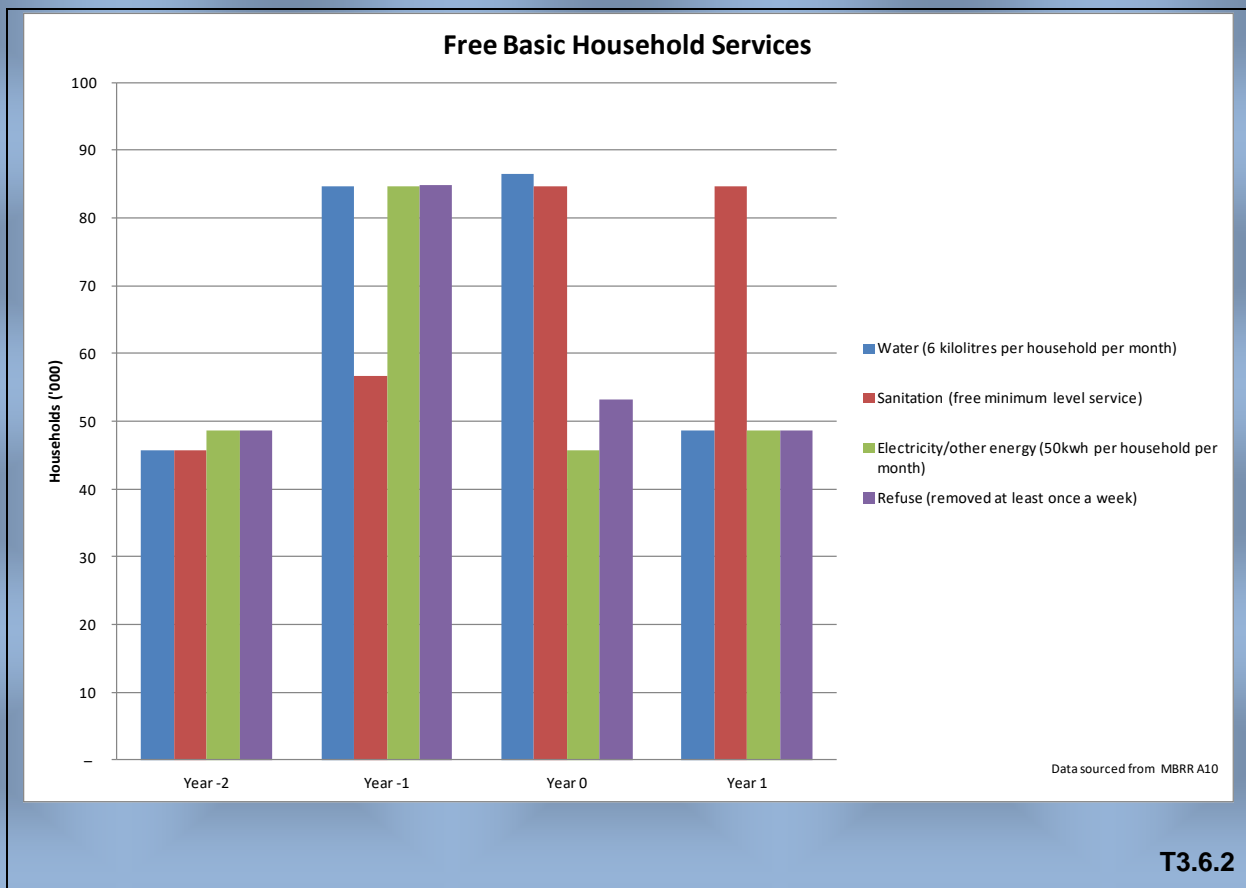
CHAPTER 3

municipality will be assisting these areas through maintenance of solar panels. The municipality is also providing monthly free electricity tokens of 50kws for indigent household through Eskom Free Basic Account. This service has been affected by the updating and reviewal of the Indigent Register and updating of the Eskom contract.

The municipality has also provided free refuse removal services to rural communities of Mphashe at no cost. This intervention is aimed at promoting a clean environment.

The municipality has established a free basic services unit. The municipality has an indigent register which is updated on an annual basis whenever there are changes in the household, currently we have 1630 registered indigent households.

T3.6.1



CHAPTER 3

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 -2	27 724	27 724		0%	0	0%	2 864	10%	0	0%
Year -1	27 724	27 724		0%	0	0%	2 864	10%	0	0%
Year 0	27 724	27 724		0%	0	0%	2 864	10%	20 000	72%

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					
Waste Water (Sanitation)					
Electricity	500 000.00	500 000.00			87%
Waste Management (Solid Waste)	2 120 000.00	2 500 000.00			15%
Total	2 620 000	3 000 000			77%

T3.6.4

CHAPTER 3

Free Basic Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Target	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)
To alleviate poverty to improve quality of household life by 2022.									
By investing and advising on poor households to participate in indigent support program	Free Basic Services	1 Updated Indigent Register	1 Updated Indigent Register	1 Updated Indigent Register	1 Updated Indigent Register	1 Updated Indigent Register	1 Updated Indigent Register	1 Updated Indigent Register	1 Updated Indigent Register
		% spent on the allocated equitable share portion towards free basic services	% spent on the allocated equitable share portion towards free basic services	% spent on the allocated equitable share portion towards free basic services	% spent on the allocated equitable share portion towards free basic services	% spent on the allocated equitable share portion towards free basic services	% spent on the allocated equitable share portion towards free basic services	% spent on the allocated equitable share portion towards free basic services	% spent on the allocated equitable share portion towards free basic services

T3.6.5

CHAPTER 3

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The Municipality through Rural Waste Removal project has assisted over 60 124 rural households in total during the 2021/22 financial year.

The FBS are supported through electricity 50Kw per indigent, Refuse removal through rural waste project and Solar panels by the Department of Minerals and Energy.

T3.6.6

COMPONENT B: ROAD TRANSPORT

This component includes roads; transport; and wastewater (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

Mbhashe Local Municipality is providing almost all the licensing activities, starting from Learners Licence service and Drivers Licences, Registering Authority (RA). All these activities are currently happening at Dutywa but an application for satellite office at Xhora for learners' licence has been done to the Provincial department of transport.

Mbhashe Local Municipality does not provide bus service. The provision and maintenance of roads cuts across the functional areas of the National Department of Transport (NDOT), Department of Transport Eastern Cape (DOT), Amathole District Municipality (ADM) and Mbhashe Local Municipality (MLM).

NDOT, DOT and the District Municipality developed Roads Classification for all the LMs funded through the Rural Road Asset Management System (RRAMS) grant, commenced late in 2011. Under this project DOT appointed service provider Engineering Advice and Services (EAS) to revisit and update the centreline data set, using aerial photography in order to include all possible access roads. This has assisted local municipalities in understanding their status of road network.

Rural Roads Asset Management System (RRAMS) for Mbhashe L.M classification of roads lies with the Amathole District Municipality. Rural Road Asset Management System indicates that the total length of road network in the entire Mbhashe Municipal area is 2711.90km. The total length for National Roads is 40.60 km, total length for Provincial Roads is 776.53km (684.93km is unsurfaced) and the total length for Municipal Access Roads is 1951.38 km.

CHAPTER 3

RRAMS indicated that Mbhashe Local Municipality has huge roads backlog especially on Class 4 and 5 which is the Public Municipal Roads and Non-motorized Access Ways. The total km for municipal roads class 5 is 1882.88km which is 31% of Class 5 are backlogs

Mbhashe Local Municipality has an in-house maintenance/construction team in each unit with machines that are operating, conducting maintenance of access roads. Municipality is undertaking a flexible routine roads maintenance schedule for all access roads. As part of Local Economic Development, the Municipality has appointed local SMMEs to stimulate growth and assist to fast track on maintenance programme. Through equitable share Mbhashe Local Municipality managed to maintain 341.2km of gravel roads.

There are also service providers responsible for plant and machinery on the following:

Municipal plant service and repairs

Backup machinery

Supply and delivery of tyres and repairs

All above services are requested as per the need and as required to fast track repairing processes to avoid delays on service delivery for a period of 3 years.

Through this grant the municipality has managed to construct and complete 18.1 Kms of gravel access roads. Our MIG allocation is too minimal to accommodate municipal backlogs. The municipality is engaging with other sector department to eradicate backlog.

T3.7.

3.7 ROADS

INTRODUCTION TO ROADS

The municipal strategy is to construct new access roads to public, Local Economic Development facilities and amenities. Infrastructure services is composed of two sections PMU section dealing with capital projects and infrastructure maintenance section responsible for maintenance of roads utilizing in-house machinery and operators.

However, it has been indicated that there is still a huge backlog due to limited funding as the municipality is only relying on grants for the development of roads infrastructure. An Infrastructure Master Plan (IMP) is in place clearly analyzing the existing infrastructure per village in each ward and recommendation of manual designs for infrastructure maintenance.

Infrastructure Maintenance Policy has been developed and being reviewed annually.

CHAPTER 3

Processes/steps that the department followed to achieve the following target was to follow and met the target approved in the SDBIP

The total km for municipal roads class 5 is 1864.78km which is 68% of Class 5 are backlogs. The provision and maintenance of road cuts across the functional areas of the Department of Transport DOT, ADM and Mbashe LM. Mbashe LM managed to construct 18.1 KM of new roads and maintained 341.2 KM of gravel roads. This was achieved with MIG and In-house construction/maintenance teams on each unit.

Challenges

- Inefficiency of appointed service providers
- Non responsive of bidders that results in delay of implementation of project as planned
- Late approval of Environmental impact assessment authorization
- Maintenance demand vs budget
- Infrastructure that reached design life
- Municipal terrain that result to high unit cost
- Lack of operational resources
- Recently inclement weather that result to disaster

Measures to improve performance

- Close monitoring of projects
- Capacitation of internal staff
- Information sharing with other Local Government institutions

T3.7.1

GRAVEL ROADS INFRASTRUCTURE				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/ maintained
Year-2	30	30	0	320.7
Year-1	25	25	0	331
Year-0	18.1	18.1	0	341.2

T3.7.2

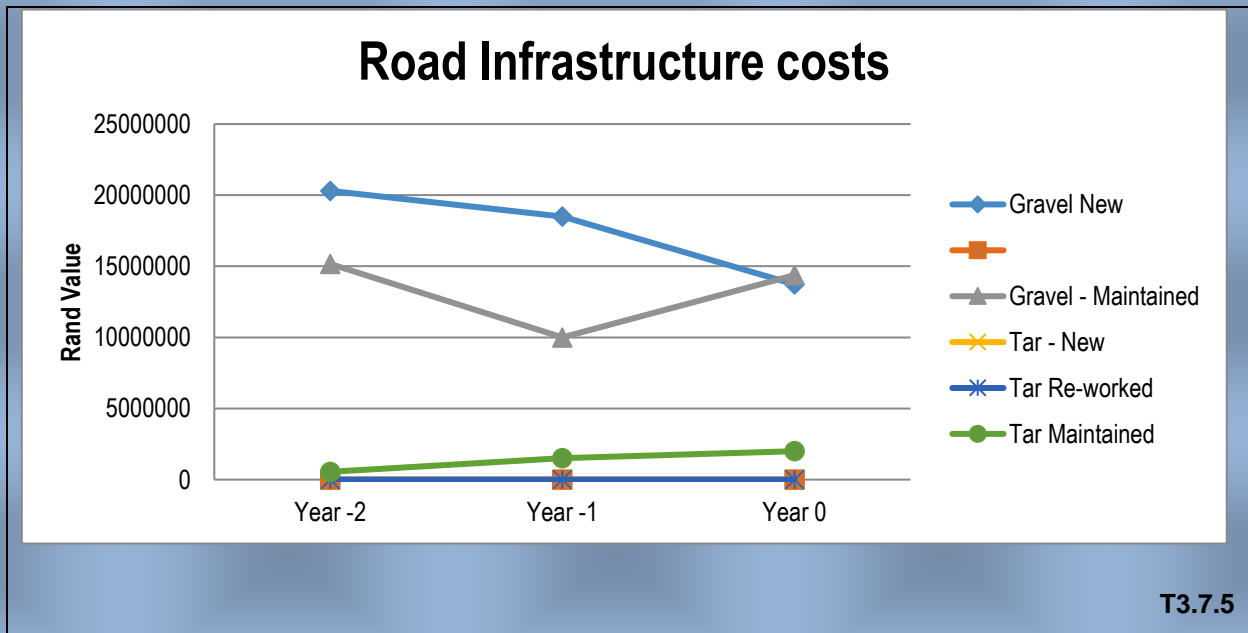
CHAPTER 3

TARRED ROAD INFRASTRUCTURE					Kilometers
	Total tarred roads	New tarred roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
Year-2	0	0	0	0	9.2
Year-1	0	0	0	0	7
Year-0	0	0	0	0	10

This service is done by Public works

T3.7.3

Cost of Construction/Maintenance							R' 000
	Gravel			Tar			
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained	
Year -2	490000	1900000	20164045	2300000	1300000	500000	
Year -1	20301552.94	1900000	15164680	0	0	550000	
Year 0	20 571 502.80	0	13032225	0	0	2000000	
						T 3.7.4	



T3.7.5

CHAPTER 3

Roads Service Policy Objectives Taken From IDP						
Service Objectives <i>Service Indicators</i>	Outline Service Targets	2020/21		2021/22		2022/23
		Target	Actual	Target	Actual	
		*Previous Year	*Current Year	*Current Year	*Following Year	
(i)	(ii)	(v)	(viii)	(ix)	(ix)	(x)
To construct, maintain and upgrade quality infrastructure by June 2022						
By constructing new access roads to public, Local Economic Development facilities and amenities.	Number of kms of new gravel access roads constructed in the following wards: 22,30,19 , 11, 29 & 8	30	25	25	18.1	26.5
	Number of kms of gravel roads with storm water facilities maintained in each unit	300	331	300	341.2	360

CHAPTER 3

(Gatyana, Xhora and Dutywa)					
No. of m ² paved with interlocking blocks	4000m ²	4000 m ²	4000m ²	4000m ² 2	3056m ²

T3.7.6

CHAPTER 3

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	24	24	22	2	9%
7 – 9	2	2	2	0	0%
10 – 12	10	16	13	03	19%
13 – 15	0	0	0	0	0%
16 – 18	2	2	2	0	0%
19 – 20	1	1	1	0	0%
Total	38	53	41	05	28%
					T3.7.7

Financial Performance Year 1: Road Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					0%
Expenditure:					
Employees	15 614 696	20 717 165	20 717 165		90%

CHAPTER 3

Repairs and Maintenance	11 121 488	14 379 295	0	14 379 295	0%
Construction	18 618 459	0	0	0	0%
Total Operational Expenditure	45 354 643	53 545 903	53 545 903		85%
Net Operational Expenditure	- 45 354 643	- 53 545 903	- 53 545 903		%
					T3.7.8

Capital Expenditure Year 0: Roads Services

Project location: Ward No and Village Name (MIG1 - 3.3)		Project Title	Registered MIG Funds	Budgeted MIG Funds (2021/22)	Current FY - Total Actual Expenditure on MIG funds	Variance
Ward No.	Village Name	MIG 1 or PMU	MIG 1 - 3.4	As per IP		
28	Mqhele A/A	Mqhele to Mrhabe access road	R 7,799,852.84	R0.00	R0.00	R0.00
2	Lusizini A/A	Lusizini to Zimpuku access road	R 5,227,041.92	R456,227.52	R0.00	R456,227.52
4	Gxarha A/A	Munyu to Gxarha access road	R 5,979,241.23	R1,196,384.31	R680,613.30	R515,771.01
12	Singeni A/A	Lower Falakahla to Singeni access road	R 5,102,872.55	R3,590,184.00	R1,254,946.80	R2,335,237.20
14	Bikane A/A	Bikane access road	R 5,915,758.29	R0.00	R0.00	R0.00
11	Zenzele A/A	Bam to Zenzele access road	R 2,651,034.20	R2,651,034.20	R1,993,054.04	R657,980.16
22	Fumbatha A/A	Fumbatha access road	R 2,626,879.40	R2,626,879.40	R2,319,590.34	R307,289.06
13	Langeni A/A	Riverview to Langeni Access road	R 16,646,002.11	R5,564,861.84	R530,847.97	R5,034,013.87
8	Macirheni A/A	Phelandaba to Macirheni access road	R 12,930,311.43	R9,808,773.39	R6,969,859.44	R2,838,913.95
29	Mpume A/A	Mpume to Gate access road	R 2,404,110.25	R2,404,110.25	R1,680,018.77	R724,091.48
19	Mhlahlane A/A	Mhlahlane to Macibini access road	R 4,595,063.46	R4,595,063.46	R3,453,309.65	R1,141,753.81
30	Kulozulu A/A	Matolweni to Kulozulu access road	R 4,294,683.93	R4,294,683.93	R3,624,822.59	R669,861.34
				R 37,188,202.30	R 22,507,062.90	R14,681,139.40

T3.7.9

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The provision and maintenance of roads cuts across the functional areas of the Department of Transport, the Amathole District Municipality and the Mbashe Local Municipality. Municipality managed to construct 18.1 km through MIG and maintained 341.2 km using operational budget. The largest capital projects that were prioritised in the IDP were Mhlahlane to Machibini Ward 19, Mpume to Gate Ward 29,

CHAPTER 3

Phelandaba to Macirheni Ward 8, Matolweni to KuloZulu Ward 30, Fumbatha Ward 22, Bam to Zenzele Ward 11 and Riverview to Langeni was not implemented with total capital expenditure of R 20 571 502.80

T3.7.10

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

Mbhashe Local Municipal is providing almost all the licensing activities, starting from Learners Licence service and Drivers Licences, Registering Authority (RA). All these activities are currently happening at Dutywa, plans to expand RA services at Xhora are afoot. Mbhashe Local Municipality does not provide bus service.

T3.8.1

Note : T3.8.2, T3.8.2.1, T3.8.3, T3.8.4, T3.8.5, T3.8.6, T3.8.7 will not be appear and be populated as the services applicable to them is not implemented by the municipality.

CHAPTER 3

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The Municipality in the past three years has been installing storm water drainages and culverts to address the problem of damaged access roads. The Municipality does not have proper storm water drainage in towns and throughout the Mbhashe area, as a result there is a target under year review that has been set for installation of storm water drainages in all three towns of Mbhashe. The Municipality committed budget for paving and to upgrade storm water drainage through the usage of SMMEs. There is a challenge of bridges in the rural areas along the coast but there is limited budget, however the Municipality is gradually addressing the challenge.

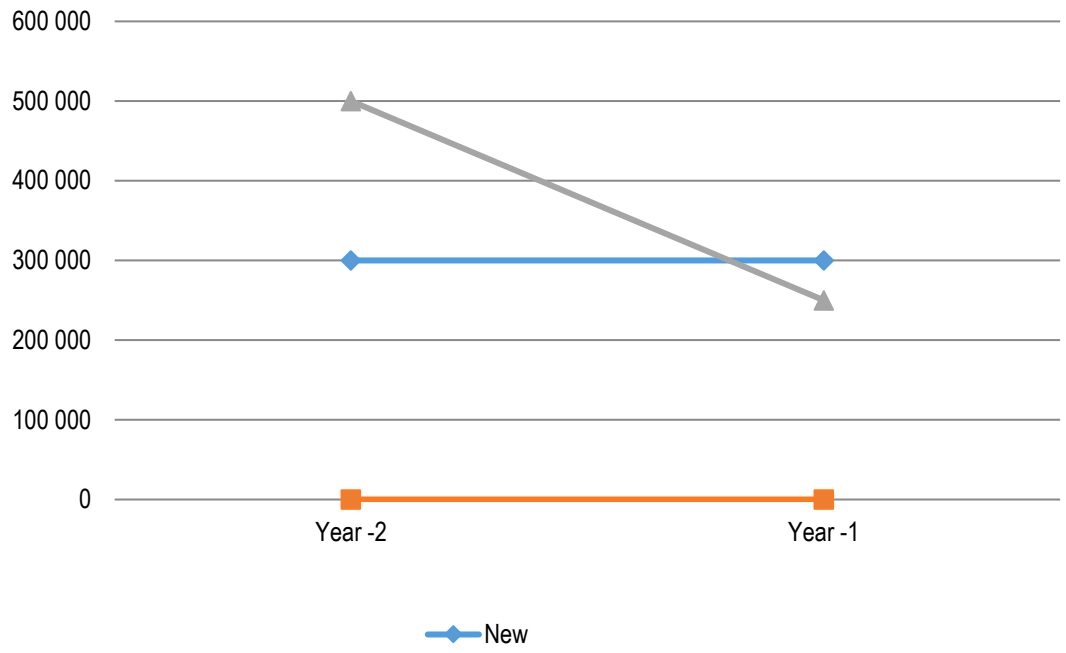
12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana-12, Xhorha-12 and Dutywa-12)

T3.9.1

Stormwater Infrastructure				Kilometers
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
Year -2	361	50	50	95
Year -1	397	36	36	191
Year 0	0	36	36	220
				T 3.9.2

Cost of Construction/Maintenance				R' 000
	Stormwater Measures			
	New	Upgraded	Maintained	
Year -2	300,000	0	500,000	
Year -1	300,000	0	250,000	
Year 0	600000.00	0.00	0.00	
				T 3.9.3

Stormwater infrastructure costs



CHAPTER 3

STORM WATER POLICY OBJECTIVES TAKEN FROM IDP

SERVICE OBJECTIVES	OUTLINE SERVICE TARGET	PREVIOUS YEAR	PREVIOUS YEAR	CURRENT YEAR	CURRENT YEAR	CURRENT YEAR	FOLLOWING YEAR			
By upgrading storm water culverts and channels	storm water culverts and channels upgraded in each unit (Gatyana, Xhorha and Dutywa)	12 storm water culverts in each unit and 12 channels upgraded in each unit (Gatyana, Xhorha and Dutywa)	12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhorha and Dutywa)	12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhorha and Dutywa)	12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhorha and Dutywa)	12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhorha and Dutywa)	20 storm water culverts in each unit and 12 channels upgraded in each unit (Gatyana, Xhorha and Dutywa)	20 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhorha and Dutywa)		

T3.9.5

CHAPTER 3

Employees: Stormwater Services					
Job Level	Year 0	Year 1			
	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	0.5	17%
7 - 9	6	6	6	1.5	25%
10 - 12	7	7	7	1	14%
13 - 15	9	9	9	2.2	24%
16 - 18	11	11	11	0.9	8%
19 - 20	18	18	18	1	6%
Total	55	55	55	7.1	13%

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.

T3.9.6

Financial Performance Year 1: Stormwater Services					
					R'000
Details	Year 0	Year 1			
	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 table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.9.7

CHAPTER 3

Capital Expenditure Year 1: Stormwater Services						R' 000
Capital Projects	Year 1					
	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	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.9.8	

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

Storm water drainage is considered as an ongoing operational activity which is identified on a quarterly basis as per the IDP however an annual budget is made available for any unforeseen circumstances for all three units. All these activities are done with the in-house teams.

All storm water culverts are installed at all three units as per the annual targets and based on the available budget.

T3.9.9

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

The municipality's planning section deals with issues of land use management i.e. rezoning, subdivisions, consent uses, departures, Lease Diagrams and consolidations. It also deals with spatial planning and land administration.

Challenges with regards to planning include the following:

Non-compliance with land uses and building controls regulations.

CHAPTER 3

Land invasions and land claims
Continuous mushrooming of informal settlements
Illegal development occurring in environmental sensitive areas
Non-adherence to lease agreements
Delays in property transfers
Settlements built in agricultural viable land

However the town planning unit has put in place mechanisms to deal with non-compliance. The project on urban land audit for the three towns, Idutywa, Willowvale and Elliotdale has been done in the 2021/22 financial year as a mechanism to identify and rectify all non-conforming land uses. The recommendations emanating from the land audit will be implemented in the financial year 2022/23.

LAND AUDIT FINDINGS 2021/22

According to the findings of the study, it can be concluded that the Dutywa has seven (7) various categories of ownership including the unregistered/no information category with about 1845 as follows (See Map 5 - Ownership Map):

Deeds 2020 [2584] land registration information:

- | | | |
|----|-----------------------|----------------|
| 1) | No info/Unregistered | = [1845 sites] |
| 2) | Company | = [55 sites] |
| 3) | Government | = [22 sites] |
| 4) | Institutional: Church | = [11 sites] |
| 5) | Municipal | = [32 sites] |
| 6) | Private | = [244 sites] |
| 7) | Trust | = [22 sites] |

Unregistered sites refer to sites that do not appear in the deeds register. Some of these are known to be under private ownership whereas the majority belong to the municipality. Extensions 3 and 7 for example, are unregistered and have lapsed. This is another area of potential revenue loss as the municipality will not be able to charge any rates until the layouts have been re-planned and surveyed. A number of the properties that belong to the municipality are under lease. It is essential that the municipality investigates whether rates are being charged against the Municipal rates bill for those properties that are not under lease as it could be losing revenue (Annexure 6).

Conflicting Uses

CHAPTER 3

These are all sites which are in contravention of land regulations in terms of the Transkei Standard Town Planning Scheme (1984). Assess of land use against zoning was done using the existing scheme. Again current billing as reflected on the valuation roll is based on outdated records. There are therefore discrepancies between municipal billing records and current land use. Some sites are reflected in the municipal records as utilized for a particular purpose whereas they are used for a different purpose. This means that such sites pay lower rates than what they should have been paying and this has serious loss of revenue implications for the municipality. This could be linked to the fact that the municipality is currently not updating land use records like maps as regularly, as necessary.

. Un-registered sites (Elliotdale)

Unregistered sites refer to sites that do not appear in the deeds register but appear on the map. Some of these sites belong to the municipality while a few of them belong to individuals. This is another area of potential revenue loss as the municipality will not be able to charge any rates until these sites have been registered.

Non conforming DUTYWA

From the 292 properties :

- 240 are privately owned,
- 13 properties have no ownership details,
- 25 properties are owned by the municipality,
- 9 properties are in the ownership of the government and the South African Bantu Trust owns 5 properties.

Non conforming ELLIOTDALE

From the 59 properties:

- 50 are privately owned
- 2 properties have no ownership details
- 3 properties are owned by the municipality
- 2 properties are in the ownership of the government
- 2 properties are in the ownership South African Bantu Trust

Non-conforming WILLOWVALE

From the 119 properties:

- 98 are privately owned,
- 10 properties have no ownership details,
- 7 properties are owned by the municipality,
- 3 properties are in the ownership of the government
- 1 property is owned by the South African Bantu Trust

The land audit for this financial year 2022/23 will focus mainly on rural land.

CHAPTER 3

T3.10.0

3.10 PLANNING

INTRODUCTION TO PLANNING

The legal mechanisms available to manage land use within the municipal jurisdiction include the following:

- The newly promulgated Spatial Planning and Land Use Management Act No 16 of 2013 (intended for urban and rural areas). However, the municipality has advertised for its own Municipal Planning Tribunal on the 10th of May 2022 for its second term of office with the following areas of specialization: -

AREA OF EXPERTISE	QUALIFICATION	FIELD
Planning	A person registered as a professional with the South African Council for the planning profession in terms of the Planning Profession Act, 36 of 2002	Land use and Spatial Planning (10 years' experience)
Civil Engineering	A person registered as a professional with the Engineering Council of South Africa in terms of the Engineering Profession Act, 46 of 2000	Civil Engineering (10 years' experience)
Surveyor	A person registered with the South African Geomatics Council in terms of Geomatics Profession Act No.19, 2013	Land Use Survey (10 years' experience)
Environment	A registered environmentalist practitioner registered with any of the following associations: SACNASP, CIEM and IAIA	Environmental Planning (10 years' experience)
Legal	A person admitted as an attorney in terms of the attorneys Act, 53 of 1979 or advocate of the supreme court	Property (10 years' experience)

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	in terms of the Admission of Advocates Act, 74 of 1964	

The advert was valid for a period of 30 days and there was no response. To be consistent with section 35(1) of the Spatial Planning and Land Use Management Act, 16 of 2013 the advert must be re-advertised

Associated Legislation applicable to activities linked to land use management, including NEMA, National Heritage Resources Act, the Wild Coast Decree and Coastal Management Act. Traditional administration systems that continues to control land allocation and resource utilisation in parts of the study area . The Interim Protection of Informal Land Rights Act, 1996 (IPILRA)

In terms of the MSA, SDF's should include "basic guidelines for a land use management system for the Municipality".

A Municipal Land Use Management System, in its broad sense, refers to all actions and mechanisms required by a Municipality to effectively manage land and land use within its area of jurisdiction. Key elements of a comprehensive Land Use Management System can include Spatial Development Frameworks, Land Use Schemes, Planning and Development Policies, Overlay Schemes, Environmental Management Plans, Transportation Development Frameworks, etc. Effective implementation of the LSDF is dependent on the effectiveness of the Municipality's Land Use Management System and implementation of the Package of Plans.

Successful Spatial Planning, Land Use Management and Land Development are dependent on the establishment of an effective link between Integrated Development Planning, Spatial Development Frameworks and Development Management Mechanisms (Land Use Schemes).

Land Use Management Principles

The White Paper on Spatial Planning and Land Use Management defines land use management to include the following activities / components:

- The regulation of land use changes such as, for example, the rezoning of a property from Residential to Commercial use.
- The regulation of Greenfields land development, i.e. the development of previously undeveloped land.
- The regulation of the subdivision and consolidation of land parcels.
- The regulation of the regularisation and upgrading process of informal settlements, neglected city centres and other areas requiring such processes.
- The facilitation of land development through the more active participation of the Municipality in the land development process, especially through public private partnerships.

SPATIAL PLANNING

Spatial planning aims to positively shape the way any city develops in space into the future. It includes the preparation of plans that will guide the physical development of that particular city (where, what and when).

CHAPTER 3

Spatial plans are used to assess applications submitted by property developers. They also guide changes in land-use rights and guide public investment in infrastructure.

Spatial plans do not give or take away land use rights.

The implementation of these plans relies on partnerships between the private sector, communities and other spheres of government.

A Spatial development framework is therefore a useful and effective tool with which to manage and monitor growth and development in the city and informs investors about what they are 'buying' and where development opportunities exist in the short and longer term. The Mbashe SDF was prepared within the context and principles of the:

- Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and Regulations (MSA)
- Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) and Regulations (SPLUMA)

Both the MSA and SPLUMA require Municipal Councils to prepare Spatial Development Frameworks for portions of their jurisdiction. The Mbashe SDF was developed in 2017/18 financial year and it has reached its life span of five (5) years. The Municipality has budgeted the review of the SDF on the 2022/23 financial year.

It will offer predictability, as once it has been approved by the full Council and the Provincial Government, it will be the basis on which the officials decide on new development proposals.

The SDF plan is to fulfil the following:

Direct decision-making that may impact on the Municipal area.

Direct development investment to areas that would ensure the most sustainable return of investment.

Guide development in a spatially efficient way, ensuring linkage and alignment to regional and national development policies and programmes.

In response to specific trends and dynamics, direct investment to areas of greatest potential and to target areas of greatest need so as to promote economic growth and alleviate poverty.

Ensure improved linkages within Mbashe and beyond its boundaries to stimulate effective and sustainable integrated development.

Protect natural systems in Mbashe.

Human Settlement

Housing section's goal is to establish and maintain adequate shelter and sustainable residential environment and communities of Mbashe Local Municipality as constitutional requirement and also provide other amenities i.e. access to clean water, sanitation, electricity, roads and other amenities. In

CHAPTER 3

terms of sec 26 of the Constitution of the Republic of South Africa, everyone has the right to have access to adequate housing.

According to the Housing Act 107 of 1997 section 8 (1) (f), every municipality must, as part of the municipality's process of IDP, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction.

Functions of the Municipality are the following:

- Identify beneficiaries
- Identification of land (as per Housing Sector Plan in the IDP)
- Prioritise projects
- And any other role determined by the MEC and a Municipality.

STAKEHOLDERS INVOLVED IN HOUSING DEVELOPMENT

- Beneficiaries
- Mbashe Local Municipality (act as a developer)
- Amathole District Municipality (assisting the MLM in the construction of services)
- Funders (e.g. Provincial Department of Human Settlement, implementation partners, relevant government departments (e.g Dept. of Water Affairs, Strategic partners i.e Teba Development for contract management and Development Bank of South Africa as implementing agent on Rural Housing project in Xhora))
- Professional teams (Town Planners, Engineering Consultants, Land Surveyors, Project Managers)
- Municipal Councillors
- Traditional leaders
- Community Development Workers

DISASTER

During the month of April 2021 and December 2022, heavy rains were reported to have damaged houses at Mbashe. These varied from roof to side walls with others being destroyed. Assessments conducted revealed that some families were left homeless and destitute.

PROGRESS

CHAPTER 3

- Application for Housing Assistance in Emergency Housing Circumstances with 139 beneficiaries was submitted in January 2022 to the Department of Human Settlements
- Application for Housing Assistance in Emergency Housing Circumstances with 116 beneficiaries was submitted in April 2022 to the Department of Human Settlements.
- Applications were referred back by the Department of Human Settlements for corrections and were re submitted on the 15th of June 2022.

HOUSING ASSISTANCE IN EMERGENCY HOUSING CIRCUMSTANCES

HOUSING DESTITUTE:

Status of the project:

Assessments and verifications of the destitute families are being conducted by this Department. Those findings are forwarded to the department of Human Settlements for emergency responses.

TEMPORAL STRUCTURES PROVIDED

- 110 Temporal structures were provided for three towns.

57 DESTITUTES: MBHASHE

Destitute project has been identified as the results of the petitioners during talking to Parliament to people, beneficiaries that were let out in Elliotdale 350, request by the late King Sigcawu and complaints from the Public Protector

Ward	PROJECT NAME	DELIVERY PLANNED	STATUS	CHALLENGE	PROGRESS TO DATE
02, 03, 04,05, 05, 06, 07, 09, 10, 12	100 (18) Destitute : Dutywa	Construction and completion of 18 houses with VIP toilets and rain water tanks	Running	None	Completed 100 units. 18 beneficiaries approved and awaiting approval of Floor plan by NHBRC (National Home Builders Registration Council)

Additional Human Settlements Projects

National Housing Needs Register:

The Housing Needs Registry is a key priority for the National Department of Human Settlements as it seek to scientifically determine the housing need and ensures the improvement of current housing waiting lists of the Municipalities.

CHAPTER 3

It is the only single integrated system to be used in order to determine housing needs in the Republic. It is also used for planning and budgeting purposes.

Status of the project:

- In the year 2015, the Provincial Department introduced this to the Municipality and data was collected in all Mbashe Wards by the Ward Committees
- 30 000 questionnaires were captured for 3 towns of Mbashe Area.
- 2 Internship learners were trained to do capturing.

T3.10.1

Applications for Land Use Development						
Detail	Formalization of Townships		Rezoning		Built Environment	
	Year 2020/21	Year 2021/22	Year 2020/21	Year 2021/22	Year 2020/21	Year 2021/22
Planning application received	01	03	10	06	0	
Determination made in year of receipt	0	03	08	14	0	
Determination made in the following year	0	0	02	02	0	
Applications withdrawn	0	0	0	0	0	
Applications outstanding at year end	0	0	0	5	2	

T3.10.2

CHAPTER 3

PLANNING POLICY OBJECTIVES TAKEN FROM THE IDP

Service objectives	KPI	2018/19		2019/20		2020/21		2021/22	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Agricultural development and food security									
To promote agrarian reform and increase food security to emerging farmers by 2022	Number of programs implemented to assist emerging famers at ward 2-32 (Crop production inputs and live stock improvement)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	24
	Number of village associations assisted with maize production inputs.	40	40	40	40	40	40	40	31
	Number of reports conducted on repairing and maintenance for LED infrastructure in 10	13	13	13	13	6	6	N/A	10

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	wards (2,3,4,5, 6, 7, 11,13, 14 & 15)								
	Number of agricultural information days held for farmers in three units (Gatyana, Dutywa, Xhorha)							N/A	10
	Number of High Value Crop enterprises supported with agricultural inputs and tools of trade as per approved business plan (Sorghum production ward -8 & 12)	1	1	1	1	1	1	1	1

T3.10.3

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	Number of farming projects assisted with fencing inputs	13	13	13	13	6	6	N/A	N/A
	Number of nurseries supported							N/A	N/A
	Number of village farming associations assisted with stock remedy	31	31	31	31	31	31	32	31
	Number of village feedlots assisted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Number of dipping tanks renovated	5	5	5	5	5	5	N/A	N/A
	Number of shearing sheds	5	5	5	5	5	5	1	1

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	built or renovated								
	Number of boreholes renovated and drilled	N/A	N/A	N/A	N	4	4	N	N/A
					/			/	A
					A			A	

To ensure use of agricultural value chain to stimulate local economic development in deprived areas

By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities
	Number of information days held	16	16	16	16	16	16	10	11

CHAPTER 3

To reduce poverty and unemployment through viable and sustainable job creation strategies									
By facilitating multiplier effects from EPWP projects	Number of people employed through EPWP	2000	2000	2000	695	2540	725	100	90
By developing an exit strategy (intervention plan) through SMME/Co-operative	Development of SMME support policy	NA	N/A	N/A	N/A	N/A	N/A	1	1
To encourage investment through viable investment and retention strategies									
By encouraging investment through viable investment	Economic Summit & Retention	N/A	N/A	Economic summit and retention strategy	Concept	Approved concept and marketing plan	Approved concept document and marketing plan	4 investment opportunities profiled	4 investment opportunities profiled

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and retention strategies	n strategy								
By ensuring reduction of employment rate through development and capacitation of enterprises	Number of hawker stalls installed	N/A	N/A	N/A	N/A	60	35	15	15
By promoting entrepreneurial access to markets	Number of SMME's linked to formal markets	5	5	4	5	5	5	6	8
	Number of co-ops funded, trained and assisted	5	5	5	5	5	5	35	60

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	LED AND SMME SPENDING	N/A	NA	N/A	NA	N/A	NA	5%	5%
	Spending towards local SMME's	N/A	NA	N/A	NA	N/A	NA	10%	90%
By	Number of informal traders supported	4	5	4	6	120	120	45	115
Ensure community access to market through their skills and capacity development	No. of craft projects assisted	15	12	10	12	10	10	10	15
Unlocking marine and coastal tourism opportunities									

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Ocean Economy	Number of ocean marine economic initiatives supported	2	2	2	2	2	2	2	2
To position and promote Mbashe as a tourist destination of choice									
Tourism Events	Number of events hosted and participated on	8	8	4	4	4	4	4	7
Tourism and Environmental signage	Number of tourists destination with	3	3	3	2	1	1	5	5

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	clear signage								
Beach Upgrade	Number of tourism infrastructure projects facilitated and supported	2	2	2	2	1	1	2	2
By supporting tourism operators	Number of tourism operators supported	5	5	5	5	5	5	8	10
Renovation of heritage sites	Number of heritage properties developed	5	5	5	5	5	5	4	5

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Film Industry Support	Number of programs supported	N/A	N/A	N/A	N/A	1	1	1	1
Forest rehabilitation	Number of plantations rehabilitated	N/A	N/A	N/A	N/A	1	1	1	1

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Employees: Planning Services					
Job Level	Year 0	Year 1			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3					
4 - 6					
7 - 9					
10 - 12	6	6	6	1	90%
13 - 15					
16 - 18	2	2	2	0	100%
19 - 20					
Total					
					T3.10.4

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Financial Performance Year 0: Planning Services						R'000
Detail s	Year 0	Year 1				
	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%	
					T3.10.5	

T3.10.5

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The unit of Local Economic Development (LED) does not necessarily have capital projects. LED fully supports community driven development projects and initiatives and therefore its budget is spent on supporting projects that cannot be categorized as CAPITAL Projects, as they are community based, largely driven by SMME's and Cooperatives. The community-based projects are supported on the basis that they are key drivers on local economy in terms of employment creation and poverty alleviation opportunities they offer. More importantly, the support of community-based projects in pursuit of constitutional obligation as outlined in terms of Section 152, subsection (1) © of the Constitution of the Republic Act. No. 108 of 1998.

T3.10.7

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3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

Mbhashe Local Municipality's economic size is estimated to be 684 million. The economy grew by 14% over the period 1995 to 2008. Mbhashe Local Municipality's Integrated Development Plan (IDP) lists Agriculture, tourism, construction, manufacturing sector and retail as areas that have economic potential for this region. Social service and small enterprise development are other contributors to the Mbhashe Local Municipality's Gross Domestic Product (GDP). However, the existing potential in these comparative and competitive advantages has yet to be realised.

More needs to be Development (LED) 2015 and the spatial Development Framework (SDF) (2015) are the blueprint to guide economic growth and development within Mbhashe Municipal jurisdiction. One of the LED strategic pillar programme is the commitment to support and development, thus contributing to creation of job opportunities for the unemployed. The national government's programme calls for job opportunities, reduce invested in unleashing this potential for Local Economic Development (LED) benefits. LED strategy need to be reviewed as there are new developments for Local Economic development. The advert was issued during 2020/21 financial year to develop the LED strategy.

In the wake of the current negative economic climate in South Africa, of the 53 million population of this country 5.1m people are unemployed, and 2.4m are discouraged from looking for a job. Given the current constraints on the public sector amid this economic uncertainty, the importance of SMMEs and Cooperatives has never been greater, the small business sector in South Africa has the potential to make a significant contribution to economic growth, employment and development.

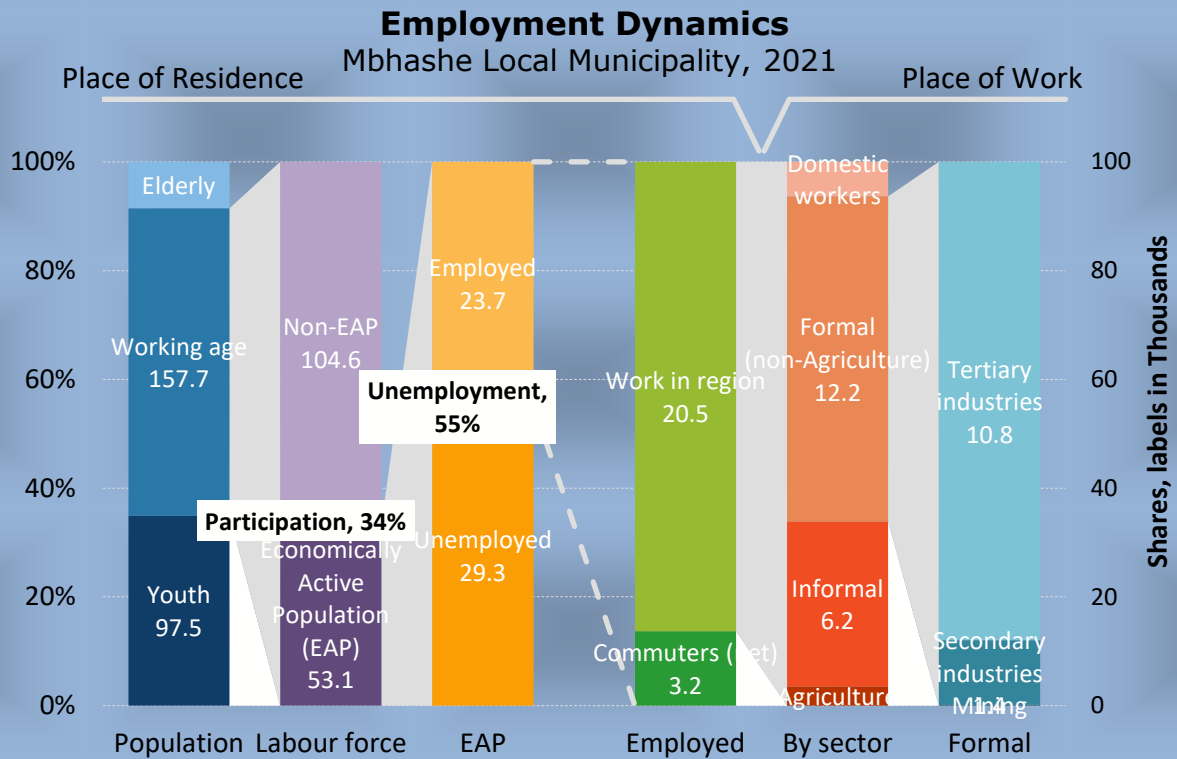
Chapter 3 of the Mbhashe LM's Integrated Development Plan (2020/21) refers to the three (3) areas of investment opportunities, which are referred strategic thrusts and these are Agriculture Development, Enterprise Development and Tourism and Heritage Development. These are based on the current economic situation Mbhashe LM finds itself in and is aimed at building on the existing strengths and exploiting the unique opportunities presented by the local economy and the specific physical and demographic environment of the municipality.

While issues such as the development and upgrading of economic infrastructure, improved institutional capacitation and good governance do have a role to play in ensuring that effective economic development does takes place, these matters are considered to be supportive elements that will not, of their own, result in the development of the economic base and have, therefore, not been included in the three main economic areas of focus.

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T3.11.1

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Source: ECSECC (2020)

CHAPTER 3

TABLE 1. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MBHASHE LOCAL MUNICIPALITY, 2020 [R BILLIONS, CURRENT PRICES]

	Mbhashe	Amatole	Eastern Cape	National Total	Mbhashe as % of district municipality	Mbhashe as % of province	Mbhashe as % of national
Agriculture	0.1	0.7	6.3	119.6	6.7%	0.80%	0.04%
Mining	0.0	0.0	0.5	371.9	46.6%	4.32%	0.01%
Manufacturing	0.1	2.3	43.5	573.4	6.1%	0.32%	0.02%
Electricity	0.1	1.0	9.1	167.2	14.8%	1.57%	0.09%
Construction	0.1	0.7	10.9	140.2	15.6%	1.05%	0.08%
Trade	1.2	5.6	65.7	655.2	22.1%	1.90%	0.19%
Transport	0.2	1.6	27.0	396.4	12.0%	0.70%	0.05%
Finance	0.5	4.7	61.8	879.5	10.5%	0.79%	0.06%
Community services	2.1	11.9	111.1	1,125.3	17.9%	1.92%	0.19%
Total Industries	4.5	28.6	335.8	4,428.7	15.8%	1.35%	0.10%

Economic Activity by Sector

COMMENT ON LOCAL JOB OPPORTUNITIES

EMPLOYEES: Local Economic Development Services

Job level	2019/20	2020/21			
	No. of employees	No. of posts	No. of employees	Vacancies	Vacancies (as a % of total posts)
0 – 3					
4 – 6					
7 – 9	0	0	0	0	
10 – 12	2	3	3	0	67%
13 – 15	1	1	1	1	100%
16 – 18					

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19 – 20	1	1	1	0	0%
20-59	90	90	90	0	100%
Total	94	95	93	92	100%

T3.11.2

COMMENT ON LOCAL JOB OPPORTUNITIES:

The key Strategic Thrusts as per the Mbashe LM IDP (2020/21), which form the basis of this strategy are:-

- Strategic Thrust 1: Agriculture Development.
- Strategic Thrust 2: Enterprise Development.
- Strategic Thrust 3: Tourism Development.

The municipality has implemented various programmes to advance economic development especially in the Agriculture, Enterprise and Tourism economic sectors as LED strategy implementation mechanism.

Agriculture Development:

Performance Overview on Key Strategy Drivers:

The Municipality on its Local Economic Development Unit is entrusted in driving agricultural programmes within the Municipal area. This focus of the unit is to ensure that agricultural development is carried out effectively in all 32 wards within Mbashe Municipality. The wards comprise of both the community based projects and LED projects that are vehicle to drive development and improve the socio economy of people.

The Municipality identified High Value Crop as the biggest contributor to the agricultural industry as a whole. The Mbashe LED strategy 2015 is focusing more on creating an enabling conducive environment through developing programmes to support viable and bankable project in order to create economic opportunities that will intern contribute to local economy. This is in line with the national, provincial economic development plan that identifies Agriculture, Enterprise Development as the key economic sector for growth and sustainable jobs.

Renovation and maintenance of LED Agricultural infrastructure projects (Cattle dip tank and Shearing sheds

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• **Agricultural Infrastructure Assessment:** LED agricultural infrastructure was conducted on ward 2-32 to check the status of the LED agricultural infrastructure (dipping tanks, shearing sheds and cropping fields) To check the status of the Agricultural infrastructure like dipping tanks, shearing sheds, Ensure that the design and implementation of any intervention talks to the society of the community, Ensure community engagement and acceptance towards the planned program of work, Decide on what to measure in order to determine impact. The assessment will assist on what has been done on the ground taking into account the condition of structures and the period of existence of such structures. The number of structure in the ward is also vital to avoid duplication of or benefit of the same ward at the expense of other wards. The assessment that was conducted reveals that almost all existing structures on ground need to be repaired and renovated as Cattle and Sheep Dip tanks and shearing sheds contribute the highest agricultural structures that need attention mainly because they are incomplete and on poor conditions.

According to the survey that was conducted to assess the existence of agricultural infrastructure on the ground. The survey revealed that most of the Cattle dip tank need to be repaired because are old and the poles are fallen down in all Wards from ward 2 to 32. There is new shearing shed which was constructed by the municipality during 2019/20 financial year for wool production in ward 26 and Bulungula lemon grass project in ward 19. The assessment reveals that most of the cattle dip tanks are old now need to be repaired. Database will be a good approach to deal with the number of supported wards.

During 2021/22 financial year, Municipality repaired and maintained 10 LED Agricultural infrastructures in ward 2,3,4,5,6 and 7 in Dutywa cluster, 11 and 14 in Willowvale cluster and 13 and 15 in Elliotdale cluster

Zimpuku cattle dip tank (ward 2)

Zimpuku shearing shed is based in ward 2 at Dutywa. The LED agricultural infrastructure was repaid and maintained by STM line trading successfully during first quarter 2021/22 financially year. The cattle dip tank was repaired and maintained in the front of the dip because the Race was old and fallen down. The office conducted project visit on 11 May 2022 to monitor the structure as per SDBIP 2021/22 FY. Zimpuku cattle dip tank is in good condition.

Morrison cattle dip tank (ward 3)

Morrison cattle dip tank is based at ward 3 in Morrison at Dutywa. The structure was repaired and maintained by STM line trading which was appointed by the Municipality. the structure was repaired and maintained on the Race of the dip and both sides of the pit. the structure was repaired and maintained during first quarter 2021/22 FY successfully. The structure is in good condition and the livestock farmers are using the dip properly. The office conducted project visit for monitoring successfully on 11 May 2022.

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Challenges encountered during the monitoring of the shed

- Lack of knowledge on wool classification and wool sorting by the wool producing farmers.
- Lack of entrepreneurial mindset from farmers as they operate in a subsistence manner and there is lack of appetite to be commercialized towards secondary production.

Xawuka cattle dip tank (ward 5)

Xawuka cattle dip tank is based at Xawuka under ward 5 at Dutywa. The cattle dip tank was repaired and maintained by Men go civils on the first quarter 2022 successfully. The structure was repaired and maintained in the Race of the dip and one side of the pit. the dip is in good condition and the livestock farmers use it to dip their cattle. The office conducted the project visit for monitoring of the dip on 1 June 2022 successfully.

Qolweni shearing shed (ward 6)

Qolweni shearing shed is based at Qabane Administrative area under ward 6. The shed was constructed by the Municipality with the aim of assisting wool farmers to shear their sheep, sort and classify their wool production. The structure was repaired by STM line trading. The old fencing was removed and replaced by the new fencing materials, outside the structure was plastered and painted successfully. The project visit was conducted on 6 June 2022 successfully.

Challenges encountered during the monitoring of the shed

- Lack of knowledge on wool classification and wool sorting by the wool producing farmers.
- Kraals of the shed were not fenced.

Candu Shearing shed (ward 7)

Candu shearing shed is based at Candu under ward 7 dutywa. The structure was constructed by the municipality to make sure that ward 7 farmers are shearing their sheep in a secured place, sort and classify their wool. The shed was maintained inside the structure by plastering and painted the walls. The old fencing materials were removed and replaced by the by fencing materials. The office conducted the project visit for monitoring on 29 April 2022, 18 May 2022 and 20 May 2022. The aim of the monitoring was to make sure all the work which was conducted by STM line trading conducted successfully.

Challenges encountered during the monitoring of the shed

- Lack of knowledge on wool classification and wool sorting by the wool producing farmers.
- Kraals of the shed were not fenced.

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Ngqunce cattle dip tank (ward 11)

Ngqunce cattle dip tank is at Gatyana under ward 11 at Dadamba. The cattle dip tank was repaired and maintained during second quarter of 2021/22 FY. Project visit was conducted on the 6th of April 2022 for monitoring.

Mfula cattle dip tank (ward 14)

Mfula cattle dip tank is at Gatyana under ward 15. The dip was repaired and maintained successfully during second quarter of 2021/22 FY. Monitoring was conducted on 13 June 2022. The dip is in good condition and the farmers are using it to dip their livestock.

Challenges encountered during the monitoring of the shed

- Inadequate in the management of livestock.
- Access to right markets livestock farmers.

Sholora cattle dip tank (ward 15)

Sholora cattle dip tank is at Xhora under ward 15 in Sholora location. The dip was repaired and maintained on the race of the cattle, kraal of the cattle and to reduce the pit of the dip to avoid livestock not to be bruised by the side of the dip. The project visit was conducted on 22 April 2022, 13 June 2022 and 24 June 2022 for monitoring. The dip is in good condition.

All the LED agricultural infrastructure projects which were repaired and maintained by the municipality during 2021/22 FY were visited for monitoring purposes, to check status of the structures.

The repairing and maintenance of the LED agricultural projects play an important role for livestock improvement as the farmers use the structures to dip and vaccinate livestock to prevent external and internal parasites. More than 2 000 farmers are using the structures which were renovated for them in order to produce the good quality livestock and wool production.

REMEDIAL ACTION FOR THE IDENTIFIED CHALLENGES DURING THE MONITORING

- To organise more rigorous trainings on wool production for communal farmers.
- To facilitate access to relevant markets so that local producers will have more place to sell their produce.
- To work with private sector and non- governmental sector through corporate social investment (CSI) initiatives to assist with provision of Economic infrastructure such as dipping tanks and shearing sheds for communal farmers.

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The repairing and maintenance of 10 LED agricultural infrastructure amounted to R88 7697.00 for Mbhashe livestock improvement.

Sheep farming (Shearing Sheds)

There are approximately 44 shearing sheds mostly in the Dutywa area where there are plenty of sheep (250 000 as recorded by Stats-SA 2015). However, there's a huge backlog in the shearing sheds construction as many communities demand the construction of shearing sheds. The construction and renovation of shearing sheds is done under the programme of "livestock improvement programme". Municipality constructed Ngqatyana shearing shed at Ngqatyana in ward 26 which amounted to R 599 999.11.

Xeni shearing shed (ward 4)

Xeni shearing shed is in Mputi administrative area under ward 4 at Dutywa. The shed is used by wool production farmers from ward 4 for shearing, sorting and classifying of the wool production. The Shed was repaired and maintained. The roof of the shed was removed and replaced because the rain was damaging the shed resulting in poor wool production. The repairing and maintenance of the structure was completed successfully during first quarter 2021/22 FY. Monitoring was conducted on 11 May 2022 to check status of the structure.

Khasa shearing shed (ward 13)

Khasa shearing shed is based at Xhora under 13 in Khasa location. The shed was constructed by the municipality to make sure that ward 13 farmers are producing wool on a secured place. The shed was repaired and maintained on the floor of the shed, inside and outside the walls during third quarter 2021/22 FY. The old fencing materials was removed and placed by the new fencing materials. The fence was erected properly, the site visit was conducted on 1 June 2022 for monitoring.

Farmer information days

Information days take various forms i.e. Animal health sessions (nutrition, diseases, treatment and pregnancies, trials (post mortem, cropping trials and artificial insemination), fruit production, agricultural expo, and wool management, as well as workshops on various items such as poultry farming, wool sorting, Vegetable production, marketing strategies and business plans.

There are 11 Agricultural information days that were conducted by the (LED Agricultural office) partnered with the Department of Rural Development and Agrarian Reform in 2021/22 FY as per assessment that was done in the first quarter. All The information days were conducted successfully to equip emerging farmers with the latest agricultural practices.

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- Bomela vegetable production workshop was conducted on 19 July to 20 August 2021 at Bomela community hall in Dutywa under ward 10 for Vegetable production. The workshop was conducted which is the accredited training service provider to equip ward 24 youth farmers on vegetable production from ward 10 who have vegetable co-operatives. After the workshop the farmers received accredited certificates and seedlings for vegetable production.
- Xhora potato production was conducted on 12 August 2021 at Town hall in Xhora under ward 13 for Potato production. The information day was conducted by Mtiza farmer co-op Agricultural specialist to equip Xhora Potato farmers on Potato production. The municipality assisted with catering for 50 people who attended the workshop and other logistic arrangement.
- Wool information day congress workshop was conducted at Mbhashe Council Chamber in Dutywa under ward 1 on 19 August 2021. The workshop was conducted by the National Wool Growers Association to equip Mbhashe wool farmers on sorting and classifying the wool for marketing purposes. The municipality provided catering for 60 people who attended the workshop. The workshop was conducted successfully.
- Cungcwini Poultry production workshop was conducted at Cungcwini location in Dutywa on the 30 August 2021 in ward 12 for Cungcwini farmers and surround communities. The workshop was conducted by the Agricultural specialist from Department of Rural Development and Agrarian Reform.
- Gatyana Poultry production workshop was conducted at Gatyana TRC on the 9 September 2021 in ward 25. The workshop was conducted by the poultry specialist from Mtiza farmer coop. the workshop was for Gatyana poultry farmers from ward 11, 25 and 30.
- Qora poultry production workshop was conducted at Qora in Dutywa on 10 October 2021 in ward 3 for Qora farmers and surrounding communities. The workshop was conducted by the Agricultural specialist from Department of Rural Development and Agrarian Reform. The purpose of the workshop was to teach Qora farmers on how to manage broiler production in order to produce a good quality broilers.
- Mbhashe ram competition was conducted at Mbhashe animal pound in Dutywa under ward 1 on 21 October 2021. The intention for conducting Mbhashe Ram competition (Livestock improvement) was to strengthen Agricultural Development, building stronger Agricultural movement and to share market information and access of finance. The main objectives of the Ram competition was to afford/create opportunities for livestock farmers to exchange best practices with other Livestock farmers, raise awareness of the Livestock production models, principles and methodologies on how their ability can assist to empower livestock members so as to ensure better sustainable socio-economic livelihoods, and also be informed on the impact of Livestock sector on our Local, Provincial and National Gross

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Domestic Product (GDP), promoting economic development through Agriculture in the local municipal communities, and also Marketing of products (buying and selling).

Additionally, the purpose of Mbashe Ram competition was to enhance the standard of Mbashe livestock farmers to ensure relevant skills that would enable them to carry on with activities on Livestock improvement. Mbashe Ram competition is focusing on how to raise livestock, how to manage livestock pastures, vaccination of livestock, finding out if you are a livestock entrepreneur. It will encourage and equip farmers in order to produce good quality product and marketed livestock.

- Ntlahlane Livestock Diseases and Management was conducted on 27 October 2021 at Ntlahlane cattle dip tank in Gatyana under ward 24 for Livestock production. The aim of the workshop was to enhance the standard of ward 24 livestock farmers to ensure relevant skills that would enable them to carry on with activities on Livestock production.

- Xhora Maize production information day was conducted on 10 November 2021 at ward 13 for Xhora maize emerging farmers. The intention for conducting information day was to strengthen Agricultural Development, building stronger Agricultural movement and to share market information and access of finance. The main objective of this workshop is as follows: - to stimulate opportunities for the co-operative and farmers, exchange best practices, promoting economic development through Agriculture in the local municipal communities, and Marketing of products (buying and selling).

- Vonqo Ram Management information day was conducted at Vonqo Community Hall in Dutywa at ward 5 on 10 February 2022. The intention for conducting Vonqo Ram Management (Livestock improvement) was to strengthen Agricultural Development, building stronger Agricultural movement and to share market information and access of finance. The main objectives of the Ram Management was to Stimulate opportunities livestock farmers, exchange best practices with other Livestock farmers, raise awareness of the Livestock production models, principles and methodologies on how their ability can assist to empower livestock members so as to ensure better sustainable socio-economic livelihoods, and also be informed on the impact of Livestock sector on our Local, Provincial and National Gross Domestic Product (GDP), promoting economic development through Agriculture in the local municipal communities, and also Marketing of products (buying and selling).

The purpose of Mbashe Ram Management was to enhance the standard of Mbashe livestock farmers to ensure relevant skills that would enable them to carry on with activities on livestock improvement. Mbashe Ram management focusing on how to raise livestock production, how to manage livestock pastures, vaccination of livestock, finding out if you are a livestock entrepreneur. It encouraged and equipped farmers in order to produce good quality product and marketed livestock.

- Vegetable production information day was conducted on 23 February 2022 under ward 28 at Xhora for Mkhathazo vegetable emerging farmers. The intention for conducting information day was to

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strengthen Agricultural Development, building stronger Agricultural movement and to share market information and access of finance. The main objective of this workshop is as follows: - to stimulate opportunities for the co-operative and farmers, exchange best practices, promoting economic development through Agriculture in the local municipal communities, also Marketing of products (buying and selling). Municipality requested an Agricultural specialist from Mtiza Farmer co-op for conducting Mkhathazo vegetable production information day.

- There are 3 consultative meetings held with relevant stakeholder for Agricultural shows to be held during 2021/22 FY at Dutywa, Gatyana and Xhora. More than 800 Mbhashe farmers benefited from the Agricultural information days.

Livestock improvement programme (supply and delivered of stock remedy)

The stock remedy supplied and delivered on 11 March 2022 to Mbhashe Municipal office. Subsequently, the service provider supplied and delivered 2 193 Ivermectin 1% 500 ML successfully which amounted to R585 743.63. For allocation and distribution of livestock remedy, Statistical Data that was sourced from Department of Rural Development and Agrarian Reform (DRDAR) under the directorate of Veterinary Services was used by the office. The office delivered stock remedy to all 31 Wards (Ward 2-Ward 32) on 25, 26 and 29 March 2022 successfully as per Mbhashe stock remedy distribution plan.

During the monitoring the office with department of rural development and agrarian reform advised the farmers on the following items:

1. Follow the manufacturer's instructions thoroughly for preparation of the Ivermectin 1%.
2. Always water and rest the sheep before dipping to avoid their drinking of dipping solution.
3. Choose a bright, sunny day (neither too hot nor too cold) so that the treated animals will dry quickly, and the insecticide will not be diluted by rain.
4. Avoid dipping of sheep in advanced stage of pregnancy.
5. Avoid dipping of sick animals, sheep with wounds, young lambs (less than one month old) and stock being sent for slaughter.
6. Avoid dipping of rams in breeding season to guard against injury to penis or scalding of thigh.
7. Keep sheep in the holding pen for at least five to ten minutes so that they drain properly, thus avoiding wastage of dip and resultant pollution of the environment.
8. Do not return treated sheep to the shed from which they came until it is completely cleaned.

Mbhashe maize production support programme

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The primary objectives of agricultural development programme are as follows:

- To make full use of the under-utilized arable land into a large scale of production within Mbhashe region.
- To promote the growth of smallholder and emerging farmers and to assist rural farmers with tested cultivars produced to withstand existing climatic conditions in Mbhashe within its 3 units namely: Dutywa, Gatyana, and Xhora.
- Treat and cure unhealthy conditions and to increase fertility of small and large livestock.
- To treat internal (tapeworm, fluke, and round worms) and external parasites (ticks, lice, and scab in sheep).
- To prevent the spread of pests from one another and to condition wool growth in sheep.

The support of the Maize seeds was provided to the emerging farmers that met the following funding requirements:

- Addressing the triple challenges of poverty, Inequality and Unemployment as well as positive contribute to food security, job creation through temporal employment, self-sustainability, and skills development.
- Producing good quality maize product in a large scale for boosting the local economy.
- Support was granted for expansion of existing agricultural development maize projects.

Municipality provided support with Maize seeds for 2021/22 FY to 49 Dutywa projects with 291 bags of 5R-590R 80K, 17 Gatyana projects with 136 bags of 5R-590R 80K and 10 Xhora projects 103 bags of 5R-590R 80K as per the assessment that was conducted during the first quarter by LED standing committee assisted by Department of Rural Development & Agrarian Reform. The maize seeds amounted to R2 478 623.17 for supply and delivery of maize seeds for 2021/22 FY.

The maize seeds were supplied and delivered on 17, 26, 27 and 29 November 2021 to ward 2 at Upper Qora farmers, Sheshegu, Masidlesonke, Ndakeni, Lusizini, Amaz Amaj co-operative, Songo farms, Ngxakaxa Massive farmers and Madikisini- Qora, in ward 3 Mpepheni, Gwadana and Tyholomi, in ward 4 Sinqumeni, Xeni, Ngxara, Maxhama, Igolde kantu co-operative, phumelele project and Colosa in ward 5 at Qeqe farmers, Silityiwa farmers, Mthwaku farmers, Ephikweni farmers and Vinidwa in ward 6 at NQabane and Iota in ward 7 Candu, Siyathuthuka farmers, Lolo mixed farming, Nywara maize belt in ward 8 at Vukuzenzele project, Sundwane Ntilini, Xobo, Qombe and Chachazela, in ward 9 at Sizini and Bongweni, in ward 10 Willowzambe and Taleni, in ward 11 at Dadamba, Nqadu Komkhulu and Nqadu Chithindlala, in ward 12 at Mnandi and Xobojiyana in ward 13 at Chihana, in ward 14 at Fort Borker and

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Mahlezana, in ward 15 at Xuba, in ward 17 at Stonedrift and Ntlantsana, in ward 20 at Manganyelwa and Hobeni, in ward 22 at Gandla and Mahasana, in ward 23 at Ngcizela and Qwaninga, in ward 26 at Ntlonyana, in ward 27 at Fort Malan, in ward 28 at Mqhele and Kwalini Bafazi, in ward 30 at Ntlabane, Gangatha, Tswelilitye, Mandluntsha and Weza, in ward 31 Mqonci, Zundwane, Sikhobeni and Mbewuleni and in ward 32 at Madwaleni.

LED unit (Agricultural office) managed to supply and delivered the Maize seeds to 76 maize emerging farmers of Mbhashe municipality as per the SDBIP and cropping assessment that was conducted during the first quarter partnered with the Department of Rural Development and Agrarian Reform.

Planting of Maize seeds

- Soil preparation was done, fertilizers applied and planting of maize in November, December 2021 and January 2022.
- There are 1 325 ha were planted using 530 bags of seeds with the assistance of the municipality on cropping programme 2021/22 FY.
- LED office partnered with Department of Rural Development and Agrarian Reform conducted monitoring from the planting of maize seeds to the harvesting, the office noticed that some farmers need workshops on how to plant maize production then the office organized and conducted a workshop on Maize production to equip them with the latest agricultural practices and calibration of planting and application of chemicals.
- The farmers applied fertilizers and weed controls to increase crop yield and improve poor land quality in order to produce good quality products. Some of the projects use weed chemicals to remove weeds in order to help improve soil fertility, structure and product quality.
- Farmers harvested the maize in May and June 2022 due to heavy rains that delayed planting and also due delayed procurement of maize seeds which resulted in farmers planting late in December 2021 to February 2022.
- During project visits technical advice was provided on taking soil samples before the Maize Associations plant their maize as it is important to know the status of the soil then apply nutrients that will be needed for the maize plants.

Vegetable production

LED office developed business plan for Baza Agricultural co-operative for funding purposes and submit the business plan to ECDC for requesting tractor and implements. The proposals were approved. The tractor and implements were delivered on December 2022 amounted to R500 000, the co-operative is producing a good quality vegetables and piggery production.

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High value projects

Another important milestone is the municipal concentration on High Value Products such; as Paprika and Sorghum, Macadamia, Moringa and Lemon Grass and Haw-Haw Tea. The municipality through its support programmes supported Ligwa Moringa Farming and Bulungula Lemon Grass Essential.

In partnership with Ligwa Community Trust, and Mbashe Municipality entered into a strategic partnership agreement to exploit comparative advantage and providing support financial and no financial to the Moringa farming initiative. Both parties reviewed the agreement during 2019/20 FY, whereby Municipality procured the project all the building materials, Production inputs and working tools for the project as per the implementation plan that was developed and signed by both parties

2 HVP funded in 2020/21 FY by Mbashe LM as follows:

Ligwa Moringa project

An amount of R625 000.00 was Budgeted to Ligwa Moringa project, the project is a rural community development initiative which is situated between the town of Willowvale and Qora Mount under the Leadership of Chief Msondezi Singcawu. The community is blessed with hundreds of hectares of reasonable fertile soils which are located between the Qora and Shixini rivers as well as abundant of water resources from these rivers. According to the Municipal records, the community consists of 12 villages with a population of 8000, the youth make up 65% and 54% of the total are females. Unemployment in the area is chronic with the youth and women being largely affected.

The Moringa tree is doing good in South Africa, bringing sustainable business as well as uplifting the health and feeding of communities. The Moringa tree, also known as the horseradish tree, is being called the miracle or magic tree. The trees are planted using 20 ha from the area of Bhojini at Ligwa. The main objectives of Ligwa Moringa project (High value crop) To produce good quality high value crops, to create long-term permanent employment, To create stakeholder wealth opportunities for employee advancement, To promote skills transfers to previously disadvantaged individuals, Encourage rural economic transformation and To fight poverty and create job opportunities during planting, weeding and harvesting season.

The project is functional, outstanding of the building materials to build a storeroom, drying room were supplied and delivered 14 June 2022 to Ligwa Moringa project which amounted to R48318.25

Bulungula Essential Oil and Projects Primary Cooperative

Bulungula Essential Oil and Projects Primary Cooperative which is situated at Elliotdale Town under Amathole District Municipality in Mbashe Local Municipality at Xhora Mouth A/A under ward 19. It is located approximately 50 km away from Elliotdale town on the way to Bulungula River. Xhora mouth is

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made up of four villages which are as follows: Nqileni, Kwafolokwe, Mgojeni and Tshezi this project is under two villages (Kwafolokwe and Enqileni) but has intentions to expand from other remaining two villages. It forms one of different projects which were initiated by Bulungula incubator, and it is involved in producing and processing of Lemon grass under organic production. The produce is sold at Cape Natural tea products as dried herbage and is used to process lemon grass and rooibos tea. They use surplus herbage to make cosmetics product such as soaps, olive oil, bath salts, sugar scrubs and sold at L.G buyers, Cintsa, and other Bed and breakfast around Elliotdale. The essential oil project was initially started with 8 members who has since now increased to 10 members

For 2020/21 financial year R200 000 was allocated for Bulungula Essential Oils and Lemon Grass Coop for the lemon grass seedlings. Municipality assisted the co-operative to do soil preparation (Ripping, Ploughing and Discing) in an area of 5 ha for the plantation of lemon Grass seedlings.

Sorghum production

Sorghum is another High Value Project which is regarded as one of the products that can help grow the economy of the region. This pilot program of the Sorghum won the support from several government departments and parastatals and the private sector like Anglo American. The council resolved to support the High Value crop (Sorghum production) with funding of R625 000.00 each year for a period of 3 years for the period of three years for Soil preparation (Ploughing and Disc), Production inputs (Sorghum seeds, Chemicals, Fertilizer, Deiseal ect), Irrigation Equipment, Storage facilities (Container), Labour for planting, weed control, Harvesting and Security, Garden tools, Protective clothing, Branding and Signage and Capacity Building at Chacazela in ward 8 and Mangwevini in ward 12.

Mangwevini Pilot Project in ward 12

During the 2017/18 season LMH rolled out a pilot project in the Eastern Cape wherein just under a 100ha of sorghum was planted using the land aggregation methodology. This small-scale preliminary study was conducted in order to evaluate the feasibility, time, cost, adverse events, and improve upon the study design of aggregated farming prior to rolling out the full-scale project. As part of the pilot, LMH was able to take virgin lands and convert them into productive land parcels that yielded a crop which was then sold to UNB. A total of 20 young, women were employed and trained before, during and after the planting season.

In partnership with Mangwevini Community, and Mbhashe Municipality entered into a strategic partnership agreement to exploit comparative advantage and providing support financial and non-financial to the Sorghum production initiative. There were 17 casual workers worked at Magwevini during 2017/18 financial year for 4 months (January to April). During midyear 2020/21 adjustment budget Municipality did an adjustment budget in order to be able to pay 17 casual workers for weed control and Harvesting of Sorghum production which amounted to R136 000.00 on payment of casual workers for

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weed control and harvesting of Sorghum production as per Adjustment budget. All the casual workers were paid their money for the weed and harvesting of Sorghum production.

Chachazela Project in ward 8

During the 2018/19 season Sorghum farmers planted sorghum in Chachazela. The Chachazela sorghum cooperative (CSC) is the second recipient of in Mbashe sorghum aggregation project. It is also based in Dutywa and according to Stats SA, Mbashe municipality's last measured economic growth rate is -0.35%, the dependency rate for this region is 85.5% and the unemployment rate is 42% with youth unemployment sitting at 54%. The beneficiaries for CSC are 200 smallholder farmers and each farmer own an average of 4.69 hectares of land. Majority of the participants are women and although the youth participation is low (0.06%), farmers plan on using the successes from the 2018/19 season as a base to attract more young people and women into the program.

Production inputs were delivered to both projects (Chachazela and Mangwevini Sorghum project).

The support provided to the HVC enterprises amounted to R745 682.77 during 2021/22 financially year for capacity building on Sorghum production for 70 farmers of Chachazela and Mangwevini Sorghum projects, 50 bags of Sorghum seeds, 100 FERTILIZER 2:3:4 (30) +ZN 50 kg, 10 PRE- EMERGENCY CHEMICAL (METALOCHLOR 960) of 10 Lt, 50 CYLAM (CUTWORM) of Lt, 12 STALKBORER & BOLLWORM (CYPERFOS) of 5 Lt and Conducting of Soil preparation, Application of chemicals and planting of Sorghum plants and LAN fertilizers and delivery 240 fertilizers and chemicals for weed and pest control which delivered on June 2022 .

CHALLENGES ENCOUNTERED DURING THE IMPLEMENTATION OF THE PROJECTS

- inclement weather conditions, which delayed commencement of ploughing. During this process, the office was constantly monitoring progress on site.
- No youth involvement
- Lack of storage facilities as a result, production inputs are kept to the project member house.
- Poor bookkeeping in both projects.
- Poor fencing both sites.

REMEDIAL ACTION

- To procure early for the supply and Delivery of production inputs.
- To conduct a study tour to a successfully Sorghum project for benchmarking purposes.

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- Encourage project members to recruit youth for administrative duties.
- To source funds from other government departments and Government agencies.

Mbhashe fish farming

Marine Tilapia industry incubator in Mbhashe

The municipality partnered with the ECRDA which is a schedule 3 (c) entity in terms of the Public Finance Management Act (PFMA).

The Agency was appointed, Thapi Aqua-Kulcha (pty) Ltd which is based in 20 Blackburn Road at East London to set up what will be known as a Marine Tilapia Industry Incubator, which will anchor the development of a series of aquaculture clusters and related value-chain activity along the coastline of the Mbhashe. The initiative is one of the flagships of the Eastern Cape Provincial Oceans Economy Strategy.

Mbhashe traditional leaders were needed to sign an agreement with ECRDA whereby they accept the program. The agreements were signed and sent to ECRDA for the submission of the proposal.

Traditional leaders were told that they must be prepared to avail the land for Tilapia farming as there will be a need of producing feeds to feed the Mbhashe tilapia farming.

ECRDA with Municipality conducted site visit at Qazini and Lalini site which were identify for Tilapia fish farming.

Agricultural job creation during 2021/22 FY

Agriculture is generating more jobs for the agricultural production. There were 40 job opportunities were created during the repairing and maintenance of 10 LED Agricultural infrastructure projects (Cattle dipping tanks and Shearing sheds) and 29 jobs were created in Laphuma ilanga and Bomela co-operative for planting, weed control and harvesting.

Enterprise Development:

Performance Overview on Key Strategy Drivers

- **Training and development programme:**

Mbhashe Local Municipality in partnership with Small Enterprise Development Agency (SEDA) and Eastern Cape Development Corporation (ECDC) conducted a training on Financial Management, to all SMMEs that are in the incubation programme for three consecutive (3) days. The details are as follows:

- Venue : Mbhashe Council Chambers

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- Date : 11 to 13 April 2022
- Time : 09H00
- There were 30 participants (SMMEs) attended the training.

Mbhashe Local Municipality in partnership with Eastern Cape Development Corporation (ECDC) conducted a training on how to develop a Business Plan, to Elliotdale SMMEs and Cooperatives for three consecutive (3) days. The details are as follows:

- Venue : Elliotdale Town Hall
- Date : 13 – 15 June 2022
- Time : 09H00
- There were 30 participants (SMMEs) attended the training.

Mbhashe Local Municipality in partnership with Eastern Cape Development Corporation (ECDC) conducted a training on Project Management, to all SMMEs that are in the incubation programme for three consecutive (3) days. The details are as follows:

- Venue : Elliotdale Town Hall
- Date : 20 - 22 June 2022
- Time : 09H00
- There were 20 participants (SMMEs) attended the training.

The total number of SMMEs supported with trainings on quarter four is 80.

Participants got certificates competence on Project Management training and they got certificates of attendance on other trainings.

- SMMEs assistance and Co-operative support:

Mineworkers Development Agency supplied and delivered of PPEs (Bee Suits) to four Mbhashe beekeeping cooperatives on 06 December 2021 at Council Chambers in Dutywa.

Mineworkers Development Agency supplied and delivered of beehives to our majority female owned beekeeping projects on the 13 April 2022 at TRC Hall in Dutywa. Four (4) Mbhashe Honey cooperatives benefited on this programme.

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Mbhashe Local Municipality supplied and delivered tools of trade to 14 local SMMEs and Cooperatives on the 18 February 2022 at Animal Pound in Dutywa.

Mbhashe Local Municipality supplied and delivered feed and vaccination to four (4) local Cooperatives on the 13 May 2022 at Animal Pound in Dutywa.

Mbhashe Local Municipality supplied and delivered feed, vaccination and building material to two (2) local Cooperatives on the 06 June 2022 at Animal Pound in Dutywa.

- Informal trader support:

Mbhashe Local Municipality supplied and delivered production inputs to 20 Elliotdale Hawkers on the 25 October 2021 at Town Hall in Elliotdale.

Mbhashe Local Municipality supplied and delivered production inputs to 20 Dutywa Hawkers on the 14 April 2022 at TRC Hall in Dutywa.

Department of Small Business Development supplied and delivered production inputs to 36 Dutywa Informal Traders and 34 Gatyane Informal Traders on the 19 November 2021 at Animal Pound in Dutywa and TRC Hall in Gatyane

Mbhashe Local Municipality supplied and delivered production inputs to 26 Elliotdale Informal Traders on the 02 February 2022 at Town Hall in Xhora.

Mineworkers Development Agency supplied and delivered of PPEs (Bee Suits) to four Mbhashe beekeeping cooperatives on 06 December 2021 at Council Chambers in Dutywa.

Mineworkers Development Agency supplied and delivered of beehives to our majority female owned beekeeping projects on the 13 April 2022 at TRC Hall in Dutywa. Four (4) Mbhashe Honey cooperatives benefited on this programme.

Mbhashe Local Municipality supplied and delivered tools of trade to 14 local SMMEs and Cooperatives on the 18 February 2022 at Animal Pound in Dutywa.

Mbhashe Local Municipality supplied and delivered feed and vaccination to 18 local Cooperatives on the 13 May 2022 at Animal Pound in Dutywa.

Mbhashe Local Municipality supplied and delivered feed, vaccination and building material to two (2) local Cooperatives on the 06 June 2022 at Animal Pound in Dutywa.

We issued 486 Hawkers license to Mbhashe hawkers (Gatyana, Dutywa, Xhora)

Incubation programmes:

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Mbhashe Local Municipality established three Incubation programmes to develop and promote local SMMEs which are:

1. Infrastructure Incubation- 22 SMMEs appointed.
2. Planning and Development (supply and delivery) - 13 SMMEs appointed.
3. Planning and Development (maintenance) – 4 SMMEs appointed.

The Amount that was budgeted for SMMEs in 2021/22 FY was R 17 000 000.00 which is 30% of the actual budget. The total amount spent to SMMEs in 2021/22 FY = R124 389 603.19

Therefore, the actual percentage spent to SMMEs= $R124\ 389\ 603.19/R17\ 000\ 000 \times 100 = 732\%$

Tourism Development:

Performance Overview on Key Strategy Drivers

•Product owners or Tourism Operators assisted: Craft development by providing capacity building to crafters was undertaken to ensure that they participate in the mainstream economy through workshops on tendering and other aspects of financial management. Furthermore, 6 crafters were assisted with machinery and equipment in the form of sewing materials (2 Dutywa, 2 Gatyana and 2 Xhora). Mbhashe Crafters from Gatyana Craft Centre were exhibited at Makhanda National Arts Festival as part of selling their Arts & Craft products from 23 June 2022 to 3rd July 2022. As part of Tourism Operators Mbhashe Film Makers participated to Makhanda Film Festival that was held from 27th -29th June 2022 at Makhanda. Furthermore, 8 Crafters were assisted with Craft material in the form of sewing materials and beads (2 Dutywa, 4 Gatyana and 2 Xhora). Qatywa Community Trust was assisted with training at Xhora-Qatywa-Ward 32). Mpame/Mncwasa (Xhora-Ward 19) and Tenza (Gatyana-Ward 22) Marine Economy projects were assisted with fishing equipment and they are fully operating and involved in marine activities. By promoting of Marine Economic initiative, Mbhashe assisted Mpame Fishing project with Fishing Equipment at Mpame in Xhora-Ward 19 and Tenza Fishing Projects (Gojela, Ngandla, Tenza, Xazini and Goqo Fishing Project) and the equipment was delivered on the 21st June 2022 to the above mentioned different fishing projects according to their respective 5 beaches.

There were 2 Internal Events that were held on the 2021/2022 Financial year (namely Tourism & Heritage Hiking Trail that was held in September 2021 from 13th -17th September 2021 and Mbhashe Horse Racing Event was held on the 29th of March 2022 at Bomela Horse Racing Ground in Dutywa-Ward 2).

•Internal and external mega events: In order to maximise and increase visitors within Mbhashe as a preferred destination of choice, hence, Mbhashe Local Municipality provided support to local events which are intended to increase visitors, increase spending and revenue, ensuring geographical spread

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of tourism spin-offs and cutting seasonal tourism issues. The internal event that was held in the 2020/2021 FY was Mbashe Horse Racing Event which was held at Tenza Gatyana (Ward 22).

The external events that were planned but not attended due to Covid 19 pandemic through national tradeshows in the financial year 2020/21 were Tourism Indaba in Durban and Grahamstown National Arts Festival in Grahamstown.

- Heritage tourism: LED has been providing hand on approach by ensuring preservation of heritage sites/ resources at Mbashe Municipality which are then made available as tourist products for consumption and research. Furthermore, 3 heritage properties have been maintained (Fort Marlan Memorial, King Hintsa s' Grave and King Sarhili s' Grave) following heritage prescripts and legislation thus ensuring its original appeal and universal value is sustainable preserved. These include the ones linked to liberation heritage i.e. Mazizi Maqhekeza, Fort Malan Memorial where the designs were completed. Liberation heritage routes were identified and linked along Mbashe.

The municipality has implemented many programmes to advance economic development especially in the Agriculture and Tourism sectors e.g. the Council has adopted a Memorandum of Understanding between the Municipality and Eastern Cape Rural Development Agency (ECRDA) whereby there will be a development of Acquire culture Incubation program along the coast that will boast the local economy of Mbashe.

Life Guards Support

Mbashe Municipality employed 28 Seasonal Lifeguards during Easter Holidays for a period of 10 Days (from 1st to 10th April 2021).

3 days training was provided to 28 Lifeguards (2 days was for the theory and day training was practical).

30 Seasonal Lifeguards were employed during December Festive Season for a period of 25 days at 10 Mbashe beaches (Lubanzi, Mbholompo, Mpame, Bulungula, Qatywa, Cwebe, Haven, Dwesa, Tenza and Qhorha beach) from 17th December 2021 to 10 January 2022.

2 day physical/practical training was held at Lubanzi Beach at Lubanzi in Xhora-Ward 19 from 17th - 18th December 2021.

Tourism Operators

6 Mbashe Crafters (2 Xhora, 2 Gatyana and 2 Dutywa) were assisted with the Craft Material as tools of trade/operation.

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Furthermore, 8 Crafters were assisted with Craft material in the form of sewing materials and beads (2 Dutywa (Olothando Craft & Zubenathi Craft, 4 Gatyana (Gatyana Craft Centre, Bojini Craft, Weza Craft & Nqabarha Craft project and 2 Xhora (Siyazama Craft & Cwebe Craft project).

Marine Economy Projects

2 Marine economic initiatives or projects (Mncwasa in Ward 19 Xhora and Tenza in Ward 22 in Gatyana) were assisted with fishing equipment in order to perform marine activities.

By promoting of Marine Economic initiative, Mbashe assisted Mpame Fishing project with Fishing Equipment at Mpame in Xhora-Ward 19 and Tenza Fishing Projects (Gojela, Ngandla, Tenza, Xazini and Goqo Fishing Project) and the equipment was delivered on the 21st of June 2022 to the above-mentioned different fishing projects according to their respective 5 beaches.

Status of the Advert for Support

The advert was issued inviting all Tourism Operators and Events Companies to submit their proposals for funding but due to Covid 19 most of the events did not take place and also the money was not enough to assist all of them (Only Bunono Album Launch that was assisted)

The advert for was issued inviting Tourism Operators and Events Companies to submit their proposals/concept documents to apply for funding and only 6 Companies submitted their proposals (Tenza beach initiative, Bunono & Anathi Promotions, Siphenkosi Poetry, Ntabazikhalamanzi Community Development, Mzikantu Enterprise and Kiddiez Enterprise)

Coastal Tourism Hiking Trail

As part of promoting and marketing of Mbashe Coastline, Mbashe Municipality embarked on 3-day coastal hiking trail that was held from Tenza Beach to Dwesa Nature Reserve and the purpose of was to explore our beautiful coastline and boost the local economy through using of Mbashe tourism amenities.

The advert for was issued inviting Tourism Operators and Events Companies to submit their proposals/concept documents to apply for funding and only 6 Companies submitted their proposals (Tenza beach initiative, Bunono & Anathi Promotions, Siphenkosi Poetry, Ntabazikhalamanzi Community Development, Mzikantu Enterprise and Kiddiez Enterprise)

Investment Booklet & DVD

Mbashe Investment LED Booklet and DVD was reviewed as part of packaging all investment opportunities in order to attract the investors to come and invest at Mbashe so that the local economy can be boosted.

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Mbhashe Investment Booklet and DVD was reviewed including Spatial Planning Section

Marine Tilapia industry incubator in Mbhashe

The municipality partnered with the ECRDA which is a schedule 3 (c) entity in terms of the Public Finance Management Act (PFMA).

The Agency was appointed the Thapi Aqua-Kulcha (pty) Ltd which is based in 20 Blackburn Road at East London to set up what will be known as a Marine Tilapia Industry Incubator, which will anchor the development of a series of aquaculture clusters and related value-chain activity along the coastline of the Mbhashe. The initiative is one of the flagships of the Eastern Cape Provincial Oceans Economy Strategy. The site was identified at ward 23 in Qora for Mbhashe Tilapia industry incubator.

Municipality with ECRDA convened meetings with Mbhashe traditional leaders to update them about the program and the requirements that need to be attached in proposals that is submitted by ECRDA to the Presidency office for Mbhashe Telapia incubator. The meetings were hosted as follow-on 22 June 2021 the meeting was hosted at Xhora cluster in Xhora town hall, on 23 April 2021 was hosted in Dutywa cluster on Mbhashe Council chamber and on the same day in the afternoon the meeting was hosted at Gatyana cluster in indoor sport centre.

Mbhashe traditional leaders were needed to sign an agreement with ECRDA whereby they accept the program. The agreements were signed and sent to ECRDA for the submission of the proposal. Traditional leaders were told that they must be prepared to avail the land for Telapia farming as there will be a need of producing feeds to feed the Mbhashe Telapia farming.

T3.11.4

LED JOB CREATION in 2021/22 FY

NAME OF PROJCTECT	WARD/TOWN	NO. JOBS CREATED	SHORT/LONG
Tourism development			
Lifeguards for Easter holiday season and Zizi maqhekeza resource Centre	Elliotdale and Willowvale	70 casual workers	Short term

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30 Seasonal Lifeguards were employed for a period of 25 days during December festive period (from 17 th December 2021 to January 2022)	Elliotdale and Willowvale	30 contract workers	Short term
Agricultural development			
Laphuma Ilanga Agricultural Co-operative, Bulungla lemon grass project, Ngqatyana shearing shed and Moringa project	Dutywa Elliotdale Willowvale	80 casual workers	Short term
Infrastructure department			
Mqhele access road, Bikane access road Lusizini, Munyu, Manganyela	Dutywa and Elliotdale Willowvale	382 casual workers	Short term
Community services			
Mbhashe long term opportunities	Idutywa Elliotdale Willowvale	33 Long term	Long term
Total job opportunities for short term		562 casual workers	

T3.11.5

The targets set out in the IDP schedule can be attained and achieved with approved budget provision. LED does not have capital projects as projects its support are community-based and therefore the issue of variances from budgeting for net operating and capital expenditure does not necessarily affect the unit.

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JOB CREATION THROUGH EPWP PROJECTS		
Details	EPWP Projects	Number of jobs created through EPWP projects
FY 2021/22	Indigent Registration assistance	3
	Rural Waste Programme	248
	Buy Back centre	14
	Road Surface maintenance	8
	Pound Assistants	16
	Street Cleaning	70
	Data Capturers	6
	Library Assistants	11
	Electrical Assistants	N/A
	Waste Transporters	N/A
	Off- loaders	N/A
	Land fill sites	6
	EPWP Coordination	N/A
	Infrastructure – MIG	36
	Nobonke rehab	N/A
	Weekend workers	N/A
Free Basic Services	N/A	
Truck drivers and handyman	N/A	

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Grass Cutting & Beautification	15
Peace officers	N/A
Tea makers	N/A
Alien clearing	N/A
Life Guards	N/A
Ablution facilities	5
Transfer Stations	2
Traffic trainees	8
Sinqumeni caves	N/A
King Hintsa grave	N/A
King Sarhili grave	N/A
Fort malan memorial	N/A
Miller mission grave	N/A
Weza bush clearing	N/a
TOTAL	443

T3.11.6

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Local Economic Policy objectives taken from IDP 2019/20											
Service objectives	KPI	2018/19		2019/20		2020/21		2021/22		2020/21	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Agricultural development and food security											
By promoting agrarian reform and increase food security to farming households	Number of wards with agricultural profiles conducted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Number of village associations assisted with maize production inputs.	40	40	40	40	40	40	32	31	31	59
	Number of farming projects assisted with fencing inputs	13	13	13	13	6	6	N/A	N/A	N/A	N/A
	Number of							N/A	N/A	N/A	N/A

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	nurseries supported											
	Number of village farming associations assisted with stock remedy	31	31	31	31	31	31	32	31	31	31	
	Number of village feedlots assisted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	Number of dipping tanks renovated	5	5	5	5	5	5	N/A	4	N/A	N/A	
	Number of shearing sheds built or renovated	5	5	5	5	5	5	1	4	N/A	N/A	
	Number of boreholes renovated and drilled	N/A	N/A	N/A	N/A	4	4	N/A	N/A	N/A	N/A	

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To ensure use of agricultural value chain to stimulate local economic development in deprived areas

By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities	By providing support for farming value chain activities
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	Number of information days held	16	16	16	16	16	16	10	10	10	12
To reduce poverty and unemployment through viable and sustainable job creation strategies											
By facilitating multiplier effects from EPWP projects	Number of people employed through EPWP	2000	2000	2000	695	2540	725	100	N/A		
By developing an exit strategy (intervention plan) through SMME/Co-operative	Development of SMME support policy	NA	N/A	N/A	N/A	N/A	N/A	1	2	N/A	N/A
To encourage investment through viable investment and retention strategies											
By encouraging investment	Economic Summit & Retention strategy	N/A	N/A	Economic summit and retention strategy	Concept	Approved concept	Approved concept document	4 investment opportu	7 sectoral invest	4 invest	4 investm

CHAPTER 3

ent through viable investment and retention strategies						and marketing plan	nt and marketing plan	nities profiled	stm ent opportunities profiled	st m e nt o p p or tu ni ti e s pr of ile d	
By ensuring reduction of employment rate through development and capacitation of enterprises	Number of hawker stalls installed	N/A	N/A	N/A	N/A	60	35	15	0	10	10
By promoting entrepreneur	Number of SMME's linked to	5	5	4	5	5	5	6	8	50	135

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neurial access to markets	formal markets										
	Number of co-ops funded, trained and assisted	5	5	5	5	5	5	35	50	10	15
	LED AND SMME SPENDING	N/A	NA	N/A	NA	N/A	NA	5%	30%	5%	5%
	Spending towards local SMME's	N/A	NA	N/A	NA	N/A	NA	10%	30%	10%	80%
By capacitating and assisting informal traders	Number of informal traders supported	4	5	4	6	120	120	45	80	50	115
Ensure community access to market through their skills and	No. of craft projects assisted	15	12	10	12	10	10	10	10	4	4

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capacity development												
Unlocking marine and coastal tourism opportunities												
Ocean Economy	Number of ocean marine economic initiatives supported	2	2	2	2	2	2	2	3	2	2	
To position and promote Mbashe as a tourist destination of choice												
Tourism Events	Number of events hosted and participated on	8	8	4	4	4	4	4	2	4	1	
Tourism and Environmental signage	Number of tourists destination with clear signage	3	3	3	2	1	1	5	0	5	5	
Beach Upgrade	Number of tourism infrastructure projects facilitated and supported	2	2	2	2	1	1	2	0	2	2	

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By supporting tourism operators	Number of tourism operators supported	5	5	5	5	5	5	8	13	6	6
Renovation of heritage sites	Number of heritage properties developed	5	5	5	5	5	5	3	3	3	3
Film Industry Support	Number of programs supported	N/A	N/A	N/A	N/A	1	1	0	0	1	1
Forest rehabilitation	Number of plantations rehabilitated	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A

T3.11.7

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ECONOMIC ACTIVITY BY SECTOR

COMMENT ON LOCAL JOB OPPORTUNITIES

EMPLOYEES: Local Economic Development Services

Job level	2019/20	2021/2022			
	No. of employees	No. of posts	No. of employees	Vacancies	Vacancies (as a % of total posts)
0 – 3					
4 – 6					
7 – 9	0	0	0	0	
10 – 12	3	3	3	0	100%
13 – 15	0	0	0	0	0%
16 – 18	1		1		100%
19 – 20	1	1	1	0	0%
20-59	90	90	90	0	1
Total	94	95	93	92	100%

T3.11.8

The unit of Local Economic Development (LED) does not necessarily have capital projects. LED fully supports community driven development projects and initiatives and therefore its budget is spent on supporting projects that cannot be categorized as CAPITAL Projects, as they are community based, largely driven by SMME's and Cooperatives. The community-based projects are supported on the basis that they are key drivers on local economy in terms of employment creation and poverty alleviation opportunities they offer. More importantly, the support of community-based projects in pursuit of constitutional obligation as outlined in terms of Section 152, subsection (1) © of the Constitution of the Republic Act. No. 108 of 1998.

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Financial Performance Year 0: Local Economic Development Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	2,347,181	2,967,719	2,967,719	904,773	31%
Repairs and Maintenance	-				
Other	13 252 614	11,666,450	11,666,450	8,996,870	78%
Total Operational Expenditure	15,599,795	14,634,169	14,634,169	9,901,643	68%
Net Operational Expenditure	(15,599,795)	(14,634,169)	(14,634,169)	(9,901,643)	(68%)

T3.11.9

The unit of Local Economic Development (LED) does not necessarily have capital projects. LED fully supports community driven development projects and initiatives and therefore its budget is spent on supporting projects that cannot be categorized as CAPITAL Projects, as they are community based, largely driven by SMME's and Cooperatives. The community-based projects are supported on the basis that they are key drivers on local economy in terms of employment creation and poverty alleviation opportunities they offer. More importantly, the support of community-based projects in pursuit of constitutional obligation as outlined in terms of Section 152, subsection (1) © of the Constitution of the Republic Act. No. 108 of 1998.

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

LED does not have capital projects. However, the unit is responsible for implementation and support of community-driven development initiatives, in a form of various projects such as ploughing of sorghum, repairs and maintenance of LED infrastructure such as dipping tanks, shearing shed. Thus, the unit does not have any capital projects except those that are mentioned here, which are community-driven initiative hence no variations from budget.

CHAPTER 3

T3.11.11

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 & SOCIAL SERVICES

Mbhashe has a competence for amenities and community facilities like the cleaning of halls, animal pounds, cemeteries and parks, sports fields, ablution facilities and beaches.

Sports fields: - These facilities are scattered throughout the Municipality, with some located in urban centres, whilst others are placed at ward centres. These facilities are poorly managed with no personnel attached to them. Some of the sports facilities are planned to be constructed by the Infrastructure Department.

Cemeteries: - Cemeteries are a competence of Mbhashe municipality and our role is largely to plan and ensure provision of land for burial as well as support with services such as registrations and mobilization of resources for fencing of facilities. Cemeteries are currently categorized into urban and rural (communal and private). The Municipality is largely responsible for the management and operation of the urban cemeteries, whilst the rural communal cemeteries are the responsibility of the communities concerned. The private cemeteries in the homesteads become the responsibility of the family concerned. Currently all the urban cemeteries are maintained for use.

Beaches: - Mbhashe LM is well endowed with a beautiful and wild coastline that covers certain parts of Gatyana and Xhorha. Certain parts of the coastline are used by the public for leisure, especially during Easter and summer holidays. As a result of that, there are some leisure facilities in the form of public toilets, showers, signage, braai areas and others that are managed and maintained from time to time.

T3.12

CHAPTER 3

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

INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

This is the concurrent function of the National and Provincial governments. The Department of Sports, Recreation, Arts and Culture (DSRAC) has since entered into a memorandum of agreement with local municipalities, including Mbhashe to manage and administer these facilities, in the case of the municipalities, Libraries are supported.

T3.12.1

SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

The Local Municipality has none of these facilities managed within its jurisdiction. Information libraries is with DASRAC as the driver of the facility.

T3.12.2

CHAPTER 3

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other						
Job Level	Year 0		Year 1			
	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	0.5	17%	
7 - 9	6	6	6	1.5	25%	
10 - 12	7	7	7	1	14%	
13 - 15	9	9	9	2.2	24%	
16 - 18	11	11	11	0.9	8%	
19 - 20	18	18	18	1	6%	
Total	55	55	55	7.1	13%	

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.*

T3.52.4

T3.12.4

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	4,285,497.91	4,867,644.00	6,017,644.00	5,676,242.00	6%
Expenditure:					
Employees	11,159,938.95	14,161,945.00	14,161,945.00	14,132,524.00	0%
Repairs and Maintenance	4,570,232.24	4,353,947.00	5,403,946.00	4,486,295.00	17%
Other	10,516,939.36	10,340,075.00	11,373,875.00	10,584,266.00	7%
Total Operational Expenditure	26,247,110.55	28,855,967.00	30,939,766.00	29,203,085.00	6%
Net Operational Expenditure	-21,961,612.64	-23,988,323.00	-24,922,122.00	-23,526,843.00	6%

T3 12.5

CHAPTER 3

Capital Expenditure Year 1: Libraries; Archives; Museums; Galleries; Community Facilities; Other R' 000					
Capital Projects	Year 1				
	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
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.52.6

T3.12.6

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERALL:

The municipality is only providing library services. There were no capital projects that were implemented in 2021/22. Only overhead costs were utilised for stationery and conducting awareness's.

T3.12.7

3.13 CEMETORIES AND CREMATORIIUMS

INTRODUCTION TO CEMETORIES & CREMATORIIUMS

The municipality provides routine maintenance in the form of grass cutting and clearing of the overgrown vegetation in cemeteries when need arises. The municipality has three heritage sites which are maintained on a quarterly basis. The heritage sites being maintained are King Hintsa, Sarhili and Fort Malan.

T3.13.1

CHAPTER 3

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

The services are being done through EPWP and there are no permanent employees.

T3.13.2

SERVICE STATISTICS FOR CHILD CARE

T3.56

Child Care; Aged Care; Social Programmes Policy Objectives Taken from IDP

Service Objectives	Outline Service Targets	Year -1		Year 0		
		Target	Actual	Target		Actual
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)
(i)	(ii)					
Service Objective xxx						
To mainstream special programs into the municipality by June 2027	9 programs Implemented for designated groups (4 Youth, 3 Older persons, 2 Persons with disability, 3 gender and 2 children)				9 programs Implemented for designated groups (4 Youth, 3 Older persons, 2 Persons with disability, 3 gender and 2 children)	9 programs Implemented for designated groups (4 Youth, 3 Older persons, 2 Persons with disability, 3 gender and 2 children)

CHAPTER 3

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CHAPTER 3

Commemoration of Calendar Days	3 Calendar Days Commemorated (Women's Month, Mandela Month and Heritage Month)				3 Calendar Days Commemorated (Women's Month, Mandela Month and Heritage Month)	3 Calendar Days Commemorated (Women's Month, Mandela Month and Heritage Month)

CHAPTER 3

To promote ethical and moral transformation by June 2027	By conducting programs against moral decay and antisocial behavior across all sectors promoting a responsive community against gender-based violence				Number of positive value campaigns implemented in all units. 3 programs conducted	Number of positive value campaigns implemented in all units. 3 programs conducted

CHAPTER 3

Implementing annual plans of designated groups in line with HIV/AIDS, STI and TB Strategy implementation plan	4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan				4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan	4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan	

CHAPTER 3

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CHAPTER 3

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

During the year under review the municipality has performed according the approved scorecard and targets set were achieved.

T3.13.7

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Not applicable to the municipality

T3.14.1

CHAPTER 3

SERVICE STATISTICS FOR CHILD CARE

N/A

T3.14.

CHAPTER 3

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes pollution control; biodiversity and landscape; and coastal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

The municipality has established a unit that deals with services of pollution control; biodiversity and landscape; and coastal protection. The municipality has committed itself in the protection of the environment through the implementation of service delivery in a sustainable manner for the coming generations of Mbashe to benefit from the municipality's endemic natural resources.

T3.14

- In order to enforce the framework of Section 24 of the Constitution is the **National Environmental Management Act (Act 107 of 1998)**, which stipulates that everyone has the right:
 - to an environment that is not harmful to their health or well-being; and
 - to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that
 - prevent pollution and ecological degradation;
 - promote conservation; and
 - Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

Mbashe LM has an Environmental Management Unit established under Community Services. The purpose of this unit is to oversee that Environmental Protection is practiced and Environmental Compliance is adhered to. This assist in equipping the municipality in promoting sustainability in all its practices.

- Removal of Alien Species
- Tree Planting in Community Halls
- Implementation of Coastal Management Plan
- Environmental Awareness Programs.

Removal of Alien Species

The municipality has conducted an Alien Eradication Project in 13 wards of Mbashe Local Municipality, this programme was topped up by the funding from the Department of Economic Development,

CHAPTER 3

Environmental Affairs and Tourism by R 4 Million. This program has created jobs for 279 participants in all 13 wards.

Males (156)

Females (123)

Youth (96)

Disabled (0)

Implementation of Coastal Management Plan

The Municipality has been implementing its Coastal Management Plan as required by the Coastal Management Act. Most of the programs that guide the activities undertaken by the Environmental Management section are derived from the plan. For the 2021/2022 financial year, two blue flag pilot sites, namely Xhora Mouth and Tenza have maintained their status. Water Testing and Awareness Campaigns were conducted. The water testing results responded positively with an E.Coli of 359 for Xhora Mouth and 158,52 for Tenza . With the Faecal Streptococci, they were both zeros. It has been however recommended that Tenza beach needs more to improve and stay away from herding cattle into the beach as it causes the increase in elements found in the samples. In Xhora Mouth, an awareness campaign on Beach Clean Up was held in a form of addressing pollution in Blue Flag sites to preserve the lives in the oceans.

Another Program implemented within the Coastal Management Area, is the rehabilitation of degraded areas. The Coastal line of Mphashe LM has been faced with the challenge of degradation or soil erosion especially in the Xhora Region. The Coastal wards were visited by the office with the aim of bringing awareness on how to address the issues of degradation in communities through rehabilitation, working closely with the Community Development Workers, EPWP rural waste participants and ward committees

Implementation of Climate Change Mitigation Strategy

Climate Change is ongoing and constantly requires a development of integrated ecological restoration and sustainable development projects together with local, national and international organisations, as a catalyst for positive change in rural communities. The Mphashe LM continues with the issue of addressing Invasive Alien Plants in Gatyana. The Eucalyptus and Black Wattle have invaded the town so much that it is prone to crime and faces a challenge of development due to the issue of space management in the town planning. develops integrated ecological restoration and sustainable development projects together with local, national and international organisations, as a catalyst for positive change in rural communities. The municipality have identified and fell 34 trees along the King

CHAPTER 3

Hintsa TVET College in Gatyana. The Bush Encroachment awareness campaign was conducted with the aim of eradicating small shrubs in the urban area of the town.

3.15 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

As required by the National Environmental Management Act, all municipalities are expected to develop the Air Quality Management Plan as a measure towards pollution Control. Mbhashe has successfully developed the plan, however the municipality does not have much pollution as it is a space that does not trigger much emissions.

The types of pollution that are under the control of the unit ranges from river clean-up to coastal clean-up. An Air Quality Management Plan is still to be developed for issues pertaining air pollution, currently there is a climate change strategy that outlines the issues talking to air pollution e.g. Transport pollution & Car Emissions.

Mbhashe also have rural waste which is a form of controlling waste pollution around. A nuisance By-law is in place to tackle noise pollution.

T3.15.1

SERVICE STATISTICS FOR POLLUTION CONTROL

None.

T3.15.2

CHAPTER 3

Employees: Pollution Control						
Job Level	Year 0		Year 1			
	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	0.5	17%	
7 - 9	6	6	6	1.5	25%	
10 - 12	7	7	7	1	14%	
13 - 15	9	9	9	2.2	24%	
16 - 18	11	11	11	0.9	8%	
19 - 20	18	18	18	1	6%	
Total	55	55	55	7.1	13%	

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.

T3.59.4

T3.15.4

Financial Performance Year 1: Pollution Control						R'000
Details	Year 0	Year 1				
	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 table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T3.59.5	

CHAPTER 3

Capital Expenditure Year 1: Pollution Control					
R' 000					
Capital Projects	Year 1				
	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
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.59.6

T3.15.6

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

T3.15.7

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

INTRODUCTION TO BIO-DIVERSITY AND LANDSCAPE

Mbhashe hosts a very pristine biodiversity along the stretch of the coast, however, the coastline is plagued by unforeseen threats like the illegal sand mining for commercial and household use. This brings about habitat loss and other negative impacts in the biodiversity. The municipality took an initiative of liaising with the Department of mineral resources and lodged applications for legal and controlled use of sand. This has an aim of improving the livelihoods of those affected communities through trusts established for the control of mining sites. The rehabilitation of degraded lands in the disturbed areas along the coast, also contributed in the preserving of the natural landscape. Mining permits are still awaited from the DMR offices. No progress has been made to the Proposed nature reserve in Collywobbles.

T3.16.1

CHAPTER 3

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

None

T3.16.2

CHAPTER 3

Employees: Bio-Diversity; Landscape and Other					
Job Level	Year 0	Year 1			
	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	0.5	17%
7 - 9	6	6	6	1.5	25%
10 - 12	7	7	7	1	14%
13 - 15	9	9	9	2.2	24%
16 - 18	11	11	11	0.9	8%
19 - 20	18	18	18	1	6%
Total	55	55	55	7.1	13%

*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.

T3.60.4

T3.16.4

Financial Performance 2008/09: Bio-Diversity; Landscape and Other					
Details	Year 0	Year 1			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
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 table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.60.5

T3.16.5

CHAPTER 3

Financial Performance Year 0: Environmental Management					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	
Expenditure:					
Employees	330,964	473,494	473,494	416,250	88%
Repairs and Maintenance					
Other	666,847	2,250,962	2,250,962	1,517,527	68%
Total Operational Expenditure	997,811	2,724,456	2,724,456	1,933,777	71%
Net Operational Expenditure	(997,811)	(2,724,456)	(2,724,456)	(1,933,777)	(71%)

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

The biodiversity of Mbashe shows that most of the natural and near-natural landscapes are located along the coast and adjacent interior. The more degraded areas are found in the northwestern portion of Mbashe with too much disturbance caused by overgrazing and burning of grasslands on the biodiversity occurring on that particular area. The decreased spatial extent of the Grassland Biome is also likely to be reduced due to the invasion of alien trees, bush encroachment and woody species. This would ultimately lead to a shift towards Savanna type characteristics.

Currently Mbashe hosts, the beauty of two joint Protected Areas declared as Nature Reserves and Marine under the protected areas Act. The Dwesa- Cwebbe Nature Reserves encompasses pristine biodiversity of the coastal flora and fauna.

T3.16.7

CHAPTER 3

COMPONENT F: HEALTH

This component is provided by Department of Health.

3.17 CLINICS

This component is provided by Department of Health.

3.18 AMBULANCE SERVICES

The component is provided by Department of Health

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

The component is provided by Department of Health.

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

The Law Enforcement section was established in 2016 with the purpose of enforcing the municipal by laws in all units of Mbashe, the section is now fully functional. Law enforcement officers deal with the enforcement of By-laws and criminal procedure act, Act 51 of 1977. Traffic officers deal with the enforcement of road traffic Act 93 of 1996 and partly criminal procedure act, Act 51 of 1977. The unit deals with the protection of municipal assets and random patrols in all the Mbashe units by the in-house security personnel.

T3.20

CHAPTER 3

3.20 POLICE

This component is provided by Department of South African Police Services.

3.21 FIRE

This component is provided by Amathole District Municipal Fire Services.

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

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

This Disaster Management is performed in accordance with the legislative requirements in the Disaster Management Act. In terms of Section 46 of Disaster Management Act, the municipality co-ordinates its activities with those of the –

- (a) National Disaster Management Centre;
- (b) The Eastern Cape Provincial Disaster Management Centre; and
- (c) Amathole District Municipality's Disaster Management Centre

The Mbashe Local Municipality adopted the Disaster Management Plan during 2018/19 FY. The plan stipulates that the municipality is responsible for executing some obligations with regards to disaster in terms of the Disaster Management Act.

The Disaster Management Plan of the Local Municipality reflects:

- I. Compliance with the provisions of the Disaster Management Act.
- II. Alignment and integration with the current Integrated Development Plan (IDP).
- III. Assessment of risk and vulnerability of its communities and anticipate and prioritize disasters that are likely to occur in the municipality.
- IV. Place emphasis on measures that reduce risk and vulnerability of disaster-prone areas, communities and households.
- V. Identify areas, communities and households that are vulnerable and at risk.
- VI. Respect and use the indigenous knowledge relating to disaster management.

CHAPTER 3

- VII. Promote disaster management research.
- VIII. Identify and address the weakness in capacity of the municipality to deal with possible disasters.
- IX. Facilitate maximum emergency preparedness

The following risks are identified as priority risks at Mbashe that will be addressed by risk reduction and preparedness planning as contained in the plan.

In the year 2019/20, the municipality also reviewed the Disaster Policy. The policy states different stakeholders involved in the disaster mitigation.

Mbashe Local Municipality uses the services of the Amathole District Municipality in the fire services; this is in terms of the assigned powers by the MEC for Local Government.

In the year 2019/20, the municipality was able to respond positively to all reported disasters in the area. In all these disasters; the municipality was the first point of call and response rate was high as officials and councilors were seen in the disaster struck areas within 24 hours. For most of the time; groceries were supplied where to all those affected by fire and storm where groceries were affected.

T3.22.1

SERVICE STATISTICS FOR DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

T3.22.2

Employees: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc					
Job Level	Year 0		Year 1		
	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	0.5	17%
7 - 9	6	6	6	1.5	25%
10 - 12	7	7	7	1	14%
13 - 15	9	9	9	2.2	24%
16 - 18	11	11	11	0.9	8%
19 - 20	18	18	18	1	6%
Total	55	55	55	7.1	13%

*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.

T3.67.4

T3.22.4

CHAPTER 3

Financial Performance Year 1: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc					
R'000					
Details	Year 0	Year 1			
	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%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.67.5

T3.22.5

Capital Expenditure Year 1: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc					
R' 000					
Capital Projects	Year 1				
	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
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.67.6

T.3.22.6

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

T3.22.7

CHAPTER 3

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

This is not applicable at MLM

T3.23

3.23 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

T3.23.1

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, Etc

Corporate policy is the guide post to decision making. It helps in the managerial thinking process and thus leads to the efficient and effective attainment of the objectives of any organization.

T3.24

3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

The municipality has the political stability which enables Council to oversight through its section 79 and 80 committees. The Mbhashe municipality has two management teams a political and an administrative team. The political leadership is made up of Councillors and Traditional Leaders. The political leadership makes strategic and policy decisions. The administration is headed by the Municipal Manager assisted by senior manager in ensuring that the decisions taken by the council are implemented

T3.24 .1

The Executive and Council Policy Objectives Taken From IDP

Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1
		Target	Actual	Target		Actual	Target
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year
		(iii)	(iv)	(v)	(vi)	(vii)	(viii)

To ensure clean and accountable governance in the municipality by 2022

	Number of meetings held by council structures in 2020/21	51 meetings held by council structures in 2020/21	51 meetings held by council structures in 2020/21	51 meetings held by council structures in 2020/21	51 meetings held by council structures in 2020/21	51 meetings held by council structures in 2020/21	51 meetings held by council structures in 2020/21
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T3.24.3

CHAPTER 3

Employees: The Executive and Council					
Job Level	Year 0		Year 1		
	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	0.5	17%
7 - 9	6	6	6	1.5	25%
10 - 12	7	7	7	1	14%
13 - 15	9	9	9	2.2	24%
16 - 18	11	11	11	0.9	8%
19 - 20	18	18	18	1	6%
Total	55	55	55	7.1	13%

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. T3.69.4

T3.23.4

CHAPTER 3

Financial Performance Year 1: The Executive and Council					R'000
Details	Year 0	Year 1			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
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%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.69.5

T3.24.5

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

Council Meetings

The Municipal Structures Act requires that council should meet at least a minimum of four (4) times a year. Mbashe Municipality has in the previous year exceeded the above requirement. An action plan to monitor resolution taken by the council was developed and assessed on a quarterly basis.

Attendance to Council Meetings

Mbashe Municipality maintained adequate attendance of council

meetings convened for the year under review, in most of the instances wherein councillors were unable to attend, apologies were tendered and approved. However, during the transition period there was challenge convening a council structure due to local government elections.

All Party Whippery

Whippery is comprised of all chief whips for all parties represented in the council. The council has elected Whip of the council who is the chairperson of the whippery committee. The whippery committee sits every quarter before every council meeting for effective functioning and smooth running of council meeting.

Section 80 Committees

CHAPTER 3

The Municipality has 5 Section 80 committees which are sitting on a quarterly basis where the chairpersons are elected by Executive Mayor and are functioning effectively. They assist the Executive Mayor in ensuring effective functioning of the standing committees.

Section 79 Committees

The Municipal Public Accounts Committee has been fully constituted and members were given the requisite training.

T3.69.7

3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

Delete Directive note once comment is complete – 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 financial service during the year.

T3.25.1

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	Year -1		Year 0			Year 1	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in 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 Proportion of accounts billed that were collected %
Property Rates	6,989,346.28	60.14%	15,367,698.79	10,928,823.53	71%	7,500,000.00	100%
Electricity - B							
Electricity - C							
Water - B							
Water - C							
Sanitation							
Refuse	213,363.91	6%	3,485,795.91	219,523.05	6%	500,000.00	100%
Other							

T3.25.2

CHAPTER 3

Employees: Financial Services					
Job Level	Year 0		Year 1		
	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	0.5	17%
7 - 9	6	6	6	1.5	25%
10 - 12	7	7	7	1	14%
13 - 15	9	9	9	2.2	24%
16 - 18	11	11	11	0.9	8%
19 - 20	18	18	18	1	6%
Total	55	55	55	7.1	13%

*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.*

T3.70.4

T3.25.4

CHAPTER 3

Financial Performance Year 0: Financial Services					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	249,464,000.00	263,748,000.00	314,001,000.00	314,001,000.00	0%
Expenditure:					
Employees	9,661,882.00	8,759,923.00	9,905,956.00	9,661,882.00	2%
Repairs and Maintenance	-	-	-	-	0%
Other	23,264,825.00	18,141,356.00	25,321,122.00	23,264,825.00	8%
Total Operational Expenditure	32,926,707.00	26,901,279.00	35,227,078.00	32,926,707.00	7%
Net Operational Expenditure	216,537,293.00	236,846,721.00	278,773,922.00	281,074,293.00	-1%

T3.25.5

Capital Expenditure Year 0: Financial Services					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	7,100,000	7,100,000	494,917	93%	151,449
ACQUISITION OF VEHICLES	7,000,000	7,000,000	494,917	93%	-
OFFICE FURNITURE	100,000	100,000	-	100%	151,449
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.25.6

T3.25.6

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

CHAPTER 3

T3.25.7

3.26 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Assessment of employees on individual PMS is conducted. During the feedback sessions, the employee and supervisor discuss employees progress towards goal completion and any support needed. Mbashe Local Municipality recruited 4 employees through recruitment and selection processes. Employee development is a universally recognised as a strategic tool for an organisations continuing growth, productivity.

As Corporate Services, we have managed to submit workplace skills plan to LGSETA for 2022-23. The development plan is aligned with organisation goals, showing skills that the employee requires and how they go about and acquiring them. Employees at all levels embarked on training in different training skills program. Council approved the 5 year Employment Equity plan in December 2019 and employment equity report is submitted to the department of Labour on an annual basis.

T2.26.1

SERVICE STATISTICS FOR HUMAN SERVICE RESOURCE SERVICES

As per approved structure, as of 30 June 2022 there are 04 vacant posts

T3.26.2

CHAPTER 3

Service	Outline	Year -1		Year 0		Year 1	
Objectives	Service						
	Targets	Target	Actual	Target		Actual	Target
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year
		(iii)	(iv)	(v)	(vi)	(vii)	(viii)

To provide and enhance skills among the Councillors, Traditional Leaders, Ward Committees and Employees to ensure effective service delivery by 2022

By up skilling employees and Councillors through formal and informal qualifications as per WSP and other funders (SETA, SALGA, TVET)		5 training interventions implemented as per approved WSP	5 training interventions implemented as per approved WSP	Computer Course (38) Occupational health and safety (15) Waste management (50)		Computer Course (61) Occupational health and safety (15) Waste management (50) Supervisory management skills (28) Project Management (25) Hygiene cleaning (10) Team Building (55) Municipal governance (3) Anti-fraud and corruption (44)		
---	--	--	--	--	--	--	--	--

CHAPTER 3

			Supervisory management skills (28)		Conflict Management (66)	
			Project Management (25)		Close Corporation (1)	
			Hygiene cleaning (10)			
			Team Building (100)			
			SAMTRAC(1)			
			Municipal governance (3)			
			Antifraud and corruption (44)			
		5 formal qualifications		5 qualifications	(7)qualificatio	7 qualifications implemented for

CHAPTER 3

				<p>implemented for officials</p> <p>ns implemented for officials (LLB (2), ,Degree in Public Administratio n(6), and Honours in Public Administratio n (5) Post Grad in Public Admin (1) Diploma IN Metropolitan and traffic policing (1) Peace officers (4) Examiner of driving license(7)</p>	<p>officials (LLB (2), ,Degree in Public Administration(6), and Honours in Public Administration (5) Post Grad in Public Admin (1) Basic Traffic Diploma (7) Peace officers (4) Examiner of driving licence(6)</p>	
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CHAPTER 3

		25 Unemployed Community programme	25 Unemployed Community programme	25 unemployed graduates were enrolled in an internship programme and placed in various departments	25 unemployed graduates participated in the programme	
--	--	--	--	---	---	--

Employees: Human Resource 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	0	0	0	0	0
4 – 6	3	3	2	0	0
7 – 9	2	2	1	0	0
10 – 12	4	4	4	0	0
13 – 15	1	1	1	0	0
16 – 18	1	1	2	0	0
19 – 20	1	1	1	0	0
Total	12	12	11	0	0

CHAPTER 3

T3.26.4

Financial Performance Year 0: Human Resource Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	47,874.41	100,000.00	100,000.00	471,823.00	-372%
Expenditure:					
Employees	3,570,204.61	7,109,701.00	7,109,701.00	6,697,171.00	6%
Repairs and Maintenance	7,242.42	-	32,996.00	32,996.00	0%
Other	5,594,714.60	4,640,604.00	5,233,540.00	4,669,612.00	11%
Total Operational Expenditure	9,172,161.63	11,750,305.00	12,376,237.00	11,399,779.00	8%
Net Operational Expenditure	-9,124,287.22	-11,650,305.00	-12,276,237.00	-10,927,956.00	11%

T3.26.5

Capital Expenditure Year 0: Human Resources					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value

CHAPTER 3

Total All	800,000	800,000	582,676	27%	800,000
Computers and Printers	50,000	50,000	24,370	51%	50,000
Office Furniture & Equipment	50,000	50,000	1,320	97%	50,000
Vehicles	700,000	700,000	556,986	20%	70,000

T3.26.6

Comment on the Performance of Human Resource services overall. T.3.26.7

During the financial year under review the Human Resource Services performed very well.

We managed to cascade Performance Management System to Task Grade 12 and also to Supervisors who are below TG 12 who are in TG 9. Assessments were conducted and during these assessments the employee and supervisor discuss the employee's progress towards goal completion and any support needed.

Again the municipality managed to fill the one post that was prioritized for the financial year and also managed to recruit for the other positions that became vacant due to resignations, death & retirements.

Employee development is universally recognized as a strategic tool for an organization's continuing growth & productivity. As Corporate Services we managed to submit the Workplace Skills Plan to LGSETA. The plan is aligned to the organisation's goals, showing skills that the employee requires and how they can go about acquiring them. Employees at all levels embarked at training in different training skills programmes.

CHAPTER 3

In as far as the Employment Equity the municipality approved a five (5) Employment Equity Plan in December 2019 and Employment Equity report is submitted to the Department Equity report is submitted to the Department of Labour on an annual basis.

T3.71.7

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

SERVICES

Information and Communication Technology to make sure alignment of ICT strategy with a well-defined business strategy that is supported by clearly documenting business processes and translates the business vision, the municipal structure and behaviour of the municipality including its information systems into a strategic roadmap. Ensuring that ICT delivers against the strategy through clearly defined expectations and measurement. Directing ICT strategy to balance investments between systems that support the enterprise as-is, as well as transform ICT capabilities to enable the business to grow and support new programs and/or directives. Making deliberate decisions about the focus of ICT resources, including personnel, contracted services, hardware, software assets and and ICT risks are mitigated.

The municipality have ICT Steering Committee which is the committee of the municipality charged with the responsibility to oversee the development, implementation, monitoring and review of IT investments and to ensure that a satisfactory ICT environment is maintained. This means the committee

CHAPTER 3

has to review the implementation of municipal policies, procedures, practices, and guidelines and alignment of ICT infrastructure to the municipal objectives.

Implement ICT service strategy which is a plan of action to create an information technology capability for maximum, and sustainable value for an organization which helps to create shareholder value, that is, it helps maximize return on IT investments. Oversee the stability of business systems and network infrastructure within the organization, which require constant performance monitoring. Set institution-wide standards for software configurations and implementation guidelines in line with Policies and Procedure Manuals. Ensure maximized uptime, performance optimization, and full utilization of ICT resources and implementation of security measures & electronic data operations. Co-ordinates tasks/activities associated with the provision of End User support and analyses, diagnoses and resolves software/ hardware related problems.

Everything implemented is in line with Fourth Industrial Revolution and comply with all legislation and ICT governance.

T3.27.1

SERVICE STATISTICS FOR ICT SERVICES

T3.27.2

CHAPTER 3

ICT Service Policy Objectives Taken From IDP								
Service Objectives	Service Objectives	2017/18		2018/19				2019/20
	Service Indicators	Target	Actual	Target		Actual	Target	
Service Indicators		*Previous Year		*Previous Year	*Current Year	*Previous Year		*Previous Year
(i)	(i)	(iii)	(iv)	(v)	(vi)	(iii)	(iv)	(v)
To ensure an integrated, stable and responsive ICT infrastructure driving 4IR by June 2022.								
Review ICT policies	Reviewed ICT policies							11
Review ICT Governance Framework	Reviewed ICT governance framework							1
Review ICT Governance Charter	Review ICT Governance Frameworks							1
Review Disaster Recovery – Business Continuity Plan	Reviewed Disaster Recovery – Business Continuity Plan							1
Review ICT Strategic Plan- ICT Master Plan	Reviewed ICT Master Plan							1
Review ICT Service Strategy	Reviewed ICT Service Strategy							1

CHAPTER 3

New ICT Acceptance Use Policy	Developed ICT Acceptance Use Policy								1
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CHAPTER 3

Employees: ICT 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	0	0	0	0	0%
4-6	4	4	4	0	100%
7-9	0	0	0	0	0%
10-12	3	3	3	0	100%
13-15	0	0	0	0	0%
16-18	1	1	1	0	100%
19-20	0	0	0	0	0%
Total	8	8	8	0	100%

T3.27.4

Financial Performance Year 0: ICT Services					
					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	1,083,758	1,075,164	1,075,164	1,075,160	0%
Repairs and Maintenance	-	-	-	-	
Other	1,244,428	2,465,049	2,434,832	2,390,906	2%
Total Operational Expenditure	2,328,186	3,540,213	3,509,996	3,466,066	1%
Net Operational Expenditure	-2,328,186	-3,540,213	-3,509,996	-3,466,066	1%

T3.27.5

CHAPTER 3

Capital Expenditure Year 0: ICT Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance to budget	Total Project Value
Total All	2,436,291	2,536,291	1,249,030	51%	2,536,291
Computers & Printers	300,000	350,000	207,384	52%	350,000
Cables	300,000	300,000		100%	300,000
Software	686,291	886,291	685,646	23%	886,291
Servers	450,000	450,000	161,000	64%	450,000
Data Recovery	200,000	300,000	195,000	35%	300,000
VPN	500,000	250,000	-	100%	250,000
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.27.6

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

Information Communication Technology section made sure that they manage the stability of business systems and network infrastructure within the organization, which required constant performance monitoring.

The municipality is still busy with processes to upgrade Virtual Private Network and Internet connection that gives access to municipal systems and network in all municipal offices, Voice over Internet Protocol Telephone system across municipal offices to enhance communication internal and with outside stakeholders and also including WiFi connection for Mbhashe employees and citizens at last using municipal buildings as hot spot.

Municipal financial system, HR and Payroll systems are mSCOA compliant as per National treasury requirements, New network cabling infrastructure for satellite offices, Upgraded municipal website with constant maintenance,

Reviewed Disaster recovery- Business Continuity Plan, ICT Governance Framework, ICT Governance charter, ICT Policies and Procedure manuals. Developed new ICT Master Plan and ICT Service Strategy to enhance ICT services to municipal ICT end users.

ICT Steering Committee TOR reviewed and new appointments made and was established to enhance ICT performance. System trainings attended by ICT employees to enhance their skills. 2 Vacant positions will enhance ICT services across all sites once they are filled.

CHAPTER 3

Upgraded server room infrastructure and it complies with standards. Upgraded email solution to meet all current municipal needs and to comply with Governance.

T3.72.7

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

Property in this context refers to land and buildings (immovable properties). Owners of the immovable property in the municipality are the following:-

- 1) Communal under traditional leadership
- 2) Privately owned properties
- 3) Government owned properties (DRDLR and Department of Public Works)
- 4) Municipal owned properties

The municipal valuation roll is used as database where all properties registered on the deeds office are kept. The latest valuation was updated in 2014 and supplementary valuation rolls done in every year thereafter. The municipal valuation roll for the third cycle was supposed to start beginning of July 2019 for implementation but there were issues with rate payers and the municipality was unable to implement as per the approved valuation project plans and we have applied for condemnation from MEC.

The municipality also leases land to enterprises with the purpose of uplifting and promoting private sector investment. In 2018/19 financial year, the municipality has improved in the internal controls with regard to leases. The lease policy has been adopted by council; more lease agreements have been signed and the collection rate on leases has improved. The municipality has lease register that is

CHAPTER 3

updated on a yearly basis.

T3.28.1

SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT
SERVICES

T3.28.2

CHAPTER 3

Property; Legal; Risk Management; and Procurement Services Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	Year 0		Year 1		Y	
		Target	Actual	Target			Actual
		*Previous Year		*Previous Year	*Current Year		
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	
Service Objective xxx							

*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 incorporated in the indicator set for each municipality to '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 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 s reduction of performance management arrangement by municipalities in which IDPs play a key role.*

CHAPTER 3

Employees: Property; Legal; Risk Management; and Procurement Services					
Job Level	Year 0		Year 1		
	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	0.5	17%
7 - 9	6	6	6	1.5	25%
10 - 12	7	7	7	1	14%
13 - 15	9	9	9	2.2	24%
16 - 18	11	11	11	0.9	8%
19 - 20	18	18	18	1	6%
Total	55	55	55	7.1	13%

*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.

T3.73.4

T3.28.4

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	-	-	-	-	0%	
Expenditure:						
Employees	7,304,949	12,128,357.00	12,128,357.00	12,001,800.00	1%	
Repairs and Maintenance	26,567	-	3,460.00	3,460.00	0%	
Other	6,253,228	4,136,255.00	4,793,227.00	4,546,550.00	5%	
Total Operational Expenditure	13,584,745	16,264,612.00	16,925,044.00	16,551,810.00	2%	
Net Operational Expenditure	-13,584,745	-16,264,612.00	-16,925,044.00	-16,551,810.00	2%	

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

T3.28.5

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

Municipal properties include community facilities, social facilities, residential and investment properties. The municipality budgets and maintains the properties every financial year to keep them in a good condition.

Investment properties contribute on revenue collection through rentals from various leased properties. In the 2019/20 financial year there was a verification of all existing leases which resulted in identification of previously unaccounted leases which resulted in an increase of 41 to 100 leases which include

CHAPTER 3

billboards, vacant land and municipal owned buildings. The leasing of properties has a potential to increase revenue for the municipality.

T3.28.6

COMPONENT J: MISCELLANEOUS

MUNICIPALITY DOES NOT HAVE AIRPORT, ABATTOIRS, MUNICIPAL COURTS AND FORESTRY.

CHAPTER 4

CHAPTER 4 –ORGANISATIONAL DEVELOPMENT PERFORMANCE

(PERFORMANCE REPORT PART II)

INTRODUCTION

The organizational Development is a key transformation agent dealing with the structure of the Municipality to ensure that it remains aligned to its strategy, job evaluation process and change management philosophy. Organizational Development as a function is placed under Corporate Services Department

T4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Mbhashe Local Municipality employed 260 officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function

CHAPTER 4

TOTALS, TURNOVER AND VACANCIES

Employees					
	Year -1	Year 0			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
Description	No.	No.	No.	No.	%
Electricity	7	7	6	1	14%
Solid Waste Management	87	87	105	6	5%
Housing	2	2	2	0	0%

CHAPTER 4

Infrastructure	42	42	38	3	7%
Local Economic Development	11	11	10	5	33%
ICT	3	3	3	0%	0%
Archives (Administration)	17	17	19	1	5%
Human Resource Services	12	12	8	2	20%
BTO Services	18	18	20	6	23%
Police (Traffic Officers)	18	18	9	9	0%
Law Enforcement	12	12	14	0	0%
Licensing Services	05	05	10	1	1%
Municipal Managers Office	26	26	35	3	8%
Total	260	260	279	39	12%

T4.1.1

Vacancy Rate: Year 0			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%

CHAPTER 4

Municipal Manager	1	0	0%
CFO	1	0	0%
Other S56 Managers (excluding Finance Posts)	5	0	0%
Traffic and Law Enforcement officers	35	0	0%
Fire fighters	0	0	0%
Middle management: Levels 13-15 (excluding Finance Posts)	3	3	0%
Middle management: Levels 13-15 (Finance posts)	0	0	0%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	46	2	0,9%
Highly skilled supervision: levels 9-12 (Finance posts)	5	2	0,1%
Total	96	7	0,1%

T4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	10	10	0%
Year -1	10	21	48%

CHAPTER 4

Year 0	14	7	50%
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T4,1,3

Employees					
Description	Year 0		Year 1		
	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 & Regulatory)	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	%
Environmental Protection	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	113 645	113 645	100 709	100 709	–
<p><i>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.</i></p>					

T4.1.1

CHAPTER 4

Vacancy Rate: Year 1			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
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			
Fire fighters			
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	89	19	21.35
<i>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.</i>			T4.1.2

COMMENT ON VACANCIES AND TURNOVER:

In order to ensure reasonable standardisation and consistency in the handling of the workforce, staff policies and procedures are developed and workshops for employees are held. These policies & procedures are reviewed as the need arises or annually. They are implemented together with the condition of service which are developed at central level. During the period under review, 33 policies have been reviewed. This was done through transparent and consultative process involving Councillors and Labour through workshops and Local Labour Forum

T4.1.4

CHAPTER 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Section 67 of the Municipal Structures Act 2000 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998. Workforce management is a core function of each line manager at Mbhashe Local Municipality.

In order to ensure reasonable standardization and consistency in the handling of the workforce, staff policies and procedures are developed and workshops for employees are held. These policies & procedures are reviewed as the need arises or annually.

Conditions of service of senior managers are regulated and promulgated by the Minister of Cooperative Governance. All employees below section 56 level are negotiated for at a central level by the National and Provincial Divisions of the South African Local Government Bargaining Council (SALGBC) and, where relevant, at a local level between management and the representative unions SAMWU and IMATU i.e Local Labour Forum.

T4.2.0

4.2 POLICIES

POLICIES

HR Policies and Plans

	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1.	Recruitment and Selection Policy	100%	100%	31/05/2021
2.	Subsistence and travelling Policy	100%	100%	31/05/2021
3.	Alcohol and Substance Abuse Policy	100%	100%	31/05/2021
4.	Financial Study Assistance Policy	100%	100%	31/05/2021
5.	Succession Planning Policy and Retention Policy	100%	100%	31/05/2021
6.	Employment Equity Plan	100%	100%	31/05/2021
7.	Employment Equity Policy	100%	100%	31/05/2021
8.	Acting Allowance Policy	100%	100%	31/05/2021
9.	Transfer and Demotion Policy	100%	100%	31/05/2021
10.	Training and Development Policy	100%	100%	31/05/2021
11.	Abscondment Policy	100%	100%	31/05/2021
12.	Placement policy	100%	100%	31/05/2021
13.	Residential Allowance policy	100%	100%	31/05/2021
14.	Occupational Health and Safety policy	100%	100%	31/05/2021
15.	Sexual Harassment policy	100%	100%	31/05/2021

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16.	Workplace on HIV and AIDS	100%	100%	31/05/2021
17	Dress Code Policy	100%	100%	31/05/2021
18.	Smoking Policy	100%	100%	31/05/2021
19.	Whistle Blowing policy	100%	100%	31/05/2021
20.	Councilor and Employee Assistance	100%	100%	31/05/2021
21.	Attendance and punctuality	100%	100%	31/05/2021
23.	Bereavement policy	100%	100%	31/05/2021
24.	Disability policy	100%	100%	31/05/2021
25.	Employee Induction policy	100%	100%	31/05/2021
26.	Incapacity policy	100%	100%	31/05/2021
27.	Job Evaluation policy	100%	100%	31/05/2021
28.	Exit Management policy	100%	100%	31/05/2021
29.	COVID 19 MANAGEMENT POLICY	100%	100%	31/05/2021
30.	Leave Management Policy	100%	100%	31/05/2021

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31.	Internship Policy	100%	100%	31/05/2021
32.	Individual PMS Policy	100%	100%	31/05/2021
33.	Overtime Policy	100%	100%	31/05/2021

T4.2.1

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

During the period under review, thirty- three (33) policies have been reviewed. This was done through a transparent and consultative process, involving Councillors through a workshop and Labour through the Local Labour Forum. The reviewed and newly developed policies went to council for adoption before implementation

T4.2.1.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

CHAPTER 4

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	60	5	8.33%	12	60
Temporary total disablement					
Permanent disablement					
Fatal					
Total	60	5	8.33%	12	60

T4.3.1

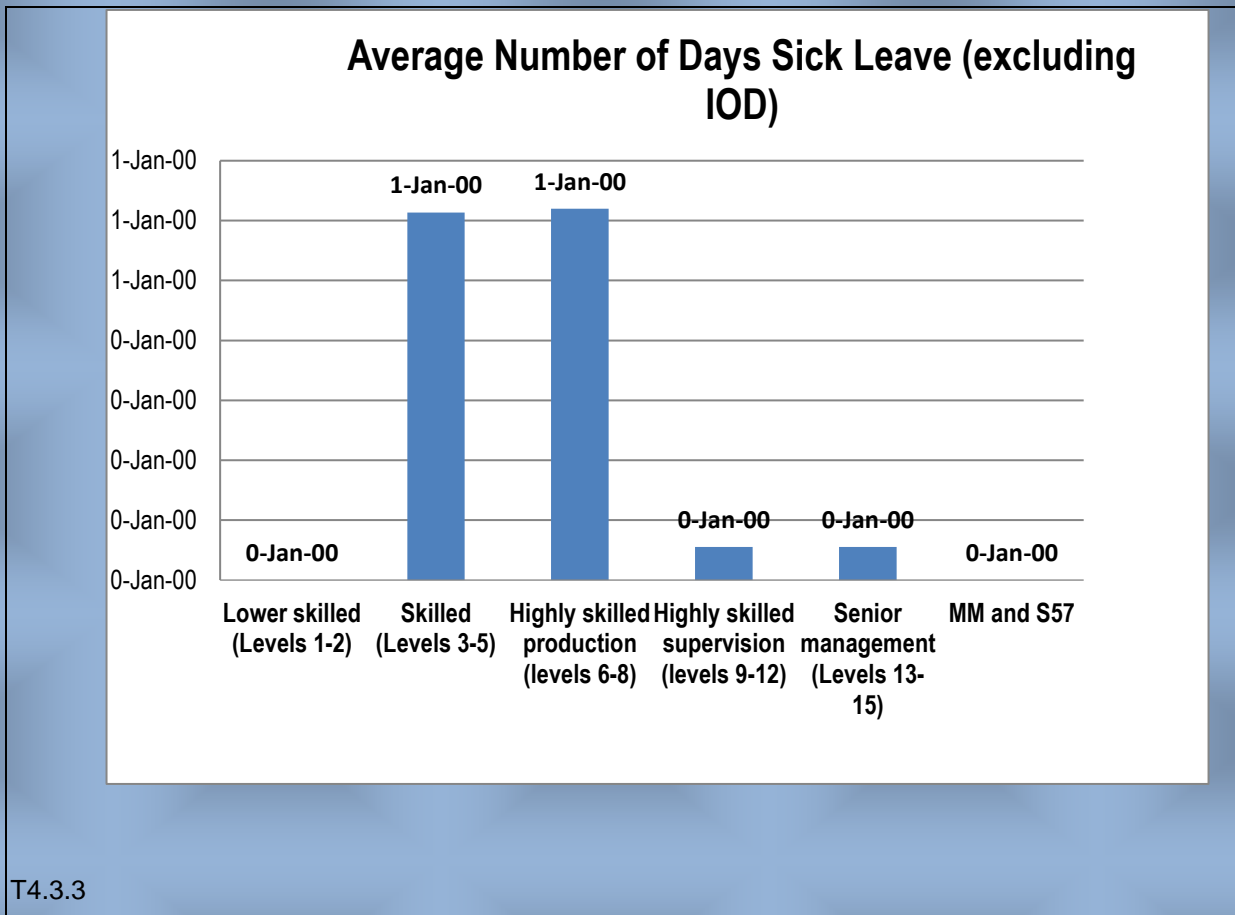
Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per employees	Estimated cost
	Days	%	No.	No.	Days	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	284	20%	80%	62	12.9	
Highly skilled production (levels 6-8)	211	5%	95%	76	3.63	

CHAPTER 4

Highly skilled supervision (Levels 9-12)	205	3%	97%	56	7.8	
Senior Management Levels 13-15)	52	1%	99%	16	4.7	
MM and S57	49	1%	99%	7	6.12	
Total	801	30%	470%	217	35.15	

T4.3.2

CHAPTER 4



COMMENT ON INJURY AND SICK LEAVE:

Although there were no injuries during the year under review the municipality strengthened the implementation of policies so as to avoid any workplace injuries working together with the Department of Labour in order to ensure safety in the workplace. The Occupational Health and Safety Committee work hand in hand with the management to make sure that safety measures are in place.

Sick leave is monitored closely and trends are identified. During period under review no employees were referred to any doctor as there were no challenges in as far as sick leave is concerned.

CHAPTER 4

T4.3.4

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
3 Traffic Officers	Fraud and Corruption	18 December 2019	Pending finalization, due to National Lockdown	N/A
				T4.3.5

CHAPTER 4

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
			T4.3.6

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

There were no suspension or cases of financial misconduct in the year under view.

T4.3.7

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 %
	Female	0	0		

CHAPTER 4

Lower Skilled (Levels 1-2)	Male	0	0		
Skilled (Levels 3-5)	Female	22	22		
	Male	40	40		
Highly skilled production (levels 6-8)	Female	33	33		
	Male	43	43		
Highly skilled supervision (Levels 9-12)	Female	33	33		
	Male	23	23		
Senior management (Levels 13-15)	Female	6	6		
	Male	10	10		
MM and S57	Female	3	3		
	Male	4	4		
Total		217	217		

CHAPTER 4

4.4 PERFORMANCE REWARDS

COMMENT ON PERFORMANCE REWARDS:

In terms of regulation 8 of the Local Government: Municipality Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers. All Senior Managers appointed in terms of Section 56 of the MSA are on fixed-term performance contracts.

All Senior Managers have signed Performance Agreements. Performance assessments have been conducted but no performance rewards were paid. The individual performance management system has been cascaded down to the second reporting line of managers and officers reporting to them. Currently no performance bonus paid. This will be implemented once the organization achieves the necessary performance management maturity level.

The individual performance management system has been cascaded down to the second reporting line of managers and officers reporting to them. Currently no performance bonus paid. This will be implemented once the organization achieves the necessary performance management maturity level.

T4.4.1.1

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

SECTION A1: SERVICE DELIVERY PERFORMANCE FOR 2020/21

A1.1: SUMMARY OF ANNUAL ORGANISATIONAL PERFORMANCE RESULTS

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SECTION A1: SERVICE DELIVERY PERFORMANCE FOR 2020/21

A1.1: SUMMARY OF ANNUAL ORGANISATIONAL PERFORMANCE RESULTS

DETAILED PERFORMANCE

Unacceptable	1	66% and below
KPI not fully effective	2	67% - 99%
KPI Fully effective	3	100-132%
Significantly above expectations	4	133% - 159%
KPI's outstanding	5	160%

CHAPTER 4

SUMMARY OF PERFORMANCE PER KEY PERFORMANCE AREAS (KPAs)

KEY PERFORMANCE AREAS	TOTAL NO OF KPA'S	RATING 1	RATING 2	RATING 3	RATING 4	RATING 5	% Achieved 2021/22 FY	% Achieved 2020/21 FY	VARIANCE
MTI	14	1	1	10	0	2	93%	94%	(1)
SDI	22	4	5	13	0	0	82%	90%	(8)
LED	18	2	1	12	1	2	89%	90%	(1)
MFV	13	0	1	9	0	3	100%	100%	0
GGP	38	3	6	27	1	1	92%	95%	(3)
TOTAL NO OF KPA'S	105	10	14	71	2	8	90%	93%	(3)

8. SUMMARY OF PERFORMANCE PER KPI'S

DEPARTMENTS	TOTAL KPI	RATING 1	RATING 2	RATING 3	RATING 4	RATING 5	% Achieved	% Achieved	VARIANCE
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							2021/22 FY	2020/21 FY	
Corporate Services	17	1	0	14	0	2	94%	100%	(6)
Infrastructure	26	6	5	15	0	0	77%	83%	(6)
Community Services	16	0	0	16	0	0	100%	100%	0
Developmental Planning	36	4	2	27	1	2	89%	95%	(6)
BTO	18	1	0	15	0	2	94%	93%	1
Operations	29	3	6	18	1	1	90%	96%	(6)
Total No of KPI's	142	15	13	105	2	7	89%	94%	(5)

CHAPTER 4

CHAPTER 1

DETAILED PERFORMANCE INFORMATION 2021/22 FINANCIAL YEAR

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
KPA 1: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT												
To provide and enhance skills among the Councilors, Traditional Leaders, Ward	By up skilling employees and Councilors through formal and informal	Study Assistance	Number of formal /informal qualifications registered as per approved skills development	MTI 1.1	5 formal and 5 informal qualifications registered as per approved skills development	10 Formal and 8 Informal however it should be noted that sign	16	5	5	There was a request from Traffic department where there was a need for traffic officers to be	N/A	To provide and enhance skills among the Council

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
Committees, unemployed youth and Employees to ensure effective service delivery by 2022	qualifications as per WSP and other funders (SETA, SALGA, TVET)		plan (WSP, SETA, SALGA and TVET)		plan (WSP, SETA, SALGA and TVET) R370000	language and computer training was not done as per the approved SDBIP.				trained or have qualifications which exceeded the number which was planned. Also there were virtual		ors, Traditional Leaders, Ward Committees, unemployed youth

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										informal trainings which contributed to more trainings which were conducted.		and Employees to ensure effective service delivery by 2022

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		Unemployed Community Programs (youth, women and other groups.)	Number of unemployed youth participating in internship and learnership programs (Youth, women and	MTI 1.2	25 unemployed youth participating in internship & learnership programs (Youth, Women and	21	32	3	3	There were additional 5 interns from Treasury and there were other additional 2 interns.	N/A	SM Corp

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			people living with disability)		people living with disability) R1500000							
To attract, retain human capital of Mphashe that will ensure effective and	By reviewing organizational structure	Organogram (Review)	Number of Organogram submitted to Council	MTI 2.1	1 Organogram submitted to Council R0	1	1	3	3	N/A	N/A	SM Corp

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
efficient service delivery by 2022												
	By maintaining a low vacancy rate	Recruitment and Selection	Number of employees recruited in 2021/22 FY	MTI 2.2	4 employees recruited in 2021/22 R800 000	36	9	5	5	The four were the planned prioritized posts and the additional 5	N/A	SM Corp

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										was because of the condition changes within the institution such as: (deaths, resignations etc.)		

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By organizing/ Coordinating assistance programs for Councilors, Traditional Leaders	Employee Wellness programs	Number of employees/ Councilors wellness activities/interventions/programs organized/coordinated	MTI 2.3	4 employees/ Councilors wellness activities/interventions/programs organized/coordinated R250000	2	4	3	3	N/A	N/A	SM Corp

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	and Employees											
To ensure monitoring and evaluation of IDP to improve institutional	By coordinating performance reporting, monitoring	Performance Management	Number of consolidated institutional reports on Individual performance reviews submitted to	MTI 3.1	4 consolidated institutional reports on Individual performance submitted to Municipal	4	4	3	3	N/A	N/A	SM Corp

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
performance by June 2022	and evaluation		Municipal Manager		Manager R100 000							
	By improving performance through monitoring and		Number of quarterly organizational performance assessment reports	MTI 3.2	6 quarterly organizational performance assessment reports submitted to	6	6	3	3	N/A	N/A	SM Operations

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	evaluation of reports		submitted to Council		Council R0							
	By developing 2020/2021 annual report	Annual Report development	Turnaround time for the submission of 2020/2021 final and audited annual report submitted to	MTI 3.3	2020/2021 Annual report submitted to AGSA by 31 August 2021 and to Council,	2019/20 Annual Report	Audited Annual Report, proof of submission to AGSA, COGTA,	3	3	N/A	N/A	SM Operations

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NUMBER	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Council, AGSA, Provincial and National Treasury, COGTA and Legislature		Provincial and National Treasury COGTA and Legislature R120000		Legislature, National Treasury, Provincial and Council agenda dated					

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							15/12/2022					
To create conducive working environment for employees by June 2022	By complying with labour related Legislations	Compliance with legislation	Turnaround time to submit compliance report (COIDA, Employment Equity, WSP) submitted to	MTI 4.1	3 compliance reports (COIDA(30 June 2022) Employment Equity(31 March 2022)	3	3	3	3	N/A	N/A	SM Corp

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			DoL and LGSETA		WSP(31 May 2022) to DoL and LGSETA R1280000							
	By maintaining Municipal facilities	Maintenance of municipal facilities	Number of municipal facilities maintained	MTI 4.2	11 municipal facilities maintained	8	9	2	2	Not all facilities were maintained such as Dutywa and		SM Dev

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	and properties		(Dutywa Main building, Staff accommodation, Dutywa TRC, Dutywa Town hall, Executive House, Gatyana & Xhora		(Dutywa Main building, Staff accommodation, Dutywa TRC, Dutywa Town hall, Executive					Gatyana facilities.		

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			municipal facilities, Workshop, customer care, Craft centre and White House		House, Gatyana & Xhora municipal facilities, Workshop, customer care, Craft Centre and White							

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					House R2295000							
		Drawing Plans for Municipal Buildings	Number of building plans developed and approved Municipal drawings for Gatyana TRC hall and	MTI 4.3	2 developed building plans and approved municipal drawings for the Gatyana TRC hall	2	2	3	3	N/A	N/A	SM Dev

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Executive house		and Executive house R250 000							
		Installation of generators	Number of generators installed at Dutywa town	MTI 4.4	2 generators installed at Dutywa town hall	0	0	1	1	Both generators for Xhorha and Gatyana	Installation of generators will be done	SM Dev

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			hall and Customer care		and Customer care					were procured however the stand for Gatyana is still under construction.	on the first quarter of 2022/23.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By providing alternative water supply to municipal facilities	Water consumption	Number of municipal facilities provided with water tanks at (Dutywa TRC-1, Gatyana TRC -1 and Xhora-(Green Park-1 and	MTI 4.5	6 municipal facilities provided with 8 water tanks at (Dutywa TRC-1, Gatyana TRC -1 and Xhora-	6	7	3	3	N/A	N/A	SM Dev

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Indoor Sport Center-2), Staff accommodation-1, TESKO-1 and White House -1)		(Green Park-1 and Indoor Sport Center-2), Staff accommodation-1, TESKO-1 and White							

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					House -1) R1400000							
To ensure an integrated, stable and responsive ICT infrastructure	By ensuring Business Continuity through disaster recovery and	Disaster Recovery site establishment	Number of backup reports on the functionality of disaster recovery	MTI 5.1	4 backup reports on the functionality of disaster recovery R2500000	4	4	3	3	N/A	N/A	SM Corp

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
driving 4IR by June 2022.	Failover solution											
KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE 40%												
To construct, maintain and upgrade quality	By constructing new access roads to public, Local	Construction of new gravel roads	Number of kms of new gravel access roads constructed in the following	SD 1.1	20,5kms of new gravel access roads constructed in the	5km constructed at ward 14 and earthwork	Signed quarterly report by SM illustrating that 12.5km's has been	2	2	There was a land claim at Phelandaba to Macirheni access road ward 8 and	To keep on monitoring on site and target has been planned to	SM Infrastructure

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
infrastructure by June 2022	Economic Development facilities and amenities.		wards: 22, 30,19 , 11, 29 & 8		following wards: 22 - 2.6km, 30 - 4km, 19 - 2,2km, 11 - 2,8km, 29 - 2,3km, 8 - 6,6km	ks, roadbed and wearing course completed at ward 2,4 & 12	constructed and Practical completion certificates are attached as follows: Ward-30-4km Ward-29-2.3km Ward-11-2.5km			service provider did not meet the set target. The variance of 1.1km's for ward 22 was as a result of request from the	be completed on the 2nd quarter of 2022/23 fy.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					R26740935, 85		Ward- 22-3.7km Ward 8-0km's Ward 19-0km's Signed quarterly report by SM and			community of ward 22 for a small portion going to public amenity which was funded from the savings		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							Consultant illustrating that progress for ward 8 access road is not complete and the following			of project budget.		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							activities are done: Site handover, Site Establishment, Clearing and Grub, Roadbed and Testing, Stockpiling					

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							and Tipping, Wearing Course & Testing, Construction of Culverts, Construction of Insitu Bridge.					

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							Report signed by SM illustrating that the progress on ward 19 access road is incomplete					

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							however as per the verification report the project is 0.6km's due to status of the road in accessing					

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							other parts of the road.					
		Upgrade of Idutywa Internal roads	Number of site establishment (upgraded of Idutywa internal roads)	SD 1.1. 1	1 Site establishment (upgrade) of Idutywa	19.5km's Ward 7-5km Ward 17-5km Ward 28-	1	3	3	N/A	N/A	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					internal roads)	5km Ward 25-4.5km						
		Construction of River view to Langeni	Number of km's of bulk earthworks constructed at ward13	SD 1.1. 2	4km's of bulk earthworks constructed at ward13	Site establishment @100%, Ductile Iron	0km's	1	1	Awaiting approval of environmental authorization	The approval of EIAs has been approved Consultant is busy with final	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		access road			R11 690 270	Pilling-100%, Pill Caping-100%, Steel reinforcement for abutments-100%,					Design for the project to start in Q3 of 2022.23 FY	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
						Concrete works- 100%						
		Completion of existing gravel roads	Number of Km's of access roads completed in each ward 2,	SD 1.1. 3	5Kms of access roads completed in each ward 2, 4, 12, 14	Dutywa- 166.7km' s Gatyana- 144.4km' s	Signed Final completion certificates for the following wards: W28-	2	2	The initial contractor's contract for ward 12 access road was	3 SMME's have been appointed and expected to complete	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			4, 12,14 and 28		and 28 R2574684,53	Xhorhas 102.8km's	5.4km's W14-5km's W4-4.6km's W2-5.5km's W12-0km's Signed report by SM and Consultant			terminated based on his request citing financial distress. The variance of 0.4km's which was constructed as additional	the works in 2nd quarter of 2022/23 FY	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							for the construction of ward 12 access road with the following activities: Site			at ward 28 was a result of variance where the community requested a road which leads to public amenities.		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							Establishment, Clearing and Grub, Roadbed preparation, Open drains, Roadbed			The 0.5kms for ward 2 was constructed additionally using savings from the project.		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NUMBER	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							testing, Tipping of wearing coarse, Wearing Course, Testing of wearing course,					

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							Construction of culverts.					
	By maintaining gravel roads and	Gravel road and storm water	Number of kms of gravel roads with storm water facilities maintained in	SD 1.2	100kms of gravel roads with storm water facilities maintained	Gatyana-21 Xhorha-9	334.2 km's constructed as follows: Gatyana-	3	3	In response to the disaster that occurred in December 2021, the	N/A	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NUMBER	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	storm water facilities	maintenance	each unit (Gatyana, Xhora and Dutywa)		in each unit (Gatyana, Xhora and Dutywa) R13032224,64	Dutywa-10	106.6km's Dutywa-118.6km's Xhorha-109km's			municipality responded to the needs of the community which resulted to over achievement of the target.		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By upgrading storm water culverts and channels	Upgrading of storm water facilities	Number of storm water culverts and channels upgraded in each unit (Gatyana, Xhorha and Dutywa)	SD 1.3	12 storm water culverts crossings and 12 channels upgraded in each unit (Gatyana, Xhorha and	100%	Dutywa-10 Culverts and 14 Channels Xhorha-13 Culverts and 10 Channels Gatyana-12 Culverts	3	3	Additional funding resulted additional kilometers	N/A	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					Dutywa) R600 000		and 16 Channels					
	By Maintaining Surfaced roads	Surface roads maintenance	% of surfaced road maintained as per the assessment report in each	SD 1.4	100% of surfaced roads maintained as per assessment	100%	Gatyana-60% Xhorha-100% Dutywa-100%	2	2	Potholes were attended to however there was disaster and	The fixing of potholes is current underway and will be achieved in	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			unit (Gatyana, Xhorha and Dutywa)		report in each unit (Gatyana, Xhorha and Dutywa) R2 000 000					the areas which were surfaced got damaged by the heavy rain.	quarter 2 of 2022/23 FY.	
	By paving square metres in	Paving of side walks	Number of square meters paved at each town (Gatyana	SD 1.5	2000m2 paved at Dutywa and 1000m2	Ward 13-1000m2	Dutywa-2000m2 Gatyana-1000m2	3	3	N/A	N/A	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	identified areas		Xhorha and Dutywa)		paved at Gatyana and 1000m2 at Xhorha R4 200 000	Ward 25-1000m2 Ward 1-4000m2	Xhorha-1000m2					
	By maintaining solar systems to	Maintenance of solar system	% of solar systems maintained at ward 19 as per	SD 1.6	100% solar systems maintained at ward 19 as per the	208	74%	2	2	The underachievement is caused by the Service	The remaining households will be achieved in the 2nd	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	qualifying households		assessment report		assessment report R500 000					provider that did not meet set target.	quarter of 2022/23 FY, by installing of batteries from 01 December to the 31 December 2022 FY.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By upgrading streetlights in all towns	Upgrade of streetlights	Number of streetlights upgraded in Ward 01	SD 1.7	50 streetlights upgraded in ward 1 R2 000 000		53	3	3	N/A	N/A	SM Infrastructure
	By maintaining streetlights in all towns	Maintenance of streetlights	% of street lights and high mast lights maintained as	SD 1.8	100% street lights and high mast lights	0	100%	2	2	Streetlights were attended as per	Dutywa-60% Gatyana-100%	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			per the assessment report at Dutywa, Gatyana and Xhorha		maintained as per the assessment report Dutywa , Gatyana and Xhorha R2 000 000					assessment report in each unit but by the time of reporting there were areas that needed attention on the street as	Xhorha-95%	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										per assessment report		
	By constructing Sport facilities	Construction of Xhorha sport facility	Number of bulk earthworks constructed at (ward 13)	SD 1.9	1 Bulk earthworks constructed at (ward 13)	100%	1	3	3	N/A	N/A	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					R3 921 510, 28							
		Construction of Dutywa sport facility	Number of bulk earthworks and soccer pitch	SD 1.9. 1	1 Bulk earthworks and soccer pitch constructed	N/A	0	1	1	The project was not part of the PIP for 2021/22 FY. The PIP was revised in	The project is at BAC and recommendation to appoint was done by BAC to	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			constructed at (ward 1)		at (ward 1) R2 000 000					January 2022 and approved for implementation in the year and when the municipality was about to advertise for construction	Accounting officer to appoint and target will be achieved by June 2023.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										of the project and there was an advise from Treasury based on Constitutional Court judgement on PPPFA.		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		Construction of Gatyana sport facility	% completion of the Installation of rubber running track, ablution facilities, change rooms, tennis and	SD 1.9. 2	100% Installation of rubber running track, completion of ablution	Site establishment, site clearance at	Netball court-70% Tennis court-70% Ablution 80%.	1	1	There was poor performance by the contractor which	Municipality is in the process of appointing a new service	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			netball court at ward 25		facilities, completion of change rooms, completion of tennis and netball court at ward 25 R12586136,85	100%, grandstand 82% perimeter drain 95%, guard house & ticket	Rubber running track-73% and Change rooms-70%			resulted to termination of the contract. When the municipality was about to advertise for a new contractor. NT issued a	provider and target will be achieved in 2nd quarter of 2022/23 FY.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
						facility 98.5%, netball court 70%, tennis court 70%, grass soccer				letter to stop procurement processes for some time.		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
						pitch 70%, athletic 73%)						
		Upgrading of Ngumbela Sports	Number of bulk earthworks upgraded	SD 1.9. 3	Bulk earthworks at ward 02 (Ngumbela) R7 000 000	1	1	3	3	N/A	N/A	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		facility (ward 02)	(ward 02 Ngumbela)									
	By constructing community halls	Construction of Manganya	Number of community halls constructed at ward 20	SD 1.10	1 Community hall constructed	1	1	3	3	N/A	N/A	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		Community Hall			at ward 20 R515688,95							
	By constructing Municipal offices	Construction of municipal offices	Number of municipal offices completed at Ward 1	SD 1.11	1 Municipal office completed at Ward 1 R 4 000 000	1	0 Signed practical completion	1	1	The project was delayed in-terms of completion due to specialized	The service provider is finishing the snag list and is anticipated to be completed	SM Infrastructure

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							certificate by SM, Consultant & PSC member however the snags which were supposed			works that was needed.	by end of this quarter. The completion of snags will be achieved in the 1st quarter of 2022/23 FY.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							to be done in Q1 have been reflected as to be done in July 2022 as listed in the					

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							practical completion certificate submitted					
	By maintaining	Maintenance of public	Number of ablution facilities	SD 1.12	1 ablution facility maintained in each unit	30	Gatyana-1 Dutywa-1 Xhorha-1	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	public ablutions	ablution facilities	maintained in each unit (Dutywa, Gatyana and Xhora)		(Dutywa, Gatyana and Xhorha) R 400 000							
To provide effective and affordable safety	By providing quality waste	Waste management services	Number of households serviced	SD 2.1	60124 households	60124	60124	3	3	N/A	N/A	SM Comm

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
services to the community by June 2022	management services				serviced R2 700 000							
	By providing quality sea rescue services during peak	Life Rescue Services	Number of beaches provided with life rescue services during peak	SD 2.2	10 beaches provided with life rescue services during peak	3	10	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	season (October to April).		seasons at ward 19(2),20 (2),21 (2), 22,29, 32(2)		seasons (Wards 19 (2), 20 (2), 21,(2), 22,29, 32 (2) R350 000							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
To Facilitate the development of sustainable and viable human settlements by 2022	By facilitating the Provision of appropriate houses to destitute households.	Upgrading of informal settlements	Number of informal settlements upgraded at Dutywa (W9) and Gatyana (W25)	SD 3.1	2 Informal Settlements upgraded at Dutywa (W9) & Gatyana (W25) R3 800 000	2	Gatyana-1 and Dutywa-1	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By developing layout plans for the purpose of an integrated human settlements	Township establishment	Number of revalidated layout plans developed at Ward 1 & 13	SD 3.2	3 revalidated Layout Plans developed for W1 & 13 R600 000	1	Dutywa-2 Xhorha-1	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	development											
KPA 3: LOCAL ECONOMIC DEVELOPMENT 20%												
To promote agrarian reform and increase food	By providing assistance to emerging	Crop production	Number of programs implemented to assist	LED 1.1	2 programs implemented to assist emerging	2	24	2	2	The advert was issued for famers to apply	The target will be adjusted during Mid-	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
security to emerging farmers by 2022	farmers in primary production		emerging famers at ward 2-32 (Crop production inputs and live stock improvement)		famers at ward 2 -32 (Crop production inputs and Live Stock Improvement) ward 2-32 R3 300 000					however there were wards which did not apply as they did not have farming projects. not supported because they	Year in January 2023	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										do not have farming projects.		
		LED Infrastructure	Number of reports conducted on repairing and maintenance for LED infrastructure	LED 1.2	10 reports on the assessment conducted on repairing and maintenance	12	10	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			in 10 wards (2,3,4,5, 6, 7, 11,13, 14 & 15)		for LED infrastructure at ward (2,3,4,5, 7, 11,14,13,15 & 6) R700 000							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By capacitating farmers to meet quality and safety requirements	Agricultural information days	Number of agricultural information days held for farmers in three units (Gatyana, Dutywa, Xhorha)	LED 1.3	10 agricultural information days held for farmers at Gatyana, Dutywa, Xhorha R200 000	1	10	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
To ensure use of agricultural value chain to stimulate local economic development in deprived areas by 2022	By encouraging value chain and value addition through support given to emerging	High Value Product	Number of High Value Crop enterprises supported with agricultural inputs and tools of trade as per approved	LED 2.1	1 High Value Crop enterprise supported with agricultural inputs and tools of trade as per approved	763	1	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	enterprises and high value crops		business plan (Sorghum production ward -8 & 12)		business plan (Sorghum production ward 8 & 12) R500 000							
To reduce poverty and unemployment through	By facilitating short term employment	EPWP	Number of participants on short term employment	LED 3.1	763 participants on short term		EPWP-417	3	3	There were more participants which were	N/A	SM Comm

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
viable and sustainable job creation strategies by 2022	t through EPWP projects implementation		opportunities (EPWP and CWP)		employment opportunities (EPWP-413 and CWP-350) R4622000		CWP-544			provided by CWP.		
	By facilitating the short and long	Job creation	Number of short term and long-term employment	LED 3.2	20 short term and 5 long term employment	7 short term and 13 long	56 short term and	5	5	This is a result of local jobs that were created	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NUMBER	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	term employment as per the economic sectors (agriculture, tourism, community services and		opportunities created in economic sectors (agriculture, tourism, community services and infrastructure		opportunities created as per the economic sectors in agric, tourism, community services and		6 long term.			by the sector departments, education being a major contributor and local people that were employed in		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	infrastructure				infrastructure R0					construction, agriculture and tourism related opportunities		
To encourage investment through viable	By promoting investment	Investment brochure	Number of marketing tools for	LED 4.1	2 marketing tools developed	0	2	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
investment strategies by 2022	opportunities		profiling agricultural, tourism, marine, mining, forestry, investment and land development opportunities		for profiling agricultural, tourism, marine, mining, forestry, investment and land development							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					opportunities R200 000							
To develop and capacitate enterprises by 2022	By assisting with development of local economic development	Municipal assets	Number of state properties acquired in each unit (Dutywa,	LED 5.1	1 state property acquired in each unit (Dutywa, Xhora and	3	0	1	1	Delays from the Dept of Public Works in issuing letters confirming the donation	Follow-up are regularly conducted to ensure the municipality	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	infrastructure		Xhora and Gatyana)		Gatyana) R0					of state land to the Municipality	receives the letters and target will be achieved in the 1st quarter of 2022/23 FY	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	Capacity building and support of all forms of SMMEs	Co-operatives development	Number of SMME's supported with tools of trade/trainings as per approved concept plan in Dutywa,	LED 5.2	50 SMME's supported with tools of trade/trainings as per approved concept plan in Dutywa, Gatyana &	50	65	4	4	The target was over achieved on the basis that, more SMME's were in the incubation programmes were	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Gatyana & Xhorha		Xhorha R2 000 000					employed and the maintenance of buildings, roads and supply of goods is done through these programmes		

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	Support of local SMMEs through targeted procurement		% of the Mbhashe budget allocated to SMMEs	LED 5.3	30% of the Mbhashe budget allocated to SMMEs R17 000 000	(R82 461 056.3/R6929284 7 x 100=119 %)	249%	5	5		N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By conducting and hosting roadshows	SMMEs Road shows	Number of roadshows conducted for SMMEs as per approved concept plan in Dutywa, Xhorha, Gatyana	LED 5.4	4 roadshows conducted as per approved concept plan in Dutywa-2, Xhorha-1 & Gatyana-1 R300 000	4	4	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
To unlock opportunities and transform marine economic sector by 2022	By supporting marine economic activities	Marine economic initiatives (Mncwasa fisheries, Mpame and Tenza)	Number of marine economic initiatives supported as per approved concept plan at Mncwasa, Mpame & Tenza	LED 6.1	3 marine economic initiatives supported as per approved concept plan document (Mncwasa,	4	3	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					Mpame & Tenza) R150 000							
To position and promote Mbashe as a tourist destination of	By using different marketing tools to market Mbashe	Internal events(Tourism)	Number of events hosted and participated on Coastal Beach Festival, Boxing	LED 7.1	4 events hosted and participated on Coastal Beach Festival, Boxing	3	2	1	1	Coastal beach festival did not take place due to non-responsive	The two programs have been planned in the new financial year of	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
choice by 2022	as tourism destination		Tournament, Hiking and Horse Racing		Tournament, Hiking and Horse Racing R830 000					bidders. The boxing event did not take place due to non-availability of dates from Boxing South Africa.	2022/23 FY as they are seasonal and will be achieved in the current year of 2022/23 FY.	

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	By supporting tourism programmes	Blue Flag Beach Awareness & Water Testing	Number of programs conducted to maintain Blue Flag status (Tenza and Xhora Mouth)	LED 7.2	2 programs conducted to maintain Blue Flag status (Tenza and Xhora Mouth) R130 000	1	2	3	3	N/A	N/A	SM Comm

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		Partnership with stakeholders	Number of partnerships entered into with the municipality (DSRAC, ECPTA & National Heritage Council)	LED 7.3	3 partnerships entered into with the municipality (DSRAC, ECPTA & National Heritage Council)	2	3	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					Council) R0							
	By establishing and supporting local tourism	Tourism organisation	Number of Local Tourism organisations (LTO) established	LED 7.4	1 Local Tourism organisation (LTO) established R0	4	1	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	organisations											
		Supporting of tour guides	Number of tourism operators supported with trainings and funding	LED 7.5	3 tourism operators supported with trainings and funding		3	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			(financial and non-financial) as per approved concept document wards 22, 29,21,20,32,19		(financial and non financial) as per approved concept document wards 22, 29,21,20,32,19							

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					29,21,20,32,19 R150,000							
	By maintaining heritage sites	Maintenance of Heritage sites (EPWP)	Number of heritage sites maintained as per approved concept plan at King Hintsa,	LED 8.1	3 heritage sites maintained as per approved concept	5	3	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Sarhili and Fort Malan Memorial		plan at King Hintsa, Sarhili and Fort Malan Memorial							
		KPA 4: MUNICIPAL FINANCIAL VIABILITY 10%										

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
To ensure compliance with budget and reporting regulations by 2022	By Budgeting according to IDP priorities	mSCOA Implementation	% alignment of 2021/22 Budget to approved IDP	MFV 1.1	100% alignment of 2021/22 Budget to the approved IDP R1,465,000	100% alignment of 2020/21 Budget to the approved IDP	100%	3	3	N/A	N/A	CFO

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By ensuring budget process and format is in compliance with budget & reporting regulations		Number of financial reports submitted (Section 71, Section 52d, Section 72 and Data strings) submitted to	MFV 1.2	28 financial reports (Section 71, Section 52d, Section 72 and data strings) submitted to the Mayor and	72	28	3	3	N/A	N/A	CFO

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			the Executive Mayor and Treasury by the 10th working day of the following month.		Treasury by the 10th working day of each month. R0							

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	By ensuring that a healthy liquidity position of the municipality is maintained.		"Financial Viability as expressed by Cost Coverage Ratio (B+C)÷D B represents all available	MFV1.3	1:01 R0	4.63:1	9:41.2	5	5	Implementation of Cost containment measures and or consistent belt tightening with an objective to	N/A	CFO

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			cash at a particular time C represents investments D Represents monthly fixed operating expenditure,							build reserves and improve on financial viability of the municipality We currently have a significant		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			financial viability and Cost Coverage Ratio (B+C)/÷D "							amount of funds held on Investments generating interest that can be used to fund projects;		

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To achieve sound financial management through accountability and transparency	By compiling AFS that fairly present the financial position, financial performance	AFS Preparation	Number of recurring material audit queries raised by AG on the 2020/21 Annual Financial Statement	MFV 2.1	Zero recurring material audit queries raised by AG on the 2020/21 Annual	100%	0 recurring material audit queries.	3	3	N/A	N/A	CFO

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	Revenue and cash flows				Financial Statements R2,400,000							
To ensure maximization of revenue collection by 2022	By ensuring accurate and timeously billing	General Valuation Roll	% of billable properties included in the municipal billing system as per the	MFV 3.1	100% of billable properties included in the municipal	1	100%	3	3	N/A	N/A	CFO

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			General Valuation Roll		billing system as per the General Valuation Roll R520,000							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By fully implementing the credit control policy	Debt Collection	% Of billed income collected	MFV 3.2	75% of billed income collected R880,000	100%	198%	5	5	Realistic budgeting i.e. keeping budget projections close to what can be collected after it has been billed;	N/A	CFO

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										Good relations with Government departments in particular DPW and Rural development resulting to improved		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										debtors collection period in this category; Positive perception and constant engagement of customers (Households)		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										some of which have responded positively by paying current billing and historic debt; The municipality		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										is utilizing various strategies to try and collect outstanding amounts from its customers including		

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										handing over some debt to the debt collector.		
To alleviate poverty to improve quality of	By investigating and advising on poor households	Indigent support	Number of indigent registers updated	MFV 4.1	1 Indigent Register updated R0	1 Indigent Register updated	1	3	3	N/A	N/A	SM Comm

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
household life by 2022.	to participate in indigent support program											

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		Free Basic Services	% spent on the allocated equitable share portion towards free basic services	MFV 4.2	100% spent on equitable share towards free basic services R3,000,000	(R59 9011/R60 000 x100=100%)	105%	3	3	N/A	N/A	SM Comm

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
Efficient, cost-effective and transparent Supply Chain Management system by 2022.	By complying with Supply Chain Regulations and National Treasury Guidelines on	Full Implementation of SCM system	% incurred of irregular expenditure on new procurement	MFV 5.1	0% of new irregular expenditure incurred on new procurement R450,000	30 days	0%	3	3	N/A	N/A	CFO

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	procurement processes											

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	Capital grant	Capital grant	% Expenditure of conditional grants received.	MFV 5.2	100% expenditure on conditional Grants received R78,709,000	MIG 96% INEP rollover- 87% INEP- 86% EPWP 100% FMG	MIG- 47% FMG- 100% EPWP- 101%)	2	2	Non-responsive of bidders, Late approval of environmental authorization, termination of	Monitor progress onsite and invoke applicable contractual obligations and the project is expected to	CFO, SM Comm, CFO

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						100% and overall expenditure is 94%				contractors contracts Land claims and service provider that did not meet set targets	be completed in the 2nd quarter of 2022 /23	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	"By ensuring timely payment of creditors in compliance with MFMA Implementation of	Expenditure and payroll management	"Turnaround time taken for paying creditors	MFV 5.3	30 days' time taken for paying creditors R910,000	8%	30 days' time taken	3	3	N/A	N/A	CFO

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	workplace skills plan "											
To manage, control and maintain all assets of the	By allocating budget provision for repairs and	GRAP Compliant Asset Register	% of the operational budget allocated for	MFV 6.1	8% of the operational budget allocated for repairs and		74%	5	5	The municipality has embarked on a vigorous process to	N/A	CFO, SM Infra, SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
municipality by 2022	maintenance of assets to be in line with NT norms		repairs and maintenance		maintenance R28,323,000					address the damaged caused by disaster (torrential rains starting from December till April 2022). In trying to		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										address that we employed strategies to respond to that by increasing expenditure in the Repairs and maintenance		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										in particular roads infrastructure.		
	By regular updating the existing Asset Management System	Asset register	Updating GRAP compliant asset register	MFV 6.2	Updated GRAP Compliant Asset Register		Updated asset register	3	3	N/A	N/A	CFO

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					R8,110,000							
KPA 5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION 20%												
To ensure clean and accountable governance in the	By identifying, assessing, managing, monitoring	Risk Management- Strategic and	Number of updated risk registers (Fraud, ICT, Operational,	GGP 1.1	10 updated risk registers (Fraud, ICT, operational risk registers	10	10	3	3	N/A	N/A	All SM's

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
municipality by June 2022	& reporting fraud and risk exposure to the institution	Operational Risk registers	National Disaster Covid-19 and Strategic) submitted to the Risk Management Committee		(6), National Disaster Covid-19 and 1 Strategic risk register) submitted the Risk Management Committee							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					R60,000							
	By developing 2020/2021 audit action plan	Audit action plan	Number of 2020/2021 audited reports submitted to	GGP 1.2	4 2021/2022 audited reports submitted to audit	4	2	1	1	The audit from AGSA is completed by December of every year	This has been rectified in the 2022/23 SDBIP as	All SM's

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	consisting of previous unresolved audit findings on AGSA report		audit committee and Council for progress on implementation of audit action plan		committee and Council for progress on implementation of audit action plan R0					and implementation starts in 3rd quarter and therefore reports for Q1 & Q2 are not available.	AGSA Action plan for 2021/22 will be developed and monitored in Q3 & Q4.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By conducting anti-fraud and corruption awareness workshop to employees	Fraud awareness campaign	Number of fraud and corruption awareness workshops conducted per department	GGP 1.3	1 anti- fraud and corruption awareness workshop conducted in 6 departments R100,000	3	6	3	3	N/A	N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By developing 2021/2022 municipal litigation register	Legal cases	Number of updated reports on legal matters (litigations) and their status with financial implication and legal	GGP 1.4	4 updated reports on legal matters (litigations) and their status with financial implications and legal	4	4	2	2	Quarter 1 & 2 reports could not be submitted to Council as the target was crafted incorrectly	The target has been corrected in the 2022/23 FY so that the reported information is submitted	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			opinion submitted to Council		opinion submitted to Council R4,040,000						in the following quarter.	
	By conducting audit assignments as per	Audit Assignments and Adhoc	Number of audit reports on assignments conducted as	GGP 1.5	16 audit reports on assignments conducted as per	16	16	3	3	N/A	N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	approved Internal Audit Annual Plan of 2021/2022	assignments	per approved Internal Audit Plan submitted to the Audit committee		approved Internal Audit Plan submitted to the Audit committee R703,000							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		Coordination of Audit and Risk Committee meetings	Number of Audit and risk Committee meetings coordinated in 2021/2022 F/Y	GGP 1.6	8 Audit and risk Committee meetings coordinated in 2021/2022 F/Y R245,000	8	8	3	3	N/A	N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By coordinating the sitting of council oversight structures	Convening of oversight structures meetings	Number of meetings held by council structures in 2021/22 FY	GG P1.7	51 meetings held by council structures in 2021/22 FY R760,000	63	61	3	3	There were many special council meetings and other oversight committees as it was during transition	N/A	SM Corp

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										period when the new Council took over.		
		Implementation of council resolution	% Implementation of all council resolutions due for the	GG P1.8	100% update on Implementation of all council resolutions	100%	100%	3	3	N/A	N/A	SM Corp

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			period under review		due for the period under review							
	By ensuring effective functionality	Management of satellite units	Number of reports on service delivery and operational	GGP 1.9	8 reports on service delivery and operational issues	8	8	2	2	The report on satellite units were not discussed in the	The reports were subsequently presented	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	of satellite units.		issues in the Satellite Offices (Gatyana and Xhorha) submitted to Management		reported in the Satellite Offices (Gatyana and Xhorha) submitted to Management R0					management meeting in Q2 & Q4	in the Senior Management meeting held on the 4th of July 2022.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
To ensure compliance with legislation as per section 11 (3) (a) of Municipal Systems Act	By developing and reviewing Institutional policies, strategies,	Development of Policies	Number of policies Developed (policy on Cost containment measure, Retention & Succession policy &	GGP 2.1	3 policies developed (policy on Cost containment measure, Retention & Succession policy &	2	Operations-1 BTO-1 Corporate Services-1	3	3	N/A	N/A	CFO, SM Corp & SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	plans and by-laws		Consequence Management policy)		Consequence Management policy) R0							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		Workshops on Policies	Number of workshops conducted on all approved municipal policies/ Code of Conduct/ By-laws	GGP 2.2	6 workshops conducted on all approved municipal policies/ code of conduct/By-Laws	8	6	3	3	N/A	N/A	SM Corp

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					R0							
		Development of strategies and plans	Number of strategies/plans developed (Litigation procedure manual & Greening strategy)	GGP 2.3	2 strategies/plans developed (Litigation procedure manual & Greening strategy)	3	Operations-1 Community Services-1	3	3	N/A	N/A	SM Operations, SM Comm

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					Greening strategy) R0							
		Reviewal of policies	Number of reviewed policies as follows: Corporate Services-43,	GGP 2.4	106 reviewed policies (Corporate Services-43, Operations-	85	Corporate Services-43 Operations-7 BTO-25	3	3	N/A	N/A	ALL SM's

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Operations-7, BTO-25, Community Services-16, Developmental Planning-12 and Infrastructure-3		7, BTO-25, Community Services-16, Developmental Planning-12 and Infrastructure-3) R950,000		Community Services-16 Developmental Planning-12 and Infrastructure-3					

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		Reviewal of strategies and plans	Number of reviewed strategies/Plans as follows: Operations-8, BTO-1 & Community Services-1	GGP 2.5	10 reviewed strategies/Plans as follows: Operations-8, BTO-1, & Community Services-1	6	Operations-8 BTO-1 Community Services-1	3	3	N/A	N/A	CFO, SM Comm, SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
Ensure that all municipal properties are properly registered and effectively used by 2022.	By continually updating lease register	Lease register	Number of property lease registers updated	GGP 3.1	1 property lease register updated R0	1	1.	3	3	N/A	N/A	SM DEV
		Lease contract reviews	Number of reports on the	GGP 3.2	4 reports on the reviewal of all	4	4	3	3	N/A	N/A	SM DEV

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			reviewal of all existing leases		existing leases R0							
To ensure adherence to sound environmental	By Implementing climate change	Climate change mitigation measures	Number of Programs implemented as per Climate	GGP 4.1	2 Programs implemented as per Climate	4	2	3	3	N/A	N/A	SM Comm

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
practices and to protect environmentally sensitive areas by 2022	mitigation strategy		Change strategy at ward 5 & 25		Change Strategy at ward 5 & 25 R500,000							
	By implementing the coastal	Coastal Management Plan	Number of programs implemented as per the coastal	GGP 4.2	2 Programs implemented as per Coastal Management	2	2	3	3	N/A	N/A	SM Comm

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	management plan		management plan (ward 19, 20,29 & 32)		t Plan (ward 19, 20,29 & 32)							
To ensure compliance with National Building Regulations (NBR) and any	By complying and monitoring National Building regulations	Building Controls	Turnaround time taken to approve submitted building plans within 30 days	GGP 5.1	30 days turnaround time taken to approve submitted	30 days	30 days	3	3	N/A	N/A	SM DEV

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
compliance legislation by 2022	and standards				building plans							
			Number of reports on routine inspections of properties as	GGP 5.2	4 reports on routine inspections of properties	4	4	3	3	N/A	N/A	SM DEV

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			per the check list		as per the check list R0							
Ensure maximum and adequate land use management	By Surveying properties	Surveying at Ward 1, 13, 25	Number of surveyed properties in Ward 1,13,25	GGP 6.1	10 surveyed properties in ward 1,13 & 25 R700,000	2	10	3	3	N/A	N/A	SM Dev

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
practices by 2022												
To strengthen and ensure coordination of integrated and joint planning with spheres of	By strengthening the functionality of IGR	Co-ordination of IGR meetings	Number of IGR meetings coordinated	GGP 7.1	4 IGR meetings coordinated R50,000	10	3	2	2	Due to the Local Government election that took place in November 2021 the meeting	An approved Memo for the cancellation of Q2 IGR meeting is submitted,	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
government by 2022										could not sit for the 2nd Quarter as there were no Cllrs allocated to serve in the IGR committee	and the Q2 outstanding IGR will not be convened, but a new target for convening of IGR will be set in	

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
											2022/23 FY.	
	To promote learning and sharing with other spheres of government	Learning and sharing of best practice	Number of programmes or plans shared with other institutions per department (Operations,	GG P 7.2	1 Programme/ plans shared with other institutions per department	1	6	3	3	N/A	N/A	All SM's

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			BTO, Community Services, Developmental Planning, Infrastructure and Corporate Services)		(Operations, BTO, Community Services, Developmental Planning, Infrastructure and Corporate Services)							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					R0							
To mainstream special programs into the municipality by June 2022	By implementing SPU strategy	Programmes for Designated groups as per SPU Strategy	Number of programs implemented for designated groups (Youth, Older persons, Persons with disability,	GGP 8.1	14 programs implemented for designated groups (4 Youth, 3 Older persons, 2 Persons	10	17	3	3		N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			women & children).		with disability, 2 Children, and 3 Women) R920,000							

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By implementing annual plans of designated groups in line with HIV/AIDS, STI and TB Strategy	Programmes as per HIV/Aids, STI & TB Strategy Implementation Plan	Number of programmes as per HIV/AIDS, STI and TB strategy Implementation plan	GGP 8.2	4 programmes as per HIV/AIDS, STI and TB strategy Implementation plan R75,000	1	3	2	2	Local AIDS Council could not sit due to the fact that the term of the structure came to an end, and Q3 could not sit as there was	In Q1 of 2022-23 FY a meeting with all structures for the designated groups will be convened.	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	implementation plan									not structure elected		
To ensure strategic development, coordinated, integrated planning, budgeting, reporting and	By coordinating development and alignment of IDP	Development of IDP	Date on which the developed 2022-2027 IDP developed and submitted to Council for approval	GGP 9.1	2022-2027 IDP developed and submitted to Council for approval by	2021/22 IDP	Council extract dated 31st May 2022 and copy of	3	3	N/A	N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
legislative compliance on governance matters by 2022					31st May 2022 R1,112,000		2022-2027 IDP					

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By coordinating the development and alignment of SDBIP with IDP	Implementation of SDBIP	Number of days by which the 2022/2023 SDBIP is submitted to the Mayor for approval after approval of the IDP and Budget	GGP 9.2	2022/2023 SDBIP submitted to the Mayor for approval within 28 days after approval of the IDP and Budget	Approved 2021/22 SDBIP	Approved 2022/23 SDBIP by Executive Mayor within 28 days of 28 June 2022	3	3	N/A	N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					R810,000							
To enhance and promote communication in all municipal	By implementing communication plan as per	Implementation of communication plan as per communication	Number of programs supported as per the communication plan based on the	GGP 10.1	28 programs supported as per the communication plan based on the	24	64	5	5	More programs were supported as compared to the planned programs as	N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR NUMBER	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
activities by June 2022	communication strategy	tion strategy	communication strategy		communication strategy ((4 Youth, 3 Older persons, 2 Persons with disability, 2 Children, and 3					per the communication plan.		

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					Women) 4- Wellness, 4- SMME information days, 4- Agricultural Information days, 1- Boxing event, 1-							

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
					Horse Racing event) R0							
			Number of media Interviews/acti	GGP	4 media Interviews/a	43	7	4	4	More interviews were	N/A	SM Operations

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Activities Conducted	10.1.1	Activities Conducted R1,368,000					conducted because the municipality was invited by media houses to share information at no cost. Other		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										interviews were additional to the targeted number based on the identified need on critical issues that needed		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
										to be communicated to communities e.g. COVID19 awareness		

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Number of legislated adverts/notices published	GGP 10.1 .2	16 legislated adverts/notices published R0	16	16	3	3	N/A	N/A	SM Operations
		Development of newsletter	Number of developed newsletters	GGP 10.1 .3	4 developed Newsletters R300,000	4	4	3	3	N/A	N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	By enhancing promotion of access to information be it personal or institutional	Access to information	Turnaround time to respond on requested access to information by internal and external stakeholders	GGP 10.3	Response on requested access to information within 30 days R0	4	Report signed by SM for Q1, Q2, Q3 & Q4 with register of access to municipal informatio	3	3	N/A	N/A	SM Corp

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
							n and proof of correspondence.					
	By managing customer queries	Customer Care Management	Turnaround time taken to attend and refer queries	GGP 10.4	Queries from communities to be attended and referred	4	72 hours	3	3	N/A	N/A	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			from communities		to within 72 hours R198,000							
	By improving branding and signage of	Branding of Municipal facilities	Number of municipal assets branded	GGP 10.5	5 Municipal assets branded R50,000	0	0	1	1	The Service Provider that was appointed has been terminated to	The branding of 5 municipal assets will be completed	SM Operations

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
	municipal properties									due to poor performance	in Q2 of 2022-23FY	
To ensure that all stakeholders participate in the affairs of the	By strengthening community participation	Ward Committee reports	Number of status quo reports on functionality of Ward Committees.	GGP 11.1	4 status quo reports on functionality of Ward Committees R5,300,000	4	0	1	1	The ward committees were not functional in the half of the year as they were	In 2022-23 FY All meetings of the ward committees will be held	SM Operations

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
municipality by June 2022.										elected in February 2022	in each quarter.	

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		Public Participation Programmes/Meetings	Number of Public Participation programmes coordinated (IDP /Budget/PMS Rep forum, MPAC Roadshows	GGP 11.2	07 Public Participation Programmes coordinated (4 x IDP /Budget Rep forum, 1 x MPAC Roadshow,	8	6	2	2	IDP Rep Forum that was due in Q2 could not be held as there were no allocation of councilors at the time since	What was going to be discussed in the IDP Rep Forum in Q2 was covered in the IDP Rep Forum held in Q3	SM Operations

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			and IDP/Budget Roadshows & MAYORAL Imbizo)		1 x IDP/Budget Roadshow & 1x MAYORAL Imbizo's) R1,200,000					inauguration of councilors took place in November 2021.	of 2021/22 FY.	

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
		PSC	Number of PSC meetings convened or established (Community Services-8, Developmental Planning-12 &	GGP 11.3	68 PSC meetings convened or established (Community Services-8, Developmental Planning-12 &	50	Community Services-8 Dev Planning-12 Infrastructure- 63	3	3	Due to intervention after drought, there were additional projects which were done on top of the	N/A	SM DEV, SM INFRA, SM COMM

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STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			Infrastructure-48)		Infrastructure-48) R0					planned targets		
		Fora Meetings	Number of fora meetings (Community Safety, LCF and Transport)	GGP 11.4	12 fora meetings (Community Safety, LCF and Transport)	12	LCF-3 Transport forum-4 Community Safety-4	2	2	The LCF that was due in Q2 could not be held as there were no allocation	What was going to be discussed in the LCF in Q2 was covered in	SM Operations, SM Comm,

CHAPTER 4

STRATEGIC OBJECTIVE	STRATEGY	PROJECT	INDICATOR	INDICATOR CATEGORY NO	ANNUAL TARGET & ANNUAL BUDGET	2020/21 ACTUAL PERFORMANCE	2021/22 ACTUAL PERFORMANCE	DEPARTMENTAL RATING	PMS RATING	REASONS FOR DEVIATION	REMEDIAL ACTION	RESPONSIBILITY
			held in 2021/22 FY		held in 2021/22 R0					of councilors at the time since inauguration of councilors took place in November 2021.	the LCF held in Q3 of 2021/22 FY.	SM Infra

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CHAPTER 5

PERFORMANCE OF SERVICE PROVIDERS DURING THE 2020/21 FINANCIAL YEAR

INTRODUCTION

Municipalities are required to assess the performance of service providers appointed in each financial year. In this regard, an internal performance assessment was conducted by Section 56 managers on various projects targeted for the 2020/21 financial year. Service Providers and Contractors are rated on the following categories:

Below Standard - The Contractor/Service Provider did not meet the basic requirements as spelt out in the tender or contract. This may result in the contract being cancelled and/or the retention fee being withheld from the contractor. The Contractor may be asked to rectify the problem or the contract may be cancelled and another Contractor/Service Provider may be appointed to complete the contract/ project.

Acceptable performance - The Contractor/Service Provider completed the project and met the basic requirements of the tender/contract. The standard of work was good enough, passable or adequate in terms of the requirements by the MLM.

Excellent performance- The Contractor/Service Provider completed the work above the standard required. The requirements of the tender were achieved above the expectation of the MLM. There is a high quality of work and outstanding results were achieved.

ANALYSIS OF THE SUPPLY CHAIN MANAGEMENT BID PROCESS WITHIN MLM

Number of Bids on Contract Register	Number of Awards made	Number of completed projects	Number of Bids in Tendering Process	Number of projects still in progress	Cancelled Projects
273	42	120	0	151	2

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The purpose of this analysis is to determine the percentage of bids awarded as at the end financial year. This assessment is used to measure the effectiveness of the MLM's Supply Chain processes.

Results of performance assessment of service providers

Below Standard – 1 %

Of all the projects awarded, as at 30 June 2022 in terms of performance levels the following summary reflects the number of projects rated as below standard.

Acceptable performance – 55 %

Of all the projects awarded as at 30 June 2022 in terms of performance levels the following summary reflects the number of projects rated as acceptable.

Excellent performance – 85.87%

Of all the projects awarded, as at 30 June 2022 in terms of performance levels the following summary reflects the number of projects rated as excellent.

A copy of the Contract Register for the 2020/21 financial year is attached hereto as Annexure "A"

Below Standard – 3.26%

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Below				
Name of Service provider	Project Name	MBD Number	Award date	Reason
COALITION TRADING 1203 CC	UPGRADE OF ELLIOTDALE LANDFILL SITE	MBH/INFRA/0017/2019-20	03/02/2020	Poor performance
MBOKOTHO INVESTMENTS CCT/A ZIM CONSTRUCTION	CONSTRUCTION OF SINGENI TO LOWER FALAKAHLA ACCESS ROAD	MBH/MIG/00011/2020-21	24/02/2021	Underpricing
VUSAKEN CC	ELECRIFICATION OF NTSIMBAKAZI/SHIXINI ON TURNKEY FOR A PERIOD OF TWO AND HALF YEARS	MBH/INEP/0016/2019-20	03/02/2020	Poor performance

Acceptable performance - 10.87%

Of all the projects awarded as at year ending **30 June 2022** in terms of performance levels the following summary reflects the number of projects rated as acceptable.

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Acceptable				
Name of Service provider	Project Name	MBD Number	Award date	Reason
CCG SYSTEMS (PTY) LTD	DELIVERY, INSTALLATION AND COMMISSIONING OF FINANCIAL MANAGEMENT SYSTEM & MSCOA IMPLEMENTATION	MBH/BTO/0037/2016-17	04/04/2017	They respond promptly in issues raised
IQHAYIYA DESIGN WORKSHOP ARCHITECS	Panel of professional services for Civil, building and environmental(Construction of ward 25 sport field)	MBH/PSP/0015/2014-15	23/09/2015	They respond promptly in issues raised
INFINITY AFRICA/Z3 CONSULTING ENGINEERS	Building of Municipal office of Infrastructure(Consultant)	MBH/PSP0015/2014/15	03-Feb-15	They respond promptly in issues raised
COUNTERPOINT TRADING 420 cc	BUILDING OF MUNICIPAL OFFICES (CONSTRUCTION)	MBH/INFRA/0031/2015-16	05-Sep-16	They complete the project within the specified time
Counterpoint Trading 420 cc	Ward 25 Sport Facility	MBH/MIG/0009/2017-18	23-Nov-17	They complete the project within the specified time
Loyiso Consultants	Panel of professional services (Civil, building and environmental)	MBH/PSP/005/2017-18	30/05/2018	They respond promptly in issues raised
Ikamvalethu Business Enterprise	Panel of Contractors for a period of three (03) years- MLM Incubator programme	MBH/INFRA/0013/2019-20	09/10/2019	They complete the project within the specified time
Bright Ideas Project 2029	Panel of Contractors for a period of three (03) years- MLM Incubator programme	MBH/INFRA/0013/2019-20	09/10/2019	They complete the project within the specified time
Umkhiwa Construction cc	Panel of Contractors for a period of three (03) years- MLM Incubator programme	MBH/INFRA/0013/2019-20	09/10/2019	They complete the project within the specified time
Kwandie Trading	Panel of Contractors for a period of three (03) years- MLM Incubator programme	MBH/INFRA/0013/2019-20	09/10/2019	They complete the project within the specified time

Of all the projects awarded, as at 30 June 2022 in terms of performance levels the following summary reflects the number of projects rated as excellent.

Excellent performance – 85.87%

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Excellent		MBD Number	Award date	
Name of Service provider	Project Name			Reason
Morar and Incorporated	Panel of Internal Auditors for a period of three (03) years	MBH/MM/0006/2017-18	21/02/2018	Perform exceedingly well
HTB Consulting	Panel of Internal Auditors for a period of three (03) years	MBH/MM/0006/2017-18	21/02/2018	Perform exceedingly well
Pricewaterhouse coopers Inc	Panel of Internal Auditors for a period of three (03) years	MBH/MM/0006/2017-18	21/02/2018	Perform exceedingly well
Umnotho Consulting	Panel of Internal Auditors for a period of three (03) years	MBH/MM/0006/2017-18	21/02/2018	Perform exceedingly well
Aurecon	Panel of professional services (Civil, building and environmental)	MBH/PSP/0015/2014-15	31/01/2018	Perform exceedingly well
Kukho Consulting Engineers	Panel of professional services (Civil, building and environmental)	MBH/PSP/005/2017-18	30/05/2018	Perform exceedingly well
Leko Engineering Services	Panel of professional services (Civil, building and environmental)	MBH/PSP/005/2017-18	30/05/2018	Perform exceedingly well

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Heed SA (PTY) LTD	Supply, Installation of tyre repair Machinery and Delivery of new tyres for a period of three (03) years	MBH/INFRA/0011/2017-18	11/06/2018	Perform exceedingly well
Sontsele Project Management	Panel of Professional Services (Civil, Building and Environmental) for a period of three (03) years-(Environmental Services)	MBH/PSP/0005/2017-18	17/07/2018	Perform exceedingly well
Indwe Risk Services	Provision of Insurance Services for a period of three (03) years	MBH/BTO/0032/2017-18	23/07/2018	Perform exceedingly well
Sizanane Consulting	Compilation and Maintenance of General Valuation roll as well as other Valuation Services for a period of 2019-2023	MBH/BTO/0029/2017-18	18/07/2018	Perform exceedingly well
Themba Lesizwe Holdings (Pty) Ltd	Service and Repairs of Earthmoving Machinery for a period of three years	MBH/INFRA/0013/2017-18	15/11/2018	Perform exceedingly well
Themba Lesizwe Holdings (Pty) Ltd	Hiring of back up construction machinery for a period of three (03) years	MBH/INFRA/0012/2017-18	15/11/2018	Perform exceedingly well

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Ukubonisana Trading and Projects	Supply and Delivery of Storm Water pipes culverts for a period of three (03) years	MBH/INFRA/0006/2018-19	23/01/2019	Perform exceedingly well
Trackos Projects (Pty) Ltd	Upgrade and Maintenance of Data Centre for a period of three (03) years	MBH/CS/0017/2018-19	15/02/2019	Perform exceedingly well
Banacure T/A Nashua East London	Proposal for the Supply, Delivery, Install and Maintain printing Solution, Shredder, and Document Management solution for a period of three (03) years	MBH/CS/0005/2018-19	15/02/2019	Perform exceedingly well
Lithaba Travels	Provision of Travel and Accommodation Management Services for a period of three (03) years	MBH/BTO/0026/2018-19	06/09/2019	Perform exceedingly well
Heed SA (PTY) LTD	Supply and Delivery of Infrastructure Material for a period of two (02) years	MBH/INFRA/0020/2018-19	07/10/2019	Perform exceedingly well
Willskosa	Panel of Contractors for a period of three (03) years- MLM Incubator programme	MBH/INFRA/0013/2019-20	09/10/2019	Perform exceedingly well
Umkhiwa Construction cc	Panel of Contractors for a period of three (03) years-	MBH/INFRA/0013/2019-20	09/10/2019	Perform exceedingly well

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	MLM Incubator programme			
Kwandie Trading	Panel of Contractors for a period of three (03) years-MLM Incubator programme	MBH/INFRA/0013/2019-20	09/10/2019	Perform exceedingly well
S A U Contractors	Panel of Contractors for a period of three (03) years-MLM Incubator programme	MBH/INFRA/0013/2019-20	09/10/2019	Perform exceedingly well
Siwecon Serve	Panel of Contractors for a period of three (03) years-MLM Incubator programme	MBH/INFRA/0013/2019-20	30/10/2019	Perform exceedingly well
Mazembe Holdings	Panel of Contractors for a period of three (03) years-MLM Incubator programme	MBH/INFRA/0013/2019-20	30/10/2019	Perform exceedingly well
MOZI AUCTIONEERS	PROVISION OF AUCTION SERVICE FOR A PERIOD OF THREE YEARS	MBH/BTO/0028/2018-19	03/02/2020	Perform exceedingly well
HEED SA (PTY) LTD	SUPPLY AND DELIVERY OF 50 TON LOW-ED TRAILER	MBH/INFRA/0007/2019-20	03/02/2020	Perform exceedingly well

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HEED SA (PTY) LTD	SUPPLY AND DELIVERY OF SOLAR PANELS, BATTERIES AND CHARGE CONTROLS	MBH/INFRA/0024/2019-20	03/02/2020	Perform exceedingly well
MAGWA FAMILY HOLDINGS	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
MKOKO TRANSPORT (PTY) LTD	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
TEMBALABANT U SECURITY CLEANING AND GENERAL TRADING	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
KAIZER LUTHANDO (PTY) LTD	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
VALOSTAR 149	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well

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DWAZZ TRADING &PROJECTS	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/ 2019-20	03/02/20 20	Perform exceedingly well
IXESIBE BUILDING CONSTRUCTIO N	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/ 2019-20	03/02/20 20	Perform exceedingly well
MBAZLAZ TRADING	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/ 2019-20	03/02/20 20	Perform exceedingly well
ELCOC (PTY) LTD	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/ 2019-20	03/02/20 20	Perform exceedingly well
ZIMSOPHI TRADING ENTERPISE	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/ 2019-20	03/02/20 20	Perform exceedingly well
ZAMAJOLA CIVILS AND PROJECTS (PTY) LTD	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/ 2019-20	03/02/20 20	Perform exceedingly well

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STM-LINE TRADING (PTY) LTD	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
XELENGA CONSTRUC TION	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
SANDHURST VISTA TRADING (PTY) LTD	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
ILUNGA LEGWARA TRADING ENTERPRISE	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
FOR THE COMMUNITY TRADING ENTERPRISE (PTY) LTD	PANEL OF CONTRACTORS FOR A PERIOD OF THREE YEARS	MBH/INFRA/0013/2019-20	03/02/2020	Perform exceedingly well
LHILHIZ TRADING	SUPPLY AND DELIVERY OF CLEANING MATERIAL FOR PERIOD OF TWO YEARS	MBH/CS/0029/2019-20	03/02/2020	Perform exceedingly well

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VITSHA TRADING	CONSTRUCTION OF DUTCH COMMUNITY HALL	MBH/MIG/0018/2019-20	03/02/2020	Perform exceedingly well
AZIZI PLANT HIRE AND CONSTRUCTION	CONSTRUCUTION OF MBELO ACCESS ROAD	MBH/MIG/002/2019-20	17/02/2020	Perform exceedingly well
PMB PROJECTS 06	CONSTRUCTION OF TOWN TO NTLULABHOKHWE ACCESS ROAD	MBH/MIG/0004/2019-20	17/02/2020	Perform exceedingly well
DINTWA TRADING CC	CONSTRUCTION OF NOHESHA TO MATHYAMENI	MBH/MIG/0003/2019-20	17/02/2020	Perform exceedingly well
MELOKUHLE MANAGEMENT	PROPOSAL FOR SOURCING OF FUNDS FOR IMPEMANTATION OF MLM UNFUNDED PROJECTS	MBH/BTO/0019/2019-19	24/02/2020	Perform exceedingly well
MZANTSI STARS	PROPOSAL FOR SOURCING OF FUNDS FOR IMPEMANTATION OF MLM UNFUNDED PROJECTS	MBH/BTO/0019/2019-19	24/02/2020	Perform exceedingly well
FIRST RAND BANK LIMITED	PROVISION OF BANKING SERVICES	MBH/BTO/0023/2019-20	30/04/2020	Perform exceedingly well

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	FOR A PERIOD OF 5 YEARS			
CLP TRADE/ ENVIROTECH	CONSTRUCTION OF MQHELE TO MRABE ACCESS ROAD	MBH/MIG/0001/2019-20	30/06/2020	Perform exceedingly well
MBETE GLOBAL INVESTMENT	SUPPLY AND DELIVERY OF FUEL FOR A PERIOD OF 3 YEARS	MBH/BTO/0025/2019-20	07/08/2020	Perform exceedingly well
WORTHY TRADE 91	PROPOSAL FOR CELLPHONE CONTRACT FOR COUNCILLORS AND EMPLOYEES FOR A PERIOD OF 2 YEARS	MBH/CS/0016/2019-20	07/08/2020	Perform exceedingly well
SNR ELECTRICAL CC	SUPPLY AND DELIVERY OF ELECTRICAL MATERIAL AND BACKUP SERVICES FOR A PERIOD OF 3 YEARS	MBH/INFRA/0024/2019-20	17/09/2020	Perform exceedingly well
A2A Kopano Incorporated	COMPILATION AND MAINTENANCE OF MOVABLE AND IMMOVABLE ASSEST REGISTER FOR A PERIOD OF THREE YEARS	MBH/BTO/0026/2017-2018	17/09/2020	Perform exceedingly well

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GOLDEN SECURITY SERVICES CC	PROVISION OF SECURITY SERVICES FOR A PERIOD OF TWO(02) YEARS	MBH/CS0029/2018-2019	23/09/2020	Perform exceedingly well
NGXAKAXA COMMUNITY ENTERPRISE	INCUBATION PROGRAM FOR THE MAINTENANCE OF MUNICIPAL FACILITIES FOR A PERIOD OF TWO(02) YEARS	MBH/P&D/0003/2020-21	15/10/2020	Perform exceedingly well
SIYA AND AYA ENGINEERING (PTY) LTD	MBHASHE ELECTRIFICATION PROJECTS ON TURNKEY FOR A PERIOD OF ONE (01) YEAR	MBH/INFR/0028/2019-20	05/11/2020	Perform exceedingly well
AZIZI PLANT HIRE AND CONSTRUCTION	CONSTRUCTION OF BIKANE ACCES ROAD	MBH/MIG/0010/2020-21	10/11/2020	Perform exceedingly well
DLUSH CONSTRUCTION (PTY) LTD	INCUBATION OROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO(02) YEARS	MBH/P&D/0006/2020-21	18/11/2020	Perform exceedingly well

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NGAZIBINI GROUP	INCUBATION OROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO(02) YEARS	MBH/P&D/0006/20 20-21	18/11/20 20	Perform exceedingly well
MALISWANA TRADING CC	CONSTRUCTION OF MUNYU TO GXARHA ACCESS ROAD	MBH/MIG/0008/20 20-21	24/02/20 21	Perform exceedingly well
KOPANONG INVESTMENT PROJECTS	CONSTRUCTION OF LUSIZINI TO ZIMPUKU ACCESS ROAD	MBH/MIG/0009/20 20-21	25/02/20 21	Perform exceedingly well
ZKS AND NAM GENERAL TRADING	CONSTRUCTION OF MANGANYELA COMMUNITY HALL	MBH/MIG/0007/20 20-21	17/02/20 21	Perform exceedingly well
Rio Ridge 1111 cc	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20 20-21	09/03/20 21	Perform exceedingly well
Lilo Eli Construction	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20 20-21	09/03/20 21	Perform exceedingly well
Tyatyi Trading and Project	INCUBATION PROGRAM FOR SUPPLY AND	MBH/P&D/0006/20 20-21	09/03/20 21	Perform exceedingly well

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	DELIVERY FOR A PERIOD OF TWO (02) YEARS			
Bunono & sobz Trading	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20-21	08/03/2021	Perform exceedingly well
Ukwenza Ayikokwethu	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20-21	25/03/2025	Perform exceedingly well
Zamatita Projects	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20-21	11/03/2021	Perform exceedingly well
Kukhumusa Pty Ltd	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20-21	09/03/2021	Perform exceedingly well
Majitech Pty Ltd	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A	MBH/P&D/0006/20-21	09/03/2021	Perform exceedingly well

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	PERIOD OF TWO (02) YEARS			
Ithembaliyaphilis a trading Projects	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20 20-21	09/03/20 21	Perform exceedingly well
Xego Lembuzi	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20 20-21	11/03/20 21	Perform exceedingly well
songolomso construction	INCUBATION PROGRAM FOR SUPPLY AND DELIVERY FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0006/20 20-21	11/03/20 21	Perform exceedingly well
Likamva Geomatics (Pty) Ltd	PANEL OF LAND SUREYORS FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0001/20 20-21	12/03/20 21	Perform exceedingly well
MNT Geomatics	PANEL OF LAND SUREYORS FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0001/20 20-21	12/03/20 21	Perform exceedingly well

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MNT Geomatics	PANEL OF TOWN PLANNERS FOR A PERIOD OF TWO (02) YEARS	MBH/P&D/0001/20 20-21	12/03/20 21	Perform exceedingly well
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COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a Municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

One of the key programmes was the implementation of the Workplace skills Plan wherein employees and unemployed youth were trained and acquired skills. A plan was developed and submitted to the Local Government SETA. Some capacity building programmes were implemented in the year for both officials and councillors. Unemployed graduates were taken in as Learners in departments to assist them with workplace exposure. In line with the Council's Bursary scheme, a considerable number of employees were offered bursaries to further enhance themselves. One of the challenges the municipality is facing is to get responsive training provider which makes it difficult to train both employees and Councillors.

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4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix											
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 0								
			Learnerships			Skills programmes & other short courses			Other forms of training		
			Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target
MM and s57	Female	3	0	0	0	0	0	0	3	0	0
	Male	4	0	0	0	0	0	0	4	0	0
Councillors,	Female	33	1	1	0	0	0	0	0	0	0
	Male	42	2	2	0	1	1	0	0	0	0
Managers	Female	4	0	0	0	0	0	0	4	4	0
	Male	11	0	0	0	0	0	0	11	11	0
Technicians, foremans, artisans, inspectors & drivers	Female	27	0	0	0	0	17	0	0	0	0
	Male	7	0	0	0	0	7	0	0	0	0
Professionals	Female	19	0	0	0	7	15	0	3	3	0
	Male	9	0	0	0	4	9	0	4	0	0

CHAPTER 4

Clericals	Female	25	0	0	0	5	7	0	13	2	0
	Male	7	0	0	0	3	4	0	0	4	0
Community service workers	Female	15	0	0	0	0	0	0	0	0	0
	Male	27	0	0	0	0	0	0	0	0	0
Operators			0	0	0	0	0	0	0	0	0
	Male	19	0	0	0	0	0	0	0	2	0
Elementary workers	Female	42	0	0	0	0	25	0	0	0	0
	Male	60	0	0	0	0	60	0	0	0	0
Sub total	Female	168	0	0	0	0	0	0	0	0	0
	Male	186	0	0	0	0	0	0	0	0	0
Total		354	0	0	0	0	0	0	0	0	0

Total number trained for councilors= 50

Total number of trained staff =250

CHAPTER 4

Financial Competency Development: Progress Report*					
Description	A. Total number of 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 and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total of A and B
Financial Officials					
<i>Accounting officer</i>	1	0	1	0	
<i>Chief financial officer</i>	1	0	1	0	
<i>Senior managers</i>	5	0	5	0	
<i>Any other financial officials</i>	1	0	1	0	
Supply Chain Management Officials	0	0	0	0	
<i>Heads of supply chain management units</i>	0	0	0	0	
<i>Supply chain management senior managers</i>	0	0	0	0	
TOTAL	8	0	0	0	

CHAPTER 4

Reporting on Training Expenditure for 01 May 2020 – 30 April 2021

Reporting on Training Experience				
Funding source	Building Spent- Employed	Budget Unemployed – Unemployed	Committee Spent – EMPLOYED	Committed Spent- Unemployed
Mandatory Grant Funds	R100 000	0	0	0
Outstanding Mandatory Grant funds from previous year	0	0	0	0
Discretionary Grants funds	0	0	0	0
Additional funding (Municipality/entity, donor funds, other government funds e.t.c.	R499 991,29	0	0	0
Total	R599991,29	0	0	0

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The municipality faced a challenge of not getting responsive training bidders after having advertised several times. This situation affected negatively on the planned training interventions and fewer numbers on training were achieved. The municipality has however continued with attempts of appointing training service providers. The municipality was awarded a bursary scheme from TETA SETA for seventeen employees. Employees were made aware of the process of applying for the grant until the selection stage. There are 11 employees benefiting from the grant in various formal qualifications and institutions of higher learning (1 employee registered with University of South Africa and 10 employees with Fort Hare University).

T4.5.4

CHAPTER 4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

The municipality has ensured that the workforce expenditure is kept within the accepted proportions in relation to capital expenditure. Grants meant for service delivery are not used for operational expenditure.

T4.6.0

4.6 EMPLOYEE EXPENDITURE

WORKFORCE EXPENDITURE TRENDS (R. 000)	
Financial year	Amount
Year 0	
Year -1	R112 994 309
Year -2	R 111 772 808
Year -3	R 801 972

CHAPTER 4

T4.6.1

COMMENT ON WORKFORCE EXPENDITURE:

Delete Directive note once comment is complete – 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.

T4.6.1.1

NUMBER OF EMPLOYEES WHOS SALARIES WERE INCREASED DUE TO THE POSITIONS BEING UPGRADED

None

EMPLOYEES WHOS SALARIES LEVEL EXCEED THE GRADE DETERMINE BY JOB EVALUATION

In process of verification

DISCLOSURE OF FINANCIAL INTEREST BY EMPLOYEES

All section 56 managers, all Bid Committee members, Employees and SCM officials have declared their financial interest.

T4.6.2

WORKFORCE/PERSONNEL EXPENDITURE FOR FINANCIAL YEAR 2019/2020

R 146 340 581

CHAPTER 4

All section 56 managers, all Bid Committee members, Employees and SCM officials have declared their financial interest.

T4.6.6

CHAPTER 4

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. Chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

T5.0.1

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 of 2003). The principle accounting policies adopted in the preparation of the annual financial statements are set out in the annual financial statements contained in this document. The financial statements have been prepared based on the accounting policies that the municipality deems to be appropriate for the activities of the municipality and have been applied consistently in all respects from the previous financial years.

T5.1.0

CHAPTER 4

STATEMENTS OF FINANCIAL PERFORMANCE

MBHASHE LOCAL MUNICIPALITY (EC121)			
Annual Financial Statements for the year ended 30 June 2020			
Statement of Financial Position as at 30 June 2020			
Figures in Rand	Note(s)	2020	2019
Assets			
Current Assets			
Receivables from exchange transactions	8	1,576,449	392,534
Receivables from non-exchange transactions	9	2,403	978
VAT receivable	10	8,030,911	4,055,890
Consumer debtors	11	7,105,235	11,529,232
Cash and cash equivalents	12	111,716,738	17,288,543
		128,431,736	33,267,177
Non-Current Assets			
Investment property	2	33,511,900	33,511,900
Property, plant and equipment	3	571,929,113	567,550,217
Intangible assets	4	896,046	1,313,182
Heritage assets	5	11	11
		606,337,070	602,375,310
Total Assets		734,768,806	635,642,487
Liabilities			
Current Liabilities			
Payables from exchange transactions	15	45,382,607	20,201,692
Employee benefit obligation	7	1,009,000	631,185
Unspent conditional grants and receipts	13	8,643,121	5,624,274
		55,034,728	26,457,150
Non-Current Liabilities			
Employee benefit obligation	7	4,538,000	4,288,244
Provisions	14	18,562,890	11,371,056
		23,100,890	15,659,300
Total Liabilities		78,135,618	42,116,451
Net Assets		656,633,188	593,526,036
Accumulated surplus		656,633,188	593,526,036

CHAPTER 4

MBHASHE LOCAL MUNICIPALITY (EC121)			
Annual Financial Statements for the year ended 30 June 2020			
Statement of Financial Performance			
Figures in Rand	Note(s)	2020	2019
Revenue			
Service charges	17	309,216	912,221
Rental of facilities and equipment	18	1,773,886	2,380,605
Interest received (trading)	16	1,169,345	1,923,504
Other income	20	1,489,802	3,312,542
Interest earned	21	5,823,200	3,252,067
Assessment rates	22	12,760,143	11,396,251
Licence and permits		1,228,229	735,331
Grants and subsidies	23	331,324,041	311,575,340
Fines and penalties		2,102,954	2,272,080
Total revenue		357,980,816	337,759,941
Expenditure			
Employee related costs	24	(124,137,214)	(117,612,653)
Remuneration of Councillors	25	(22,203,367)	(21,145,732)
Depreciation and amortisation	26	(54,075,880)	(55,549,543)
Impairment loss/ Reversal of impairments		(93,548)	-
Finance costs	27	(300,777)	(849,412)
Debt Impairment	28	(2,888,615)	(557,855)
Administrative and other expenditure	29	(91,169,037)	(99,476,393)
Total expenditure		(294,868,438)	(295,191,588)
Operating surplus		63,112,378	42,568,353
Profit/(Loss) on disposal of assets		(5,226)	(49,392)
Surplusfortheyear		63,107,152	42,518,961

CHAPTER 4

MBHASHE LOCAL MUNICIPALITY (EC 121)		
Annual Financial Statements for the year ended 30 June 2020		
Statement of Changes in Net Assets		
Figures in Rand	Accumulated Surplus	Total net assets
Balance as previously reported	555,970,058	555,970,058
Other prior year adjustments	(4,365,816)	(4,365,816)
Balance at 01 July 2018 as restated*	551,643,601	551,643,601
Changes in net assets		
Surplus/(Deficit) for the year	42,322,255	42,322,255
Effect of prior year adjustment	(439,820)	(439,820)
Total Changes	41,882,435	41,882,435
Opening balance as previously reported	593,926,497	593,926,497
Other prior year adjustments	(400,461)	(400,461)
Balance at 01 July 2019 as restated*	593,526,036	593,526,036
Changes in net assets		
Surplus/(Deficit) for the year	63,107,152	63,107,152
Total Changes	63,107,152	63,107,152
Balance at 30 June 2020	656,633,188	656,633,188

CHAPTER 4

MBHASHE LOCAL MUNICIPALITY (EC 121)			
Annual Financial Statements for the year ended 30 June 2020			
Cash Flow Statement			
Figures in Rand	Note(s)	2020	2019
Cash Flows from Operating Activities			
Receipts			
Sale of goods and services		11,913,865	8,189,585
Grants		334,342,888	317,199,614
Interest income		5,823,200	3,252,067
Other receipts		4,820,984	5,741,259
		356,900,937	334,382,525
Payments			
Employee Costs		(145,713,010)	(139,237,617)
Suppliers		(58,337,561)	(114,160,246)
Finance Costs		(300,777)	(849,412)
		(204,351,348)	(254,247,275)
Net cash flows from operating activities	31	152,549,589	80,135,250
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(58,121,394)	(68,935,066)
Net increase/(decrease) in cash and cash equivalents		94,428,195	11,200,184
Cash and cash equivalents at the beginning of the year		17,288,543	6,088,359
Cash and cash equivalents at the end of the year	12	111,716,738	17,288,543

T5.1.1

CHAPTER 4

COMMENT ON FINANCIAL PERFORMANCE:

The municipality recorded under spending due to amongst thing, COVID-19 restrictions, slow recruitment processes on filling of posts, poor spending patterns on internally funded projects. T5.1.3

5.2 GRANTS

CHAPTER 4

Grant Performance							R' 000
Description	Year -1	Year 0			Year 0 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)	
Operating Transfers and Grants							
National Government:	232,176,000.00	256,864,000.00	256,864,000.00	256,864,000.00	0%	0%	
Equitable share	225,391,000.00	249,464,000.00	249,464,000.00	249,464,000.00	0%	0%	
Municipal Systems Improvement	-	-	-	-			
	5,015,000.00	5,630,000.00	5,630,000.00	5,630,000.00	0%	0%	
Department of Water Affairs	-	-	-	-			
Levy replacement	-	-	-	-			
Other transfers/grants [FMG]	1,770,000.00	1,770,000.00	1,770,000.00	1,770,000.00	0%	0%	
Provincial Government:	500,000.00	500,000.00	500,000.00	124,977.00	75%	75%	
Health subsidy							
Housing							
Ambulance subsidy							
Sports and Recreation	500,000.00	500,000.00	500,000.00	124,977.00	25%		
				-	0	0%	
Other transfers/grants [FMG]	-	-	-	-			
District Municipality:	-	-	-	-			
<i>[insert description]</i>							
Other grant providers:	8,946,000.00	15,081,000.00	16,801,625.00	8,873,639.00			
<i>Integrated National Electrification Programme [INEP]</i>	8,946,000.00	15,081,000.00	15,081,000.00	7,992,782.00	53%		
<i>TETA SETA Grant</i>			379,625.00	375,005.00	100%		
<i>Municipal Disaster Relief Grant</i>			1,341,000.00	505,852.00	38%		
Total Operating Transfers and Grants	241,622,000.00	272,445,000.00	274,165,625.00	265,862,616.00	98%	3%	

T5.2.1

CHAPTER 5

COMMENT ON OPERATING TRANSFERS AND GRANTS

The gazetted grants were all received during the year under review except for MIG of which only **R 731 000.00** was not received. The gazetted grants were not fully spent during the period under review and a roll-overs on grant funding will be applied for.

T5.2.2

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						
TETA Seta		384,245.00		30-Jun-22		Contribution towards capacity building for employees
OTP Grant	5,000,000.00	6,819,743.00		Ongoing		Contribution towards small town revitalisation
B - "Project 1"						
B - "Project 2"						
<i>Provide a comprehensive response to this schedule</i>						T 5.2.3

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

The municipality received grant funding from TETA Seta for capacity building towards employees. Several employees have been enrolled with tertiary institution utilizing the received funds. The municipality also received funds from The Office of the Premier for town revitalisation and number of internal streets have been identified for construction.

T5.2.4

ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

CHAPTER 5

Asset management is crucial for the sustainability of the Municipality as it is not possible to render any services without properly maintained assets. From the capital budget, it can be noted that the objective is to upgrade and maintain assets on a continuous basis. The condition of assets should be such that they can provide minimum level of service if not they should be replaced. Increased investment in sustainable infrastructure, particularly roads network is necessary and maintenance thereof to keep it at a good state.

T5.3.1

CHAPTER 5

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0				
Asset 1				
Name	Dutywa Municipal Offices			
Description	Building Construction			
Asset Type	Land and Buildings			
Key Staff Involved	PMU			
Staff Responsibilities	Project management			
Asset Value	Year -3	Year -2	Year -1	Year 0
Capital Implications	Asset Creation			
Future Purpose of Asset	Municipal offices			
Describe Key Issues	The project was funded from MIG and Equitable			
Policies in Place to Manage Asset	Yes			
Asset 2				
Name	Elliotdale Ward -13 Sportsfield			
Description	Multipurpose Sportsfield			
Asset Type	Sport Facility			
Key Staff Involved	PMU			
Staff Responsibilities	Project management			
Asset Value	Year -3	Year -2	Year -1	Year 0
Capital Implications	Asset Creation			
Future Purpose of Asset	Sport Facility			
Describe Key Issues	Project funded from MIG			
Policies in Place to Manage Asset	Yes			
Asset 3				
Name	Willowvale Ward - 25 Sportsfield			
Description	Multipurpose Sportsfield			
Asset Type	Sport Facility			
Key Staff Involved	PMU			
Staff Responsibilities	Project management			
Asset Value	Year -3	Year -2	Year -1	Year 0
Capital Implications	Asset Creation			
Future Purpose of Asset	Sport Facility			
Describe Key Issues	Project funded from MIG			
Policies in Place to Manage Asset	Yes			

CHAPTER 5

COMMENT ON ASSET MANAGEMENT:

Asset Management is done in line with the requirements of GRAP 17 and best practices as per National Treasury Asset Management Guide. Various assets were impaired after conducting a conditional assessment. This was based on the asset condition assessment performed which was informed by the heavy rains that the region experienced. An increased maintenance spending in future years should lead to reduced asset impairments.

T5.3.3

Repair and Maintenance Expenditure: Year 0				
5R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	13 301 000	13 301 000	11 121 488	84%

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE

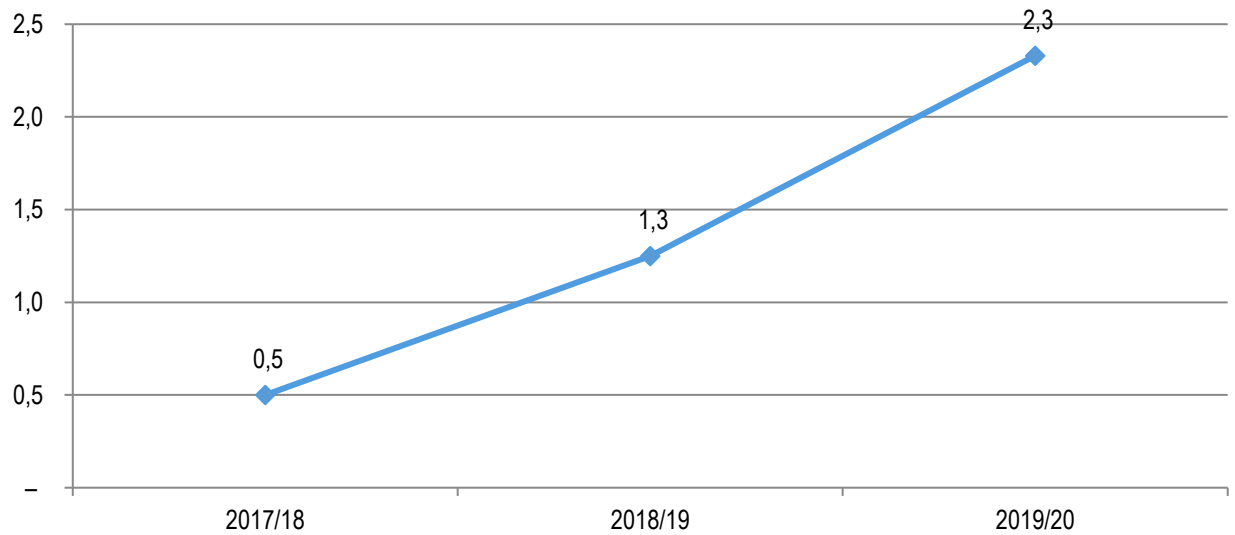
The municipality was able to spend 81% of its Repairs and Maintenance budget for the financial year ended 30 June 2020. The excess expenditure relates to Repairs and Maintenance expenditure that was funded from other expenditure budget items.

T5.3.4.1

.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

CHAPTER 5

Liquidity Ratio

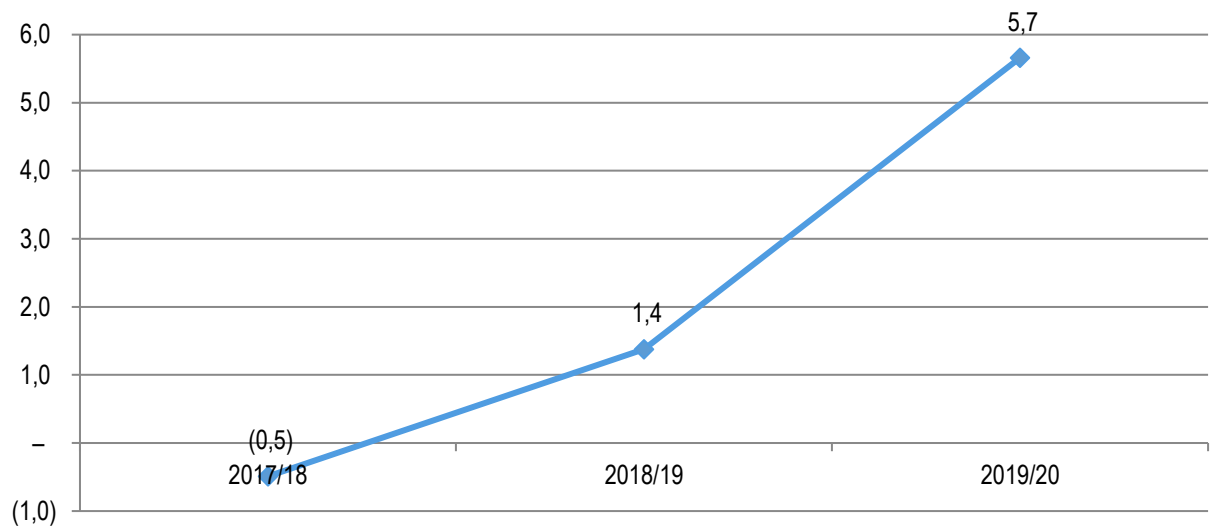


Liquidity Ratio – Measures the municipality’s ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality’s current liabilities. A higher ratio is better.

Data used from MBRR SA8

CHAPTER 5

Cost Coverage

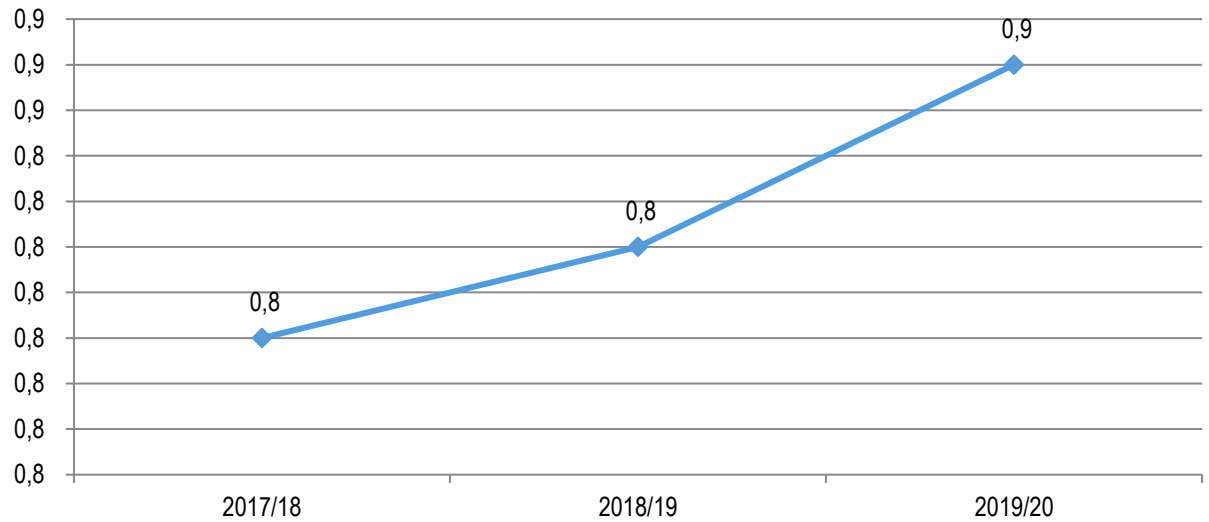


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

CHAPTER 5

Debt Coverage

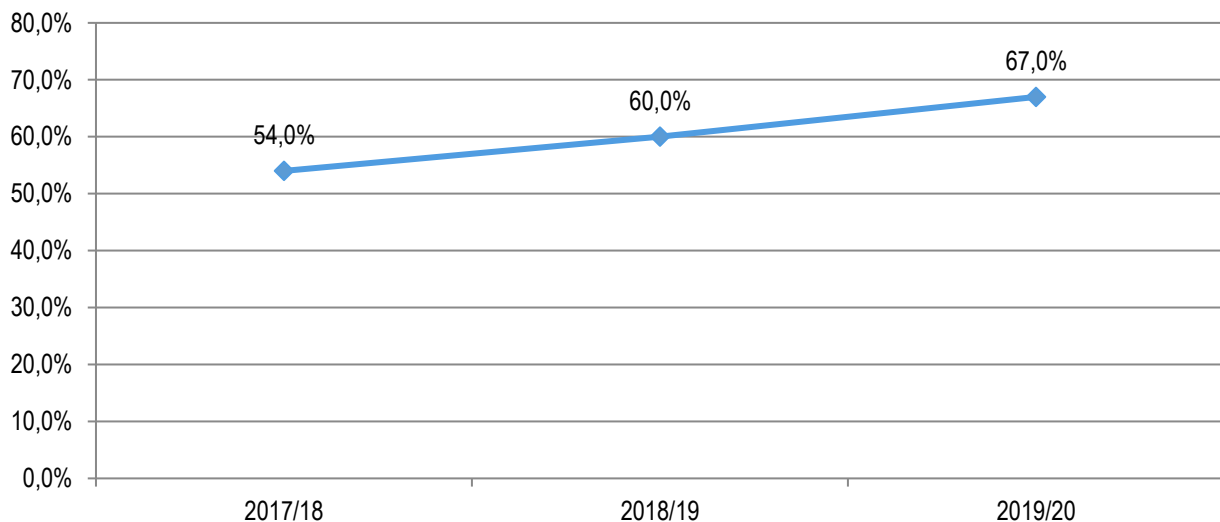


Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

CHAPTER 5

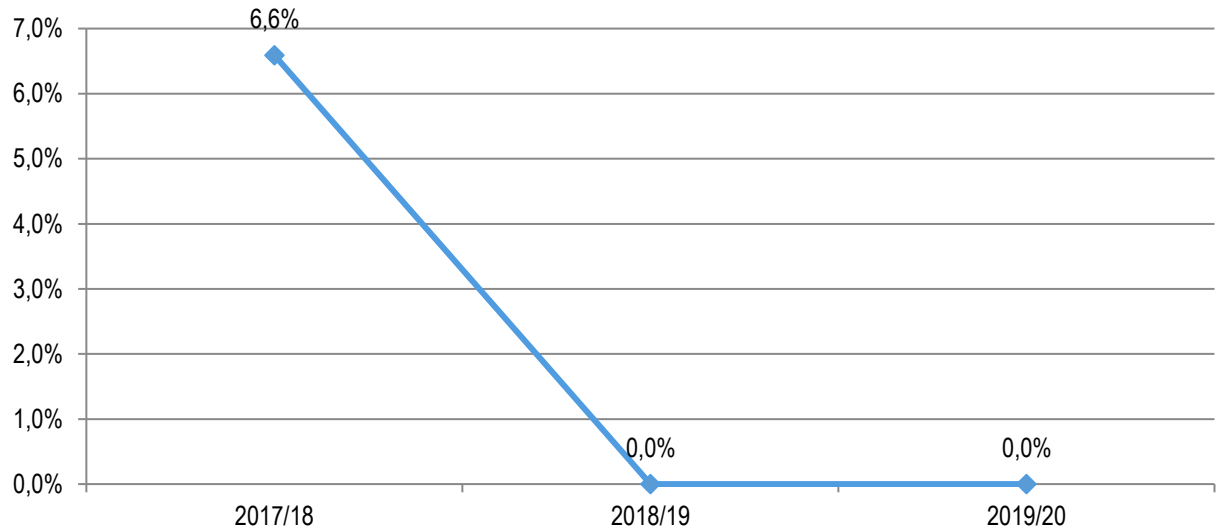
Total Outstanding Service Debtors



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.

CHAPTER 5

Capital Charges to Operating Expenditure

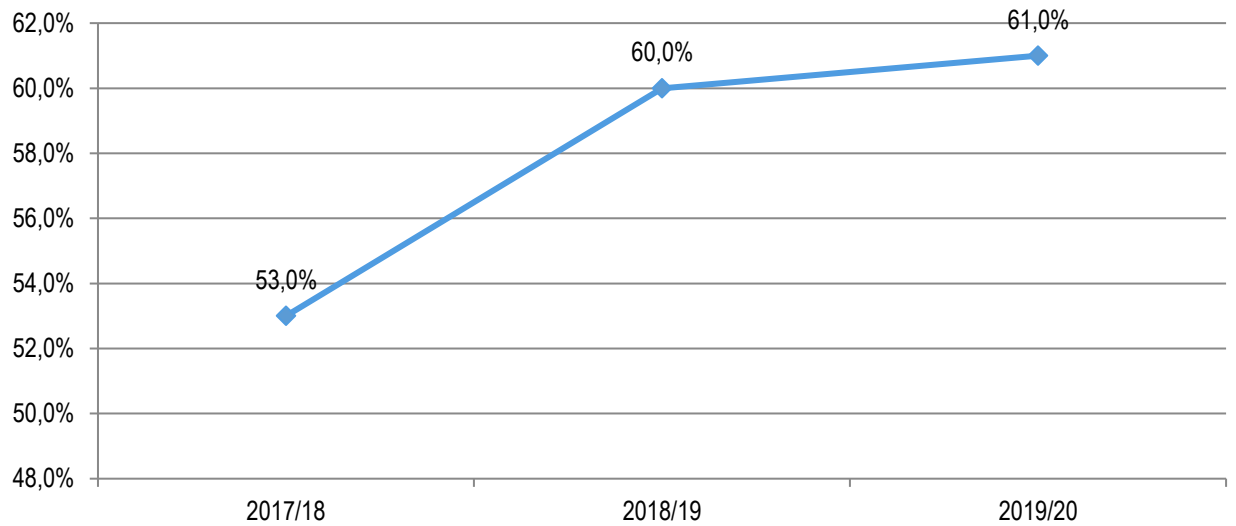


Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

CHAPTER 5

Employee Costs

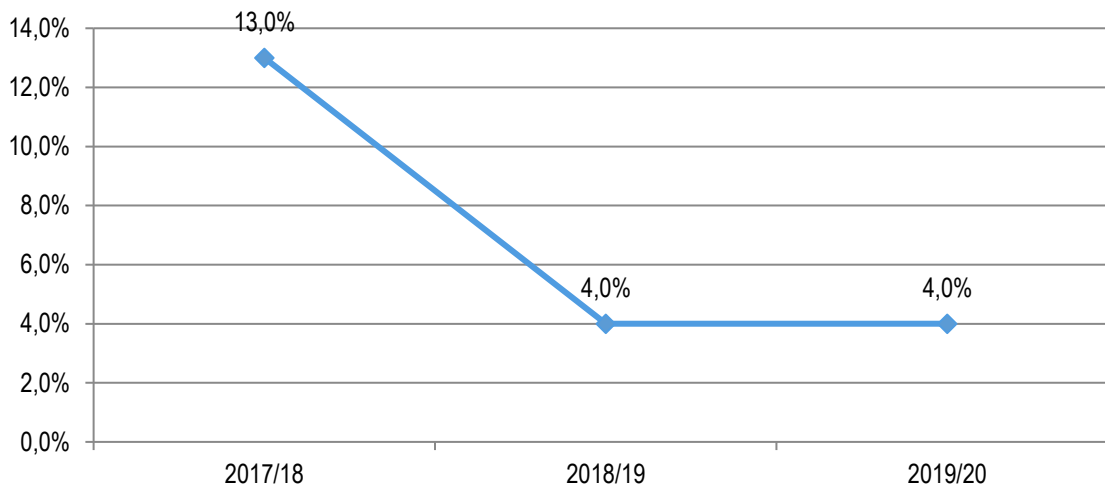


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

CHAPTER 5

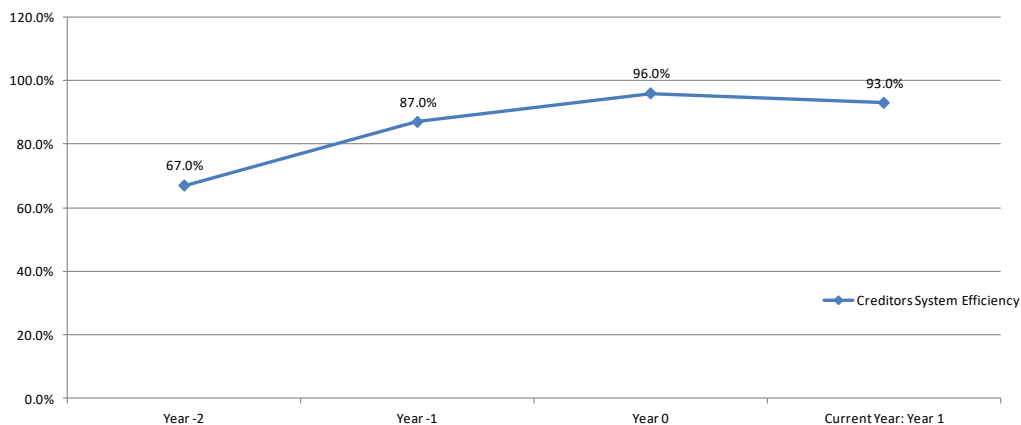
Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

Creditors System Efficiency



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

COMMENT ON FINANCIAL RATIOS:

Liquidity Ratio

This ratio provides an indication of the municipality's ability to pay its short term debts in the short-term (viability of an entity). These ratios focus on current assets (debtors, bank and cash, inventory) and current liabilities (trade and sundry creditors, provisions, accruals). In the current year, the municipality's ration has increased from 1.3 to 2.3, which is even above the norm. This is a good indicator for the municipality's financial health status.

Cost coverage

The cost coverage is calculated as available cash plus investments divide by monthly fixed operational expenditure. The municipal budget reporting regulations table for 2019/20 shows the coverage ratio at 5.7, this indicates that the municipality had sufficient reserves to meet its fixed monthly operational costs for the 5 months ahead that clearly indicates the improved liquidity status.

the improved liquidity status.

Total outstanding service debtors

This ratio measures how much money is owed by the consumers on services provided by the municipality. The municipality only provides refuse removal. The percentage of 67% indicates that the municipality is progressing well in terms of debt collection against the billed amount.

Debt coverage

The municipality has a low debt coverage rate of 0.9, which indicates that it does not generate sufficient own revenue to cover its own operational costs.

Creditor's system efficiency

The municipality is developing systems in place to ensure that the creditors are paid within 30 days on receipt of valid invoice. This has led to a 90% improvement in the payment rate and the reduction in the creditors balance at year end.

Capital charges to Operating Expenditure

The rate is low because the municipality did not have capital loans and the interest incurred was on late payment of creditors.

Employee costs

The rate of 61% is higher than the previous year of 60%, because the municipality had filled most of its vacant positions that were budgeted for. There was one vacant Senior Management position, which was filled in the following financial year.

Repairs and Maintenance (Operating)

CHAPTER 5

Operating Ratios	
Detail	%
Employee Cost	43%
Repairs & Maintenance	4%
Finance Charges & Impairment	10%

The rate of repairs and maintenance has declined due to projected not completed during the year on the maintenance of access roads and budget constraints.

T5.4.9

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

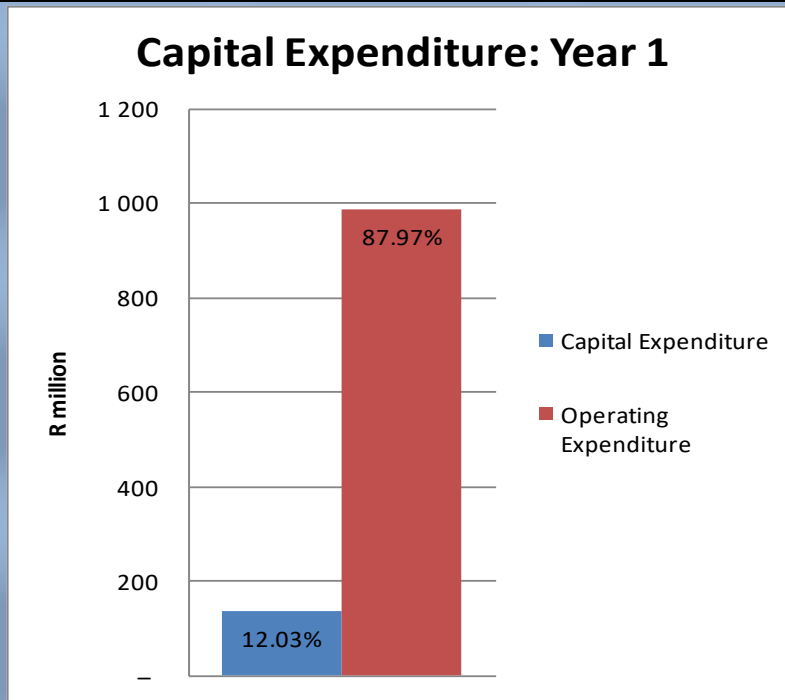
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

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).

T5.5.0

5.5 CAPITAL EXPENDITURE

CHAPTER 5



T5.5.1

CHAPTER 5

SOURCES OF FINANCE

Capital Expenditure-Funding Sources Year-1 to Year 0							
Details		Year -1	Year 0			Year 0 Variance	
		Actual	Original Budget(OB)	Adjustments Budget	Actual	Adjustment to OB Variance	Actual to OB Variance
Source of Finance							
	External Loans	-	-	-	-	0%	0%
	Public contributions and donations	-	-	-	-	0%	0%
	Grants and subsidies	61,985,800	62,877,846	63,057,845	68,935,067	0%	-10%
Total		61,985,800	62,877,846	63,057,845	68,935,067	(0.00)	(0.10)
Percentage of finance							
	External Loans	-	-	-	-	0%	0%
	Public contributions and donations	-	-	-	-	0%	0%
	Grants and subsidies	100%	100%	100%	100%	100%	100%
	Other	0%	0%	0%	0%	0%	0%
Capital Expenditure							
	Water and Sanitation	-	-	-	-		
	Electricity	-	-	-	-		
	Housing	-	-	-	-		
	Roads and Streets	61,985,800	62,877,846	63,057,845	68,935,067	0%	-10%
Total		61,985,800	62,877,846	63,057,845	68,935,067	0%	-10%
Percentage of expenditure							
	Water and Sanitation	0%	0%	0%	0%	0%	0%
	Electricity	0%	0%	0%	0%	0%	0%
	Housing	0%	0%	0%	0%	0%	0%
	Roads and Streets	100%	100%	100%	100%	100%	100%

T5.6.1

COMMENT ON SOURCES OF FUNDING:

Delete Directive note once comment is complete – Explain any variations from the approved budget of more than 10% and discuss the total capital expenditure as a viable proportion of total expenditure.

T5.6.1.1

CAPITAL SPENDING ON 5 LARGEST PROJECTS

CHAPTER 5

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current Year: Year 1			Variance Current Year: Year 1	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A -	26 000 000	26 500 000	25 700 000	1%	-2%
B -	19 500 000	19 750 000	19 900 000	-2%	-1%
C -	15 700 000	15 700 000	15 500 000	1%	0%
D -	12 000 000	11 800 000	11 700 000	3%	2%
E -	11 500 000	11 000 000	11 250 000	2%	4%

* Projects with the highest capital expenditure in Year 1

Name of Project - A	
Objective of Project	
Delays	
Future Challenges	
Anticipated citizen benefits	

Name of Project - B	
Objective of Project	
Delays	
Future Challenges	
Anticipated citizen benefits	

Name of Project - C	
Objective of Project	
Delays	
Future Challenges	
Anticipated citizen benefits	

Name of Project - D	
Objective of Project	
Delays	
Future Challenges	
Anticipated citizen benefits	

Name of Project - E	
Objective of Project	
Delays	
Future Challenges	
Anticipated citizen benefits	

T5.7.1

COMMENT ON CAPITAL PROJECTS:

CHAPTER 5

Delete Directive note once comment is complete - Provide information in the template above on the 5 largest projects, ranked according to their approved budget provision year 1. 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.

T5.7.1.1

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Delete Directive note once comment is complete – 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.

T5.8.1

Service Backlogs as at Year 1				
	Households (HHs)			
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water		%		%
Sanitation		%		%
Electricity		%		%
Waste management		%		%
Housing		%		%
<i>% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.</i>				

T5.8.2

CHAPTER 5

Municipal Infrastructure Grant (MIG)* Expenditure Year 1 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Infrastructure - Road transport				%	%	
<i>Roads, Pavements & Bridges</i>				%	%	
<i>Storm water</i>				%	%	
Infrastructure - Electricity				%	%	
<i>Generation</i>				%	%	
<i>Transmission & Reticulation</i>				%	%	
<i>Street Lighting</i>				%	%	
Infrastructure - Water				%	%	
<i>Dams & Reservoirs</i>				%	%	
<i>Water purification</i>				%	%	
<i>Reticulation</i>				%	%	
Infrastructure - Sanitation				%	%	
<i>Reticulation</i>				%	%	
<i>Sewerage purification</i>				%	%	
Infrastructure - Other				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	

* 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/adjustments budget by the actual.

T5.8.3

COMMENT ON BACKLOGS:

Delete Directive note once comment's completed - 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.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 CASH FLOW

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality's consistent strong liquidity profile over the past few years reflects a viable administrative system geared towards fiscal discipline despite challenges associated with the collection of revenues. The municipality prepares highly informative and comprehensive annual financial statements, including a balance sheet that is independently audited by the Auditor General. The municipality received an unqualified audit opinion for the financial year ended 30 June 2021. There were no material qualifications that affect the cash flow of the municipality.

T5.9.0

CHAPTER 5

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	11 637 487	7 500	7 500	19 858	
Government - operating	10 279 778	278 277	280 818	280 818	
Government - capital	1 072 711 698	82 471	91 042	68 950	
Interest	9 004 105	1 500	10 500	10 500	
Dividends					
Payments					
Suppliers and employees	(267 776 448)	265 049	276 693	268 374	
Finance charges	9 122		-	-	
Transfers and Grants					
NET CASH FROM/(USED) OPERATING ACTIVITIES	844 979	634 798	666 552	648 499 775	
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	1 431		-	-	
Decrease (Increase) in non-current debtors					
Decrease (increase) other non-current receivables					
Decrease (increase) in non-current investments					
Payments					
Capital assets	1 072 712	82 471	91 042	68 950	
NET CASH FROM/(USED) INVESTING ACTIVITIES	1 074 143	82 471	91 042	68 950 000	
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 ACTIVITIES	-	-	-	-	
NET INCREASE/ (DECREASE) IN CASH HELD	1 919 121	717 269	757 594	717 449 775	
Cash/cash equivalents at the year begin:	145 034			66 777 287	
Cash/cash equivalents at the year end:	2 064 156	717 269	757 594	784 227 062	

CHAPTER 5

COMMENT ON CASH FLOW OUTCOMES:

Delete Directive note once comment is completed - 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**.

T5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

The municipality did not have borrowings in the 2020/21 financial year

T5.10.1

Investment profile

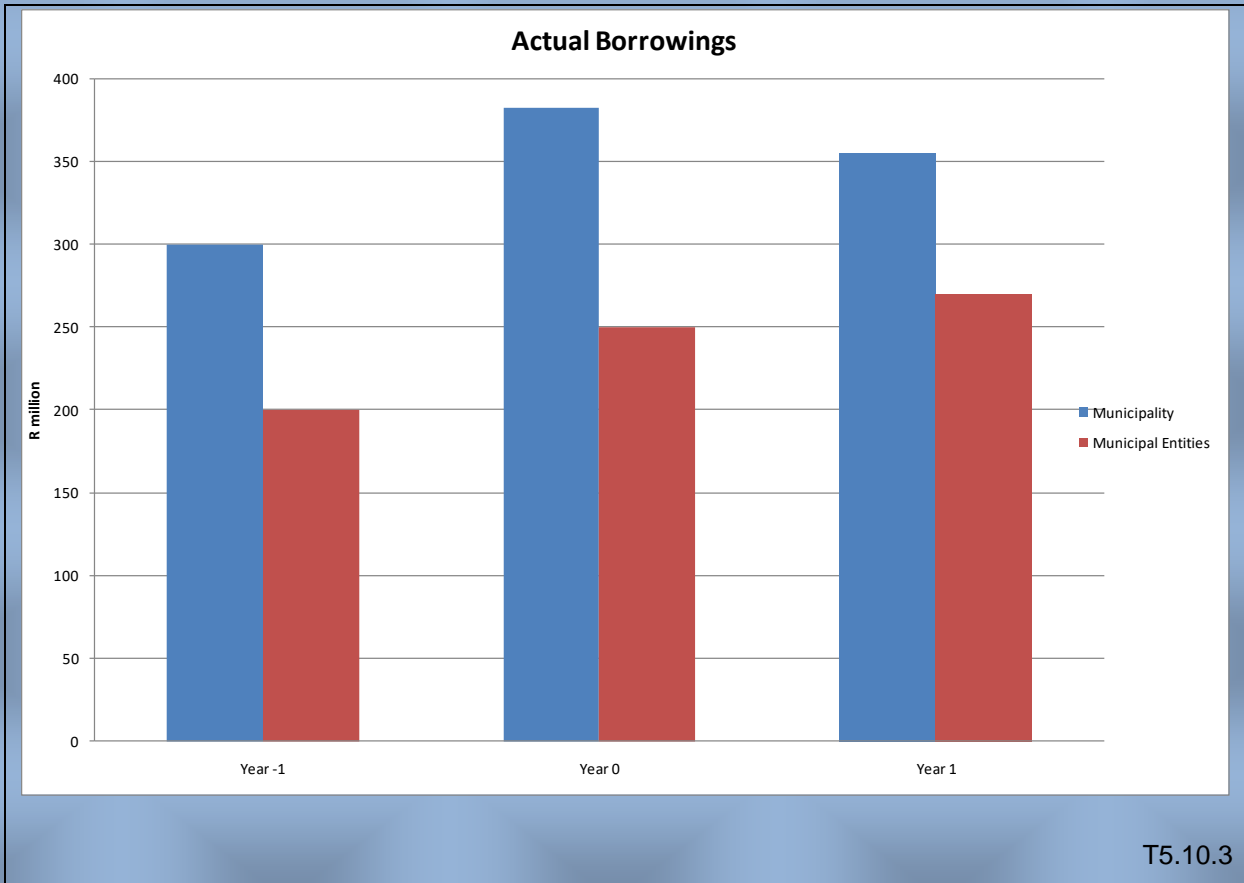
The municipality has short term investments with different banks. This is under cash and cash equivalents under the AFS note 5.

Municipal and Entity Investments			
	R' 000		
Investment* type	Year -2	Year -1	Year 0
	Actual	Actual	Actual
<u>Municipality</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits – Bank	110 451 585	172 981 077	247 855 148
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			

CHAPTER 5

Bankers Acceptance Certificates			
Negotiable Certificates of Deposit – Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements – Banks			
Municipal Bonds			
Other			
Municipality sub-total	0	0	0
<u>Municipal Entities</u>			
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
			<i>T 5.10.4</i>

CHAPTER 5



COMMENT ON BORROWING AND INVESTMENTS

The municipality did not have borrowings in the 2021/22 financial year.

PUBLIC PRIVATE PARTNERSHIPS

The municipality did not have any Public Private Partnerships during the 2021/22 financial year

T5.11.1

CHAPTER 5

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.

Section 117 of the MFMA states that: “No councilor 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

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 and Supply Chain Management Practitioners.

Supply Chain Management is centralized and situated in the Budget and Treasury Department with 4 permanent staff members, all of them has completed the minimum competency requirements.

T5.12.1

5.13 GRAP COMPLIANCE

CHAPTER 5

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice 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. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The municipality is yet to achieve full compliance with GRAP but notable strides have been made as captured in the Audit Action Plan. Material misstatements were identified by the Auditor-General that were subsequently corrected, leading to the Annual Financial Statements receiving an unqualified audit opinion with emphasis of matter.

T5.13.

CHAPTER 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

Note: The Constitution S188 (1) (b) 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.

T6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 0

6.1 AUDITOR GENERAL REPORTS YEAR 0 (PREVIOUS YEAR)

CHAPTER 6

Report of the auditor-general to Eastern Cape Provincial Legislature and the council on Mbashe Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Mbashe Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2020, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mbashe Local Municipality as at 30 June 2020 and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standard of GRAP) and the requirements of the Municipal Finance Management Act of South Africa (Act No. 56 of 2003)(MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No.1 of 2018)(Dora).

Basis for the opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

Emphasis of matter

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

Restatement of corresponding figures

6. As disclosed in note 36 to the financial statements, the corresponding figures for 30 June 2019 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2020.

CHAPTER 6

Impairment loss – Consumer debtors

7. As disclosed in note 11 to the financial statements, material impairments of R22 million (2019: R19,9 million) were incurred as a result of a provision for impairment of irrecoverable consumer debtors from exchange and non-exchange transactions.

Other matter

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

Unaudited disclosure notes

9. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

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

CHAPTER 6

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the municipality's annual performance report for the year ended 30 June 2020:

Development priority	Pages in the annual performance report
KPA 2: Basic services and infrastructure development	x – x

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following development priority:
 - KPA: Basic services and infrastructure development

Other matters

19. I draw attention to the matters below.

Achievement of planned targets

20. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year.

CHAPTER 6

COMPONENT B: AUDITOR-GENERAL OPINION YEAR 1 (CURRENT YEAR)

Adjustment of material misstatements

21. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of KPA 2 – Basic services and infrastructure development. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

23. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements and Annual Report

24. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, which resulted in the financial statements receiving an unqualified audit opinion.

Expenditure management

25. Reasonable steps were not taken to prevent irregular expenditure amounting to R41 million as disclosed in note 41 to the annual financial statements, as required by section 62(1)(c) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with BAC composition identified in the previous years for recurring contracts.

Strategic planning and performance

26. The performance management system and related controls were not maintained as it did not describe how the performance measurement processes should be managed, as required by municipal planning and performance management reg 7(1).

Other information

27. The accounting officer is responsible for the other information. The other information comprises of the information included in the annual report which includes the councillor's report and the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in the auditor's report.

6.2 AUDITOR GENERAL REPORT YEAR 1

CHAPTER 6

28. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.
29. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
30. I did not receive other information prior to the date of this auditor's report. When I do receive and read this information and if I conclude that it contains a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. I may have to retract this auditor's report and reissue and amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted the findings on the annual performance report and the findings on compliance with legislation included in this report.
 - Leadership did not exercise adequate oversight responsibility regarding performance reporting as supporting documentation for the actual performance targets were inadequate. Action plans in place were not adequately monitored to ensure that they are implemented to address internal control deficiencies.
 - The municipality did not have an effective records management system in place to enable reliable reporting on financial and performance information. In addition weaknesses were identified on design and implementation of controls on IT Governance.

Other reports

32. I draw attention to the following engagements conducted by various parties that have or could potentially have an impact on the Municipality's financial statements, reported performance information and compliance with applicable legislation and other related matters. The reports noted do not form part of the opinion on the financial statements or findings on the reported performance information or compliance with legislation.

CHAPTER 6

33. The municipality was under investigation by the Special Investigations Unit on its affairs in contracting and procuring of motor vehicles and equipment during 2015, as per Proclamation No.9 of 2018 issued by the President of the Republic of South Africa, the final report has been issued in August 2019.

Auditor-General

East London

28 February 2021



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

CHAPTER 6

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 1

Report of the auditor-general to Eastern Cape Provincial Legislature and the council on Mbashe Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Mbashe Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2021, the 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 financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mbashe Local Municipality as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standard of GRAP) and the requirements of the Municipal Finance Management Act of South Africa 56 of 2003 (MFMA) and the Division of Revenue Act of South Africa Act 4 of 2020 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 36 to the financial statements, the corresponding figures for 30 June 2020 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2021.

CHAPTER 6

Impairment loss – consumer debtors

8. As disclosed in note 11 to the financial statements, material impairments of R28,6 million (2020: R22,1 million) were incurred as a result of a provision for impairment of irrecoverable consumer debtors from exchange and non-exchange transactions.

Unspent conditional grants and receipts

9. As disclosed in note 13 to the financial statements, the conditional grants in respect of MIG, Library Grant, TETA Seta grant and INEP grant have an unspent portion totalling to R3,7 million (2020: R8,6 million).

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standard of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

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

Report on the audit of the annual performance report

Introduction and scope

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
17. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the municipality's annual performance report for the year ended 30 June 2021:

Development priority	Pages in the annual performance report
Development priority KPA 2 – basic services and infrastructure	x – x

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
20. I did not identify any material findings on the usefulness and reliability of the reported performance information for this development priority.

Other matters

21. I draw attention to the matters below.

Achievement of planned targets

22. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year.

Adjustment of material misstatements

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of KPA 2 – basic service delivery and infrastructure. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

24. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
25. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements and audit report

26. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements in statement of changes in equity, cash flow statement, non-current liabilities, non-current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Strategic planning and performance

27. The performance management system and related controls were inadequate as the described processes of planning, measurement and reporting were not conducted and managed as intended, and as required by the municipal planning and performance management regulation 7(1).

Other information

28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.
29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

CHAPTER 6

30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary

Internal control deficiencies

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
33. The leadership did not exercise adequate oversight responsibility regarding performance reporting as supporting documentation for the actual performance targets were inadequate. Action plans in place were not adequately monitored to ensure that they are implemented to address internal control deficiencies.
34. The municipality did not have an effective records management system in place to enable reliable reporting on financial and performance information.

Other reports

35. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

CHAPTER 6

36. The Special Investigations Unit was investigating the municipality's affairs in the contracting and procuring of motor vehicles and equipment during 2015, as per Proclamation No. 9 of 2018 issued by the president of the Republic of South Africa. The final report was issued in August 2019 and at the time of the report, the matter was with the disciplinary board of the municipality and a final verdict had not yet been made.

Auditor-General

East London

30 November 2021



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

T6.2.3

CHAPTER 6

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 1:

Delete Directive note once comment's completed - Provide comments from the Municipal Manager / CFO on the Auditor-General's opinion. Include comments on YEAR 0 if it provides useful context.

T6.2.4

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/ with the exception of those items and for those reasons given at **Appendix S (delete '/...' if not applicable)**.

Signed (Chief financial Officer)..... Dated

T6.2.5

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GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” 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 “ <i>what we do</i> ”.
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.

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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.
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	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • 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".

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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.

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<p>Performance Indicator</p>	<p>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)</p>
<p>Performance Information</p>	<p>Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.</p>
<p>Performance Standards:</p>	<p>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.</p>
<p>Performance Targets:</p>	<p>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.</p>
<p>Service Delivery Budget Implementation Plan</p>	<p>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.</p>
<p>Vote:</p>	<p>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.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>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</i></p>

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	<i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>
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CHAPTER 6

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Nr	Council Members	Full Time / Part Time (FT/ PT)	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non attendance
					Nr	Nr
1.	Cllr. Irene Nomachule Quvile	P/T	Basic Service Delivery standing Committee	ANC	99%	1%
2.	Cllr. Mzikayise Saki	P/T	Municipal Transformation & Institutional Development, BSD	ANC	100%	0%
3.	Cllr. Zukile C. Gobinduku	P/T	Municipal Transformation & Institutional Development, MFV	ANC	100%	0%
4.	Cllr. Simphiwe Futshane	F/T	GGP	ANC	100%	0%
5.	Cllr. Mbulelo Manuel Sisulu	P/T	Good Governance & Public	ANC	100%	0%

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			Participation & Ethics			
6.	Cllr. Thobela Nodliwa	P/T	MPAC	ANC	100%	0%
7.	Cllr. Buyiswa Gaven	P/T	MFV, LED	ANC	100%	0%
8.	Cllr. Anda Mpatuse	PT	LED	ANC	100%	0%
9.	Cllr. Kungeka Sigwayi	P/T	Woman's Caucus	ANC	100%	0%
10.	Cllr. Ernest Fipaza	P/T	Good Governance & Public Participation and Whips Committee	ANC	100%	0%
11.	Cllr. Nonyusile Ngolothi	P/T	LED	ANC	100%	0%
12.	Cllr. Mnikelo Vincent Muru	P/T	Basic Service Delivery, MFV	ANC	99%	1%
13.	Cllr. Sonwabile Toyana	P/T	Municipal Transformation & Institutional Development, LED	ANC	100%	0%
14.	Cllr. Luyanda Mpunzi	P/T	Rules Committee & Ethics	ANC	100%	0%
15.	Cllr. Siyabulela Mdabuka	P/T	Municipal Financial Viability, GGP	ANC	100%	0%
16.		P/T	MPAC	ANC	100%	0%

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	Cllr. Nosipho Stafana					
17.	Cllr. Nosipho Nancy Ntshontsho	P/T	Municipal Transformation & Institutional Development	ANC	100%	0%
18.	Cllr. Lungisa Mahobe	P/T	MFV	ANC	97%	3%
19.	Cllr. Phumelele Methu	P/T	GGP	ANC	95%	5%
20.	Cllr. Shepstone Thethemini Sitwayi	P/T	MPAC	ANC	100%	0%
21.	Cllr. Noncedile Kopolo	P/T	BSD	ANC	100%	0%
22.	Cllr. Silulami Ndinisa	P/T	Public Participation	ANC	96%	4%
23.	Cllr. Lulamile Khumelwana	P/T	GGP	ANC	100%	0%
24.	Cllr. Boniswa Sithela	P/T	MFV	ANC	98%	2%
25.	Cllr. Nokanyo Magatya	P/T	MPAC	UDM	98%	2%

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26.	Cllr. Wilson Genyane	P/T	Municipal Transformation &Institution, MFV, GGP	ANC	100%	0%
27.	Cllr. Tamella Nokele	P/T	Municipal Transformation &Institution	ANC	99%	1%
28.	Cllr. Phumzile Msaro	P/T	GGP	ANC	97%	3%
29.	Cllr. Theophilus Manelisi Nxusani	P/t	Basic Service Delivery	ANC	100%	0%
30.	Cllr. Patrick Patuxolo Zuma	P/T	MFV	ANC	99%	1%
31.	Simothulele Labhatala	P/T	GGP	ANC	99%	1%
32.	Cllr Celiwe Genyane	P/T	Rules Committee	ANC	100%	0%
33.	Cllr. Babalwa Majavu	F/T	Rules,	ANC	100%	0%
34.	Cllr. Nomxolisi Nqwena	F/T	Ethics and members interest	ANC	99%	1%
35.		F/T	MAYCO, BSD	ANC	96%	4%

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	Cllr. Mirriam Kungeka Makapela					
36.	Cllr. Nolusindiso Nkomonye	P/T	BSD, GGP	ANC	100%	0%
37.	Cllr. Nolumanyano Ntombenkosi Ngomthi	P/T	MAYCO and Municipal Transformation & Institutional Development, GGP	ANC	100%	0%
38.	Cllr. Nombongo Apleni	P/T	Mayco, MFV	ANC	100%	0%
39.	Cllr. Fikiswa Ndaule	P/T	Mayco, MFV, GGP	ANC	99%	1%
40.	Cllr. Xoliswa Morrin Tyodana	P/T	Municipal Transformation & Institutional Development	ANC	99%	1%
41.	Cllr. Nolundi Gxamtwana	F/T	MAYCO, LED	ANC	100%	0%
42.	Cllr. Nomvuyiseko Mgedesi	P/T	MAYCO and LED	ANC	97%	3%
43.	Cllr. Pakama Patricia Kondile	F/T	LED	ANC	100%	0%
		P/T	Chief Whip	ANC	100%	0%

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44.	Cllr. Ludwe Mantshiyose					
45.	Cllr. Nomabandla Mirriam Mkhedamo	P/T	Woman's Caucus	ANC	100%	0%
46.	Cllr. Samkelo Nicholas Janda	P/T	Mayoral Committee	ANC	100%	0%
47.	Cllr. Nosipho Ganda	F/T	MPAC	ANC	99%	1%
48.	Cllr. Mangaliso Sabelo Jafta	F/T	MFV	ATA	97%	3%
49.	Cllr. Nozuko Ncumisa Sidlova	F/T	GGP	BPM	99%	1%
50.	Cllr. Fezeka Mbiko	F/T	Municipal Transformation & Institutional Development	DA	99%	1%
51.	Cllr. Mpendulo Herbert Gweshwa	P/T	LED	PAC	100%	0%
52.	Cllr. Nkosinathi Nicholas Ndlodaka	P/T	Municipal Transformation & Institutional Development	UDM	98%	2%
53.		P/T	MFV	UDM	99%	1%

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	Cllr. Ntsikelelo Mahlati					
54.	Cllr. Noluvo Tyelinganye	P/T	Basic Service Delivery	UDM	99%	1%
55.	Cllr. Usivile Mboneli	P/T	GGP	UDM	100%	0%
56.	Cllr. Mzimkulu Tetyana	P/T	LED	UDM	99%	1%
57.	Cllr. Yoliswa Grissel Mhlathi	P/T	Basic Service Delivery	UDM	99%	1%
58.	MNTUWAKHE TAKANI	P/T	MFV	UDM	99%	1%
59.	Cllr. Nyameka Mongezi	P/T	Basic Service Delivery	ATM	100%	0%
60.	Cllr. Asanda Matshobeni	P/T	Municipal Transformation & Institutional Development, LED	EFF	98%	2%
61.	Lethu Mdiniso	P/T	Womans Caucus	EFF	99%	1%
62.	Zanele Mboxela	P/T	Municipal Financial Viability	EFF	99%	1%

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63.	BONGWENI DUMEZWENI	P/T	Municipal Transformation & Institutional Development	EFF	99%	1%
<i>Traditional Leaders serving in the municipal council</i>						
1	Zunguzane	P/T	Local Economic Development	Chief	100%	0%
2.	Manxiwa	P/T	Basic Service Delivery	Chieftain	100%	0%

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

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1. With due regard to the extent of the functions and powers of the municipality, the need for the delegation of those functions and powers in order to ensure efficiency and effectiveness in performance and the available financial and administrative resources of the municipality to support a committee, the Council may, in terms of Section 80 of the Structures Act- establish one or more Committees

Standing Committees:

Municipal

- Municipal Transformation and Institutional Development
- Basic Service Delivery
- Municipal Financial Viability
- Local Economic Development
- Good Governance and Public Participation

The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)

2.The Rules Committee

- The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the

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	<p>exercise of any of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998)</p> <ul style="list-style-type: none"> To develop, formulate and adopt policy concerning the exclusive business of the Council including its proceedings, procedures, rules, orders and practices;
3. MPAC	<ul style="list-style-type: none"> The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998) To perform an oversight function on behalf of council, including, but not limited to, overseeing expenditure of public funds and the utilization of Council resources;
4. Women's Caucus	<ul style="list-style-type: none"> Working towards profile building of women councilors for effective capacity building. Ensure gender mainstreaming and equity within municipal processes. Re-affirm and strengthen partnership and networks that support women in local government and other spheres of government and civic society. Act as an advisory and consultative body for all women councilors raising and representing their interests within Municipal Council structures.
5. Public Participation Committee	<ul style="list-style-type: none"> To encourage active involvement of communities and community organizations in the affairs of the municipality; To ensure the consideration, monitoring and tracking of petitions lodged to the municipality; To ensure that timeous feedback is given to Petitioners; To ensure adherence to Community Complaints and Petitions Handling Policy; Public Participation Policy; Public Participation Strategy and communication strategy are in place
6. Training & Equity Committee	<p>The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the exercise of any</p>

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	of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998)
7. Whippyery Committee	To discuss and process matters relating to political management of the institution
8. Local Labour Forum	The purpose of the committee is to strengthen the working relations between the employer and the employee
9. Audit Committee	The purpose of the committee is to function in line with section 166 of the Municipal Finance Management Act 56 of 2003
10. Risk Committee	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
11. IGR Forum	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
12. IDP, Budget & PMS Technical Steering Committee	The purpose of the committee to provide technical support towards assisting the Mayoral Committee in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
13. IDP, Budget & PMS Steering Committee	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
14. IDP, Budget & PMS Rep Forum	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
15. Local Communicators Forum	

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APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Municipal Operations	Thabisa Goniwe-Mafanya), Nomakhulu Dingane, Anele Mtyhida,Siyabulela Tyali and Gcina Sityata
Developmental Planning	Lithalobom Mtirara,Sikhusele Cobokana
Infrastructure Services	Chuma Lusanda Makonza, Thulani Masangwana
Corporate Services	Nonzwakazi Hanise, Siyamthanda Mashologu, Sisa Baliso
Budget & Treasury Office	Vuyo Jam Jam,Bongumusa September and Nkosinathi Mbedla
Community Services	Lungisa Bongo,Isaac Xolile Siguye (deceased as at 30 June 2022)

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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		
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters		
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		
<i>Continued next page</i>		

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<i>Continued from previous page</i>		
Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 5, Part B functions:		
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

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APPENDIX E – WARD REPORTING

Ward Committees of the previous term of council that ended in November 2021, partly performed their duties for a period of 04 month from July- October 2021 before the local government elections.

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 quarterly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	Cllr Rulumeni <ul style="list-style-type: none"> • Joseph Noluvuyo • Jonga Nomadiya • Nama Bulelwa Albertina • Mniki Nomfusi • Wungu Khululwa • Mabhele Luleka Margaret • Makwe Babalwa Ntombokuqala • Gqagqa Phindiwe • Kwatsha Dunyiswa 	Yes	2	2	none
Ward 2	Cllr Kwedinana <ul style="list-style-type: none"> • Mfihlo Nomkhawulelo • Portia Matshekexana • Nqgola Nosimpiwe • Nqwiliso Mandilakhe • Mdayidayi Nolivo • Jaza Sindiswa • Tutu Ntombifikile Victoria • Thobile Mathole • Nolusapho Maphini 	Yes	12	4	none
Ward 3	Cllr Sanqgu <ul style="list-style-type: none"> • Nkohla Nomfezeko • Ncise Nomapelo Lucia • Mgushelo Yonela • Nobhalisa Nondumiso • Nolandile Mtsolongo • Ndzandzeka Noludwe • Roji Thabisa • Madlelana Ntombizodwa • Rafu Nomfundiswa • Zodwa Madlalena 	Yes	12	4	none

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Ward 4	Cllr Kalityi <ul style="list-style-type: none"> • Pandle Khethiswa • Gxotani Zukisa • Zwemu Akhona • Nonkwali Gcwanini Joseph • Saba Funeka • Ngcangca Nozukile • Thobeka Mfanyanga 	Yes	12	4	none
Ward 5	Cllr Sogayise <ul style="list-style-type: none"> • Damba Sifanele • Dayimani Bambelela • Majaca Nontobeko • Potelwa Mbongeni Maxwell • Mzingelwa Tamsanqa • Sikweyiya Nqaba • Mathebula Surprise Erickson • Gaqa Ziphilele • Cefa Andiswa • Mngambi Nzondelelo 	Yes	12	4	None
Ward 6	Cllr Mamba <ul style="list-style-type: none"> • Siyabonga Abram • Glen Nokwakha • Qumbelo Sivuyile • Rataza Nokhanyo • Nkunzi Sibusiso • Zatu Bukelwa • Mtshotshisa Matemba • Ndinayo Khanyisani • Ncapayi Princess Votiswa • Mkhono Ngixi Hendrick 	Yes	12	4	None
Ward 7	Cllr Nqwena <ul style="list-style-type: none"> • Dilayi Andiswa • Ndinisa Ndumiso • Jevu Nomfundo Veronica • Siyo Nolukholo • Bhidi Xolisa • Mkrokrelwa Nobesuthu • Ngcwembe Nokuthula • Vuyokazi Maqhude • Nokele No-Second Domakosi Princess • Joseph Phelandaba 	Yes	12	4	0
Ward 8	Cllr Mwahla <ul style="list-style-type: none"> • Ngxoko Nowineta • Mavubengwana Calvin Tyhopho 	Yes	0	4	0

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	<ul style="list-style-type: none"> • Sigidi Siziwe • Magcweka Siphakaphaka • Mlenzana Mthwesi • Dyubele Vuyelwa • Nonkwenkwe Zola • Ndabakanyise Nothayimile • Menziwa Siyabulela • Sigidi Mputumi 				
Ward 9	<p>Cllr Jamnda</p> <ul style="list-style-type: none"> • Matomane Tandiwe • Sigwayi Kungeka • Dangazele Gamalakhe Monwabisi • Mbeki Czarina Nolitha • Mdletye Ntombizanele • Mnci Nokwandisa • Papa Nolita • Mxokozeli Thandumzi • Finca Ngeniswa • Zoleka Bongiwe 	Yes	None	0	None
Ward 10	<p>Cllr Soshankane</p> <ul style="list-style-type: none"> • Coki Ntombiyakhe • Mbawu Nomakwayi • Gembula Lejina • Rwayi Siyabulela • Nama Bukiwe • Sixhinti Nzame William • Bomela Nomzi • Malgas Thandekile • Mlenga Madodandile • Malashe Mandisa • 	Yes	12	4	None
Ward 11	<p>Cllr Mbane</p> <ul style="list-style-type: none"> • Ntantiso Nombulelo Beauty • Ngolothi Nonyusile • Mngesi Sydney Sibongile • Krishe Nolusapho Neliswa • Delani Mlungisi • Toto Bantubonke • Mjiwu Anelisa • Sityata Nokhanyiso Florence • Nkomonye Bongiwe Rita 	Yes	0	4	

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	<ul style="list-style-type: none"> • Debese Elliot Nogcoloza 				
Ward 12	Cllr Peter <ul style="list-style-type: none"> • Nzanzeka Sicelo • Mayeti Thandeka • Nkebese Ntomboxolo • Hagile Sheilla Nomzamo • Landu Fuziwe • Kebetu Ngxobololo Herman • Ngenelwa Nokonwaba • Letese Lindiwe • Fani Princess Nondwe • Nzanzeka Sicelo • Sigingxingxi Guzu 	Yes	12	4	none
Ward 13	Cllr Bungu <ul style="list-style-type: none"> • Mlauli Ntobeko Wesley • Paji Wellington • Mswelanto William • Funda Ncedo • Lubuzo Busiswa • Dwakasa Ondela • Mgushelo Sihle • Yayo Nonezile • Mvuyo Nondlaliso • Mntuwonke Nowethu 	yes	0	0	0
Ward 14	Cllr Tshika <ul style="list-style-type: none"> • Gwada Zibekile • Qotyana Mzwabantu • Dase Nobuhle Emerentia • Mtshazi Nomalizo • Malgas Thokozile Sylvia • Cilo Mongezi • Mafenuka Mtobeli • Mpozolo Nontsasa • Mhlonyane Nomendu Margaret 	yes	0	2	0

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Ward 15	Cllr Mantshingilane <ul style="list-style-type: none"> • .Nobangela No-Aloni • .Damanethi Xolile • .Faniso Mntunaye • Nqabeni Victor • .Joko Lumanyano • .Blayi Nomsobo • .Gonqo Mzawupheli • .Nonkatha Lindeka • .Mdabuka Siyabulela • .Maphi Dan 	Yes	0	1	0
Ward 16	Cllr Namba <ul style="list-style-type: none"> • .Bomvu Nomvelwano • .Isaacs Leonard • .Dlandlu Nophathile • Dingekhaya Thembeka • .Bhungeni Lindiwe • .Mkhohliswa Sikhinci • .Ngwenya Welcome • .Thethwa Nosakhele • .Nomphe Neliswa • .Mandlakapheli Siwowo 	yes	0	1	0
Ward 17	Cllr Makeleni <ul style="list-style-type: none"> • .Thembakazi Fetumane • .Nameko Nomachule • .Nzuta Thobeka • .Gayiya Nozuko • .Nqiningalo Vela Vela • .Nkalweni Sibonile • .Ntshontsho Nosipho • .Mgxabayi Xoliswa • .Rhodole Manqobo • .Mdyobhe Liziwe 	yes	0	4	0
Ward 18	Cllr Mahobe <ul style="list-style-type: none"> • .Gwebityala Sikhosana.Loliwe Nomanesi • .Balindlela Nothemba • .Balikhulu Nobongile • .Qakatana Nqozana • .Zunguzane Albert Qumba • .Mahlungu Mxolisi • .Funda Nkosinathi • Xingile Noposile • . Buzman Mdyosi 	yes	0	1	0

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Ward 19	Cllr Banjwa <ul style="list-style-type: none"> • Tongwana Monwabisi • .Matyala Juda • .Mkhefu Mbuyiseli • .Sonwabo Mercy • .Mtshiswa Buziwe • .Mbangasini Ntsikelelo • .Nyalivani Thembile 	Yes	0	1	0
Ward 20	Cllr Sitwayi <ul style="list-style-type: none"> • .Majambe Nokhokile • .Makhwezi Nosiviwe • .Fuku Mbukeli • .Mthi Xoliswa • .Ncatsha Xolelwa • .Mabhenu Nyameka • .Sunduza Mlulami • .Mdanda Dumisani • .Xamba Sidima • .Xelinto Bhoswana 	yes	0	4	0
Ward 21	Cllr Mrobo <ul style="list-style-type: none"> • Jama S. • Macamba Mengezi • Nggengqa Catherine Nomaka • Sotyatya Labourman Sobantu • Genuka Nomatshaka • Xubuzane Nolusano • Magxwalisa T • Nothobile.Mirriam. Solontsi • Jabe Nophethile 	yes	0	1	0
Ward 22	Cllr Ndinisa <ul style="list-style-type: none"> • Ndesi Bulelwa Elsie • Delihlazo Zizo • Mpotya Zibonele • Nkohla Noziphiwo • Yoli Nonkqubela • Ntunja Khayaletu • Sidlanga Nompilo • Mthini Beauty • Nani Thandile • Matyeni P. 	yes	12	4	0

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Ward 23	<p>Cllr Mantshiyose</p> <ul style="list-style-type: none"> • Nkophe N • Ntlomelwana Vuyiswa • Zweni Ntomboxolo Christina • Kokisi J • Maranjana No-Olert Noluthando • Meje Ntombokuqala • Khumelwano Lulamile • Kondile • Lwangu Siphokazi 	Yes	12	4	0
Ward 24	<p>Cllr Matiwane</p> <ul style="list-style-type: none"> • Dlongwana Nozuko Viginia • Xala Nowezile Theodora • Vunguvungu Nopakamisa • Khaphushi L. • Mkiva Nonceba • Sikobi N • Sidiya J. • Kalimashe Nozinzile Rachel • Ndlebe N. • Solontsi Nomsa 	Yes	12	4	0
Ward 25	<p>Cllr Magatya</p> <ul style="list-style-type: none"> • Zitho Khenneth • Kasa Noludwe • Ngobo Akhona • Ngwaca Notwocent Patricia • Xapa Mnyamezeli • Mswana Zimkhitha • Nombewu Z • Mdlulwa N • Mpengesi T. • Mbiko Nonyameko 	Yes	12	4	0
ward 26	<p>Cllr Sirunu</p> <ul style="list-style-type: none"> • .Balindaba Joker • .Genyane Wilson • .Mxhanywa Thembinkosi • .Velaphi Steven • .Nyathela Ntombizanele • .Mhlabeni Nomasimphiwe 	Yes	0	3	0

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	<ul style="list-style-type: none"> • .Genukile Nelly • .Lentaka Sandiswa • .Mzwembila Phatiswa 				
Ward 27	Cllr Mboxela <ul style="list-style-type: none"> • Mgedle Nothemba • Gobi Jona • Nomthandazo • Matu Kwedinana • Qunta Tamella • Lwazi, Daka • Mqinyana Nonkosiko • Qavane Skoki • Mhaga Svuyile • Sambana S. • Malangeni M. 	Yes	0	4	0
Ward 28	Cllr Tyali <ul style="list-style-type: none"> • .Phumzile Msaro • .Zibele Makwhenkwe • .Zodwa Manyube • .Nowebile Maputuma • .Kwayiyo Mendwana • .Thatyiwe Notheko • Gqutane • .Liziwe Ndlelani • .Noluthando Jayi-Jayi • .Lindile Nomewuse • .Lindelwa Kheyizana 	yes	0	4	0
Ward 29	Cllr Mayiji <ul style="list-style-type: none"> • Busisiwe Sinina • Mahobe N • Jaza Vuyokazi • Somatika Orianda • Nolundi • Bekameva N • Nqulwana N • Mtyida Thembinkosi • Ndevu William • Mziwonke • Ncumeza Pilisa • Ntloko Tryphina • Nosango 	yes	0	4	0

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Ward 30	<p>Cllr Kondile</p> <ul style="list-style-type: none"> • Mzikabawo. Amon. Mhaga • Mkhathshane N • Mvambo M. • Yelani Y • Denisi Nondleko • Mnukwa Nomazizi • Xola Ntombekaya Lillian • Sgobongo Zoleka Vivian • Sambona Qavane. 	Yes	0	3	0
Ward 31	<p>Cllr Ncethani</p> <ul style="list-style-type: none"> • Makapela Mziwetemba Donald • Ludonga Lindela • Zolwandle Monwabisi • Nobuntu Mqombothi • Sikiti Noxolo • Mhlanga Nokwakha • Nondiphe Zokufa • Labhatala Mirriam • Tutu Nosipho 	Yes	12	2	None
Ward 32	<p>Cllr Genyane</p> <ul style="list-style-type: none"> • Nontuthuzelo (Desi) • Jwara (Secretary) • Nosakhele Nogingxa • Patrick Dikilokhwe (Deputy Chair) • Nozukile Siloko • Nokubonga Ndayinjani • Thethani Mbofithi • Mente Nosakhele • Zandile Qhijana • Lungile Toyiya • Thandiwe Mabovana 	Yes	0	4	0

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Post the elections and pronouncement of the results by Independent Electoral Committee (IEC) in November 2021, a new Council of Mbhashe was sworn in during the inaugural Council Meeting on 22 November 2022. The process of the establishment of Ward Committees was conducted during the third quarter of 2021/22 financial year. Ward Committees became functional on 28 April 2022 after the endorsement by Council.

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 quarterly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	Cllr I.N. Quvile <ul style="list-style-type: none"> • Luleka M Tonise • Bonganie Owen Mndondo • Luxolo Magwentshu • Nomfundo Teressa Sofika • Sindisa Mkhiva • Bongiwe Sylvia Mpange Kethabahle • Ntombovuyo Jama • Ntombentle Violet Nonjaca • Kayakazi Qezu 	Yes	1	1	none
Ward 2	Cllr M. Saki <ul style="list-style-type: none"> • Zandile Babana • Siyamboleka Tyeshani • Vusumzi Abraham Madalane • Sindiswa Sitwayi • Portia Matshexana • Phicile Joseph Skota • Nomzwandile Francina Voko • Buyiselwa Ndabeni • Penny Ntombifuthi Tomose • Mlungiseleli Maxawulana 	Yes	1	1	none
Ward 3	Cllr Z.C Gobinduku <ul style="list-style-type: none"> • Tabisa Roji • Nonkumbulo Mntwini • Monwabisi Gadlela • Bolekwa Sangqu • Nosipho Winkiness Zide 	Yes	12	4	none

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	<ul style="list-style-type: none"> Nomamane Bomoyi Snovuyo Janyawuli Nokuzolo Cynthia Thuthu Philani Ntshingo Nomvuyo Maqaqa 				
Ward 4	<p>Cllr S. Futshane</p> <ul style="list-style-type: none"> Akhona Zwemu Mthethunzima Stiwga Maneli Mduba Zukiswa Mbi Nonkoliso Manko Mziwoxolo Njengele Bobo Welcome Mthombeni Andiswa Fikiso Nobantu Diniso Funeka Damoyi 	Yes	9	1	0
Ward 5	<p>Cllr M.M Sisulu</p> <ul style="list-style-type: none"> Ntombeqgira Nyholo Nomfuneko Faniso Busiswa Matokazi Simon Sitembele Fulanisi Zoliswa Makatisi Bambalwa Munnick Ndikinda Kholekile Mdlatu Nandipha Jack-Mhambi Sifanele Damba Nomfesane Jack 	Yes		1	None
Ward 6	<p>Cllr T. Nodliwa</p> <ul style="list-style-type: none"> Mphumzi Alson Hlwele Sonwabo Sagaxa Vuyelwa Tikana Galelekile Alson Ngubesilo Nomzamo Siyo Nokwanda Mpumpumiso Masonic Siqwephu Phelokazi Zondani Sivuyile Zandile Menzi Jongisa 	Yes	24	1	4
Ward 7	<p>Cllr B. Gaven</p> <ul style="list-style-type: none"> Mlamli Siyikili Ndiboleke Peter Bulelwa Ngoza 	Yes	1	1	0

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	<ul style="list-style-type: none"> Nomfundo Veronica Jevu Bulelani Qoti Amdiswa Mdashe Ncumisa Futshane Siyamcela Dyakopu Nolukholo Siyo Nokulunga Swaartbooi 				
Ward 8	<p>Cllr A. Mpatuse</p> <ul style="list-style-type: none"> Siyabulela Menziwa Mthwesi Mlenzana Thumeka Best Nomsa Gwadiso Siphakaphaka Magcweka Nombuyiselo Gelem Mtundini William Sikuni Lindiwe Mcalu Vuyani Faku Morriva Nake 	Yes	1	1	0
Ward 9	<p>Cllr K. Sigwayi</p> <ul style="list-style-type: none"> Bulelwa Henrietta Sijaji Bathandwa Coyotte Masani Mzingisi Elliot Ngwedla Mzimkhulu Wellington Nombila Nokwanguye Mbulawa Mofeketa Mbutho Nonkazimlo Ngqongwa Nomfefe Khaile Phindiwe Gqagqa Nomancebo Gina 	Yes	None	0	None
Ward 10	<p>Cllr E. Fipaza</p> <ul style="list-style-type: none"> Philiswa Gladys Seretse Zukisani Cravel Xhalabile Zimbini Nontsapho Magqazana Nosiniya Mangisa Simphiwe Herbert Mbukuqu Noma-Indiya Thandathu David Nyangiwe Nolusindiso Siko Ntutuzelo Nxiweni Mncedisi Bambiso 	Yes	1	1	None

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Ward 11	<p>Cllr N. Ngolothi</p> <ul style="list-style-type: none"> • Nolusapho Krishe • Stanford Lumnkile Nciyo • Anelisa Mjiwu • Malgas Magazine Mbuyiseli Gwadiso • Yalezwa Duku • Nonkululeko Vaice • Noloyiso Matsheke • Nosapho Nqanqali • Fezeka Lindiwe Kwati • Nompucuko Jilingisi 	Yes	0	4	
Ward 12	<p>Cllr M.V Muru</p> <ul style="list-style-type: none"> • Nokuphumla Zenzile • Nozabo Kuku • Linda Ntantala • Xolile Tsatsisa • Bantu Sinethemba Elijah • Sibongiseni Mehlwana • Phumla Mangaliso • Noloyiso Christian Janda • Noluthando Cordllia Mfazwe • Hothewu Nelson Kaleni 	Yes	12	4	none
Ward 13	<p>Cllr S. Toyana</p> <ul style="list-style-type: none"> • Nophumzile Vevetya • Nomvuyiso Mswelanto • Sivuyile Mgwede • Ondela Dwakasa • Andisiwe Mgudlwa • Nomathamsanqa Tshinini • Nozethu Matutu • Phindiwe Sybil Fojile • Thandeka Tyushani • Mtutuzeli Melitata 	yes	0	0	0
Ward 14	<p>Cllr L. Mpunzi</p> <ul style="list-style-type: none"> • Yoliswa Nomfundiso Ntini • Nomlindo Khohliso • Nosebenzile Khadoyi • Alfred Onke Delani • Nikithemba Siga • No-one Florence Sanda • Mhlangabezi Sixaba 	yes	1	1	0

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	<ul style="list-style-type: none"> • Khungiwe Mnukwa • Sidima Beme • Siphon Phanduva 				
Ward 15	<p>Cllr S. Mdabuka</p> <ul style="list-style-type: none"> • Nomalizo Mangxola • Nomsa Finiza • Andiswa Mputi • Bulelwa Mtshokotsho • Loyiso Tini • Celiwe Qwelayo Bhusmane • Lindeka Nonkatha • Nozukile Bhityileyo • Phakama Nana • Mawetu Smause 	Yes	0	1	0
Ward 16	<p>Cllr N. Stafana</p> <ul style="list-style-type: none"> • Neliswa Nomphe • Falangile Ratirati • Zwelinzima Demfu • Welcome Ngwenya • Lindiwe Bhungeni • Nomvelwano Bomvu • Sipiwo Tshaka • Bradley Leonard Isaacs • Dumisa Mdanda • David Nyawana 	yes	0	1	0
Ward 17	<p>Cllr N.N Ntshontsho</p> <ul style="list-style-type: none"> • Mbekeni Colbert Tyali • Solomzi Steven Mjanyelwa • Melumzi Sihoni • No one Zweekibhangile • Nosintu Nkelebisa • Yizani Dunyiswa • Mnikelo Bontsolo • Rodole Manqobo • Sindiswa Maliwa • Thumeka Magade 	yes	0	4	0
Ward 18	<p>Cllr Mahobe</p> <ul style="list-style-type: none"> • Nosebenzile Bhulu • Nothemba Balindlela • Msukeni Mdlali 	yes	0	1	0

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	<ul style="list-style-type: none"> • Manelisi Siyeka • Feziwe Venevene • Lusindiso Mandla • Onke Galaweni • Feziwe Tyali • Sihle Ngamntwini • Mbulelo Mpiyonke 				
Ward 19	Cllr P. Methu <ul style="list-style-type: none"> • Lungile Zokwana • Nosipho Banjwa • Philemon Fanekaya Ntsomi • Dumisani Ngubenja • Thembile Nyalivani • Vumile Maleyile • Nomawele Ndabeni • Zulu Mnyasa • Monwabisi Tongwana 	Yes	0	1	0
Ward 20	Cllr Sitwayi <ul style="list-style-type: none"> • Nokhlekile Sindiswa Majambe • Nowethu Ginyamathe • Nosiviwe Makhwezi • Ndileka Marhabula • Sityhilelo Success Madingana • Thandeka Manini • Cingiswa Nobhola • Thamkazi Jo • Nozukile Siloko • Mlamli Dalindyabo 	yes	0	4	0
Ward 21	Cllr N. Kopolo <ul style="list-style-type: none"> • Mkhuseli Siko • Khayaletu Kaka • Mesuli Matsoko • Nomapholi Constance Ndilele • Phindiwe Mgweje • Gcinithemba Welcome Mzantsi • Nosisa Cynthia Ndabeni • Ntombovuyo Dlova • Amanda Nyembezi • Nosithembele Nontsasa Phandle 	yes	0	1	0
Ward 22	Cllr S. Ndinisa <ul style="list-style-type: none"> • Nompilo Sidlanga • Zizo Delihlazo • Kolekile Sitshaka 	yes	12	4	0

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	<ul style="list-style-type: none"> • Nompotisho B. Mthini • Thobeka Nukani • Noziphiwo Nkohla • Nonkqubela Yoli • Sikhumbuzo Ndindi • Nosinala Ranuga • Nontobeko Matshini 				
Ward 23	<p>Cllr L. Khumelwana</p> <ul style="list-style-type: none"> • Siphokazi Lwangu • Mawethu Theophilus Nosilela • Nkululeko Gebeshu • Ntomboxolo C. Zweni • Gibson No- Asiphe Tshephe • Ntombokuqala Meje • Sibongile Sydney Mngesi • Zoleka Kondile • Nobahle Mchelesi • Vuyiswa Mgwebi 	Yes	10	1	1
Ward 24	<p>Cllr B. Sithela</p> <ul style="list-style-type: none"> • Mzowonke Maqhubela • Sanele E. Masebeni • Bonakele Sidiya • Nolula Sikobi • Nokulunga Dyomfana • Welisa Maninjwa • Vusumzi Makaya • Nosiphelo Wagraya • Phelisa Bangeni 	Yes	2	1	13
Ward 25	<p>Cllr N. Magatya</p> <ul style="list-style-type: none"> • Auldfrea Dlulane • Mbiko Nonyameko • Sibongile Elias Batyi • Lindelwa Mdlalo • Rose Nocingile Lubaxa • Notwocent Patricia Ngwaca • Noludwe Gladis Kasa • Nokusasa Tshetu • Nkosinathi Nongwane • Fundile Gunguluza 	Yes	1	1	
ward 26	<p>Cllr W. Genyane</p> <ul style="list-style-type: none"> • Vuyani Mathambo • Ntombencinci Jebe - Jebe • Funeka Mtata • Bonginkosi Nqabeni 	Yes	1	1	

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	<ul style="list-style-type: none"> • Nikiwe Diliza • Nokwenzeka Msiswa • Mbulelo Hagu • Smith Mavathulana • Mpumelelo Joker Balindaba • Sithandiwe Notoyi 				
Ward 27	<p>Cllr T. Nokhele</p> <ul style="list-style-type: none"> • Bangile Cishe • Ngubezulu Mlanjeni • Champion Mqokeleli Mahlanyana • Sinethemba Mhaga • Malusi Malangeni • Londoloza Mzendana • Thobeka Filane • Nandipa Qina • Skoki Qavane • Sisonke Ntontela 	Yes	1	1	
Ward 28	<p>Cllr P. Msaro</p> <ul style="list-style-type: none"> • Nkosiphendule Nkundla • Nandipha Madlebe • Nokubonga Nkatshu • Nomakhaya Saqoni • Ntombifikile Vepulana • Mncekeleli Hlahla • Chumani Mlawu • Boniwe Gcuwa • Nojelasi Khoniseni Mkhwambi • Ntohlelisa Ngandeka 	yes	1	1	0
Ward 29	<p>Cllr Mayiji</p> <ul style="list-style-type: none"> • Madilakhe Ndabeni • Lunga Lenox Kondlo • Ntombetshezi Mcetywa • Mkhuseleli Selby Tununu • Mlungiseleli Maxhiniva • Nolundi Dlova • Nobahle Florence Mtawuli • Mzwabantu Ngalo • Nomziyanda Dunga • Noteko Sokudela 	Yes	1	1	0
Ward 30	<p>Cllr P.P Zuma</p> <ul style="list-style-type: none"> • Xolelwa Xhelo • Bongekile Malingatshoni • Nolundi Mpakama 	Yes	1	1	0

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	<ul style="list-style-type: none"> • Unathi Faith Siganagana • Phandlekazi Maqwelane • Nomazizi Ivy Mnukwa • Madevu Nowakhe • Thingaza Moshile • Noluthando Sityata • Zoleka Vivian Sigobongo 				
Ward 31	Cllr S. Labhatala <ul style="list-style-type: none"> • Ganed Nkqi • Nobuhle Grace Gaga • Sinazo Mazongolo • Nokwanele Olivia Mgengo • Nosisa Dumezweni • Phindile Eric Majola • Gcobisa Getrude Gwele • Nokhephu Qweshu • Nokwakha Mhlanga • Noluvuyo Sigaba 	Yes	1	1	None
Ward 32	Cllr C. Genyane <ul style="list-style-type: none"> • Thethani Mbhofithi • Noluthando Nomgcana • Nonkululeko Kruxu • Ntombizandile Qhijana • Thandeka Mphikwa • Nontuthuzelo Jwara • Nosakhele Nosingxa • Nokubonga Ndayenjani • Lungile Toyiya • Lalendle Dikolokhwe 	Yes	1	1	0

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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
Project Name and Details	Start Date	End Date	Total Value
Infrastructure Municipal Offices	25-Jul-18	25-Jan-22	R 48 354 375,98
Sport facilities Ward 25	23-Nov-17	22-Jun-22	R 47 044 468,70
Mqhele to Mrhabe access road	26-Jul-19	9-Oct-21	R 7 799 852,84
Lusizini to Zimpuku access road	11-Feb-21	09-Oct-21	R 5 227 041,92
Munyu to Gxarha access road	11-Feb-21	09-Oct-21	R 5 979 241,23
Bikane access road	24-Nov-20	22-Jul-21	R 5 915 758,29
Manganyela Community Hall	25-Feb-21	23-Oct-21	R 5 156 889,45

BASIC SERVICES PROVISION					
DETAILS	WATER	SANITATION	ELECTRICITY	REFUSE	HOUSING
Households with minimum service delivery	ADM	ADM	48724	22199	20091
Households without minimum service delivery	ADM	ADM	11400	37925	40033
Total House holds			60124	60124	60124
TOP FOUR SERVICE DELIVERY PRIORITIES PER WARD					
NO	Priority Name and Details	Progress During Year 0			
1	Municipal Roads Constructed	18.8km			
2	Municipal Roads Maintained	320km			

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3	Electrification (Grid Connections)	2519 Connections
4	Community Services infrastructure	2 community Halls
5	Municipal Roads Constructed	18.8km

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0

CONSOLIDATED AUDIT COMMITTEE RESOLUTION REGISTER/REPORT TO THE COUNCIL OF MBHASHE MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2022

Purpose of the resolution register/report:

To provide the Audit Committee and Senior Management with progress on the resolutions that were taken during the meeting of the Audit committee. On a quarterly basis Audit Committee recommendations are reviewed to assess level of implementation by management.

AUDIT COMMITTEE RESOLUTIONS					
	Item No.	Resolution	Action Owner	Progress	Status
<u>20 July 2021</u>					
	6.1	(i) For previous minutes, Audit Committee to send review notes to Internal Audit for consideration and corrections.	Internal Audit Manager	Done	
		(ii) Minutes should also reflect names of the people attended the meeting	Internal Audit Manager	Done	

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		(iii)	The minutes of the meeting should be circulated to Management and AC at-list 7 days after the meeting	Internal Audit Manager	Done	
		(iv)	All minutes of the AC should be considered for all Audit Committee meetings.	Internal Audit Manager	Done	
	6.2	(v)	There should be one tracker report/register, to track all the progress regarding the resolutions from both the audit committee, internal audit and also the audit implementation plan	IA Manger	Done-There are 3 tracker registers in place: <ul style="list-style-type: none"> 1. Audit committee resolution tracker (this one) 2. AGSA findings (Audit implementation plan) and 3. IA Findings 	
		(vi)	Internal Audit should develop and submit to AC, a strategic document that will detail about functionality and status of the unit in terms of skills/trainings and systems required to ensure that the unit is effectively functioning.	IA Manger	Report on situational analysis of the unit is in place that list the staff resource of the unit	

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		(vii) Internal Audit to submit a proper costing of Certified Internal auditing (CIA) program, Teammate solution system, CAATs systems and submit to Corporate Services. This will assist HR to plan and consider this in their budget to acquire the above-mentioned systems.	IA Manger	In progress: Inputs on budget for the internal audit system were submitted, further budget allocation will be considered during adjustment period in December/January 2023 FY	
		(viii) CFO to develop a business plan and submit it to COCTA for MSIG and the business plan and should be submitted to the AC as well	CFO	Not necessary as affordability was never an issue, but a question of prioritization. Business plan is developed by the end user department needing funding.	
		(ix) CFO should review other grants that were not utilized for the purposes to assist Internal Audit to acquire the working tools/systems	CFO	Not necessary as affordability was never the issue	
	6.3	(x) Management should submit the unaudited performance report to council.	SM Operation	Done	

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	6.4	(xi)	To manage issue of effective implementation of capital projects, Management should be pro-active and start procurement processes in time. The procurement process should start at-least 3 months in advance before the project start date.	CFO	This is responsibility of the infrastructure department as they have to do Pre planning phase of the project and submission of specification.	
		(xii)	CFO to submit and present a detailed implementation of the credit control policy on the next audit committee meeting.	CFO	It's done and it will be presented in the next ordinary committee and a reminder, be set before inclusion in the AGENDA	
		(xiii)	CFO to amend the Section 52(d) to ensure that waste and expenditure has been disclosed.	CFO	Done in July	
	6.5	(x)	Internal Audit to request AGSA to present a progress report on the external audit on the next Audit Committee meeting	Internal Audit Manager	Done	

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	6.6	(xi)	The report to be revised and circulated to AC member in order for chair to be able to prepare the report that will be table to council.	Internal Audit Manager	Done	
	6.7	(xii)	Litigation register should include a column of legal fees paid by municipality from the start of the case up until to date.	Legal and Compliance Manager Ms Mponco (AC member)	To seek further advice from the EC Legal Advisor Forum as I am of the opinion that there should be attachment to the litigation register which reflects the monies spent in each case as from the beginning however reflecting the monies spent in each case per quarter in the litigation register would start in the quarter 1 Litigation Register	
		(xiii)	Management should investigate and draft a report on the processes that the Municipality could take in order to ensure that the pound area is licenced.	HOD's/SM: Community Services	Municipality will write a letter to SPCA for assessment of the pound area, during quarter 2 of the 2023 financial year	
		(xiv)	Ms Mponco (AC Member) to share any documentation pertaining the trainings of law enforcers	Ms Mponco (AC member)	No information shared so far	

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		(xv) Management should send a request to Amathole District Municipality, COCTA and SETA to request ICT Chairperson that will assist as a chairperson for ICT steering committee meetings.	SM: Corporate Services	Done	
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AC Meeting for the date of 25 August 2021

	6.1	(i)For the item on review of the AFS, Municipality to consider the Internal Audit plan more especially the issues highlighted by AG, Plan was approved	Internal Audit Manager	Done	
	6.2	The Municipality considers the AFS more special the issues highlighted by AG in the previous year.	CFO	Done	
	6.3	Resolved that management and IA work over the rest of the week and to finalise the documents for submission and proposed a follow-up meeting on Monday Evening 30 August to finalise the issues.	Chairperson	Done	

AC Meeting for 30 August 2021

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	6.2	(i)	Management to submit all the outstanding information to internal auditors for further reviews to complete the AFS review for 2020/21	Mbhashe Management	Done	
		(ii)	IA to make further reviews to ensure that all outstanding information is effected to the report	Internal Audit Manager	Done	
		(iii)	APR after reviews and correction of identified items be submitted to AGSA for annual audit	Management	Done	
	6.3	(iv)	Annual Financial Statement were approved by Audit Committee and will be submitted to AGSA for annual audit	AC Members and CFO	Done	

AC Meeting for 20 January 2022

	6.1	Minutes should specify names of the members made comments during the meeting discussions	Internal audit manager	Done	
	6.2	Action plans for targets not achieved in previously quarters should be implemented to avoid underperformance	All HOD's but coordinated by SM: Operations/PMS	The action has been prepared as it will be submitted to AG	
	6.3	Management should give assurance to Audit Committee that spending on conditional grants will be 100% towards year-end	All HOD's	FMG 100%	

1. LEGISLATIVE MANDATE

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The Audit Committee is constituted in terms of sections 166(2) and 166 (6) (b) of the Municipal Finance Management Act, No. 56 of 2003 (MFMA) and Section 94 (7) of the Companies Act, No. 71 of 2008, as amended for Municipal Entities (Entities).

The Audit Committee is an independent advisory body which **must** advise the Council of Mphashe local Municipality (Council), Accounting Officers, and the management staff of the Mphashe Municipality (Municipality). It advises on matters relating to:

- Internal Financial Control;
- Internal Audit;
- Risk Management Processes;
- Financial Reporting;
- Performance Management;
- Governance;
- Compliance with Laws and Regulations; and
- Any other issues referred by the Municipality or its Entities.

2. TERMS OF REFERENCE /AUDIT COMMITTEE CHARTER

The Audit Committee has adopted formal terms of reference, *hereafter referred to as the Audit and Performance Audit Committee Charter*. The audit committee is constituted in terms of section 166 of the MFMA and performs responsibilities assigned to it by the same act and also the council approved audit committee charter/terms of reference

The audit committee is a specially appointed subcommittee of council to assist the municipality in the execution of its duties. It performs an advisory role to the municipality and is accountable to council to properly consider and evaluate any matter that it must deal with or is referred to it.

The purpose of the audit committee is to assist and advise council in fulfilling its oversight responsibilities for the reporting process (financial and non-financial), the system of internal control over reporting, the audit process, risk management, performance management and evaluation, council's process for monitoring compliance with laws and regulations and council's code of conduct.

The AC charter shall be reviewed annually and updated to ensure relevance and consistency with the MFMA, Municipal Systems Act (No 32 of 2000) and other related regulations, guides, and best practice.

Following approval, the audit committee charter shall be published on the municipal website to promote awareness to all stakeholders.

3. COMPOSITION AND MEETINGS

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(a) In compliance with circular 65 of the MFMA, Mbhashe audit committee consists of at least three members as required. During council policy review, audit committee charter was also reviewed and there was no gap or changes noted in the document for amendments.

2.1 THE COMMITTEE'S MANDATE

The broad objectives of the Committee are the following: -

- a. The Committee is advisory in nature and does not have any executive powers.
- b. The Committee will consider matters relating to management and the Council in the discharge of its duties to safeguard assets, operate adequate internal control systems, and review Annual Financial Statements, and on matters relating to performance management and performance evaluation.
- c. The Committee will not perform any management functions or assume any management responsibilities as this could prejudice the objectivity of the Committee. The Committee will make recommendations to Council in respect of the activities which form part of the Committee's terms of reference/ responsibilities

As per the schedule or plan, the following were applicable in the mandate of the committee:

- (1) Responsibilities related to management and internal control
 - (2) Responsibilities related to the Internal Audit function
 - (3) Responsibilities related to External Audit performed by the Auditor-General
 - (4) Performance management and performance evaluation
 - (5) Risk management
 - (6) Compliance management
 - (7) Review Annual Financial Statements
 - (8) Special investigations and
 - (9) Other responsibilities
-
- (i) The Audit Committee met at least more than 6 times including special audit committee meetings to deal with matters relating to the financial year of which amongst to those was to review the Annual Financial Statements of the municipality before they are submitted to AGSA for annual audit.
 - (ii) Members managed to assist the municipality by identifying at least all the material issues that the municipality need to correct and adjust before the financial statements are submitted to Auditor General by the 31 of August 2022
 - (iii) Monitoring of the risk registers and methods used to mitigate risks identified

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- (iv) For all the planned meeting for 2022 financial year, Managers together with Senior Management attended Committee meetings by invitation. Also, our stakeholders like Auditor General, Provincial Treasury and COGTA have standing invitees to our meetings.
- (v) Audit committee resolved that, for all their meetings, chairperson of the MPAC, Chairperson of the ICT steering committee and Chairperson of the Risk Committee should have a standing invitee
- (vi) Enterprise Risk Management Units and External and Internal Auditors have unrestricted access to the Audit Committee. The effectiveness of the Audit Committee as a whole and that of its individual members is assessed on an annual basis.
- (vii) Mbhashe has appointed three audit committee members with a fixed term of three years(Ms Ntshanga-Chairperson, Mr Nombembe-audit committee member and Ms Mponco-audit committee member)
- (viii) All the members managed to attend all six planned meetings

(a) **The schedule of meetings and record of attendance by members is indicated below:**

Schedule of Audit Committee Meetings relating to financial year starting from 01 July 2021 to 31 June 2022 and attendance of audit committee members.

SCHEDULE OF MEETINGS ATTENDED BY THE AUDIT COMMITTEE MEMBERS				
Name	Surname	Financial year	Total audit committee meetings	Total number of meetings attended
Ms. Nomthandazo	Ntshanga	2022	6	6

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Ms.Brenda	Mponco	2022	6	6
Mr.Sikhumbuzo	Nombembe	2022	6	6

4. STATUTORY DUTIES ASSOCIATED WITH AUDIT COMMITTEE MEMBERS

Mbhashe audit committee members in the execution of its statutory duties during the past financial year, members believed that:

- (i) the appointment of the AGSA, complies with the requirements of the MFMA, the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA) and Public Audit Act of South Africa, 2004 (Act No. 25 of 2004 (PAA);
- (ii) In compliance with the act, audit committee managed to review annual external audit plan and the budgeted fee to be paid to the AGSA.
- (iii) Members considered and noted management reports submitted by the Municipality to each meeting of the Audit Committee.
- (iv) Members reviewed the quality, adequacy, accuracy and reliability of financial information.
- (v) Members reviewed and discussed the audited Annual Financial Statements with the Auditor-General.
- (vi) Responded to any issues raised by Internal Audit and AGSA during the year.
- (vii) Reviewed factors impacting on the financial sustainability of both the Municipality
- (viii) Made submissions to the Executive Committee (MAYCO), and the Municipal Public Accounts Committee (MPAC), on any matters which in the opinion of the Audit Committee needed to be brought to the attention of the oversight structures, emanating from its quarterly meetings.

5. RISK MANAGEMENT AND GOVERNANCE

The Audit Committee has received assurance from Enterprise Risk Management Committee (Risk chairperson and Municipal Manager together with Advisory, Internal Audit, Performance Management, Provincial Treasury and the AGSA and satisfied itself that the following areas have been appropriately addressed with respect to the Municipality:

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- (i) Internal financial controls.
- (ii) Compliance requirements.
- (iii) Financial reporting risks.
- (iv) Fraud risks as it relates to financial reporting.
- (v) IT Governance risks; and Legal Matters.

The Audit Committee believes that there is still room for improvement with regard to management, implementation and monitoring of the risk management to the municipality also in consideration of the risk associated with COVID19.

5.1 Enterprise Risk Management

The following main activities were undertaken by the Audit Committee during the year:

- (i) Reviewed the quarterly management risk reports
- (ii) Progress on implementation of mitigations for operational and strategic risks.
- (iii) Emerging and new risk identified.
- (iv) Other significant changes on the risks profile.

5.2 Recommendations: -

Below are the recommendations for management to consider

The alignment of strategic municipal processes to ensure that the annual development of risk profile takes place during Strategic Planning and is approved simultaneously with the Budget and Service Delivery and Budget Implementation Plan by MAYCO and Council.

- (I) The appointment of the Compliance Officer/Risk Officer by the municipality to ensure custody on the management of compliance risk and adherence to applicable laws and regulations.

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- (II) The demonstration of active risk owner participation at operational levels and ongoing accountability for the management of risks at various risk governance structures.
- (III) The development of risk appetite and tolerance levels is critical in yielding the value add and to drive focus to exposure areas that are outside defined risk acceptable levels for the municipality.
- (IV) Define, quantify, and implement risk appetite which will be supported by vigorous analysis, expert judgment and consistent with materiality and significance framework.

6. EFFECTIVENESS OF INTERNAL CONTROLS

During its meetings, as per its mandate reflected in the audit committee charter, the Audit Committee has managed to make the following reviews:

- (i) Reviewed the Municipality's approach on its exposure to the business and financial risks and whether processes are in place to safeguard the assets.
- (ii) Reviewed significant issues raised by the Internal and External Auditors.
- (iii) Reviewed whether the financial systems can be relied upon in the preparation and presentation of financial statements.
- (iv) Reviewed policies and procedures adopted for the prevention and detection of fraud.
- (v) Reviewed significant legal exposures and pending cases.
- (vi) Reviewed residual risks arising from Enterprise Risk Management risk registers and controls implemented to mitigate risk.
- (vii) Based on the processes and assurances obtained, we believe that the internal controls are effective in most areas, significant areas requiring improvements are addressed in the recommendations included in this report.

7. STATUTORY COMPLIANCE

The Audit Committee Reviewed the effectiveness of the system for monitoring compliance with laws and regulations at the Municipality.

The committee satisfied itself with the policies and processes implemented to provide the required assurance.

Audit Committee appreciate the effort shown by the management to develop the compliance policy or procedure manual to cover all compliance issues related to the municipal operations

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Development of the governance and compliance policies including anti-fraud and corruption framework, code of ethics and consequence management policy.

8. PERFORMANCE INFORMATION AND EVALUATION

The Audit Committee has reviewed performance information provided by the Municipality as well as Internal Audit reports at quarterly meetings throughout the year. Whilst the Audit Committee is satisfied with the information provided, it is important that the Key Performance Indicators (KPI's) are comprehensive and relevant to ensure that the Municipality is able to effectively measure and monitor the performance of the Municipality and to implement measures to improve performance where required.

NB: The alignment of the results from key performance Indicators with what can attest to as service delivery remains a challenge where in the year under review there was a challenge of land claims which emanates from the previous years. This had a negative impact in the service delivery as a result some of the projects were delayed/not implemented.

Audit committee is impressed that the municipality is in a process to migrate from the manual system of performance to E-Performance system

8.1 Recommendations in regard to performance management

The following recommendations were suggested to the management for consideration to improve performance to the municipality:

- (i) Constantly review of the performance management framework or policy that will be aligned with the IDP/SDBIP of the municipality for effective achievement of the municipality
- (ii) Development of the remedial action plans that will respond to the all targets reported as not achieved for the year
- (iii) Improve the performance of the municipality more especial on the service delivery targets since they are the core business of the municipality
- (iv) The Audit Committee recommends that the municipality should keep up the good work and continue performing the physical verification of the service delivery projects

9. EXTERNAL AUDIT (AGSA)

The Audit Committee reviewed the scope of the External Audit to ensure the critical areas within the Municipality are covered:

- (i) Reviewed the AGSA's report on issues arising out of the external audit and concurred with the clean audits/clean administration and unqualified with others matters for the Municipality; and

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- (ii) On a continuous basis, monitored the continued relationship between AGSA, the Municipality and the Internal Audit Unit not to duplicate procedures.

NB: Based on processes followed and assurances received from the AGSA, nothing has come to the attention of the Audit Committee with regards to any matter impacting on the independence of the Internal and External Auditors processes/program.

10. INTERNAL AUDIT

The Audit Committee has managed execute the following in regard to the internal audit unit:

- (i) Reviewed and approved the Internal Audit Plan and applicable policies like Internal Charter, Internal Audit Framework and Methodology
- (ii) Exercised its statutory duty of oversight over the internal audit function.
- (iii) Evaluated the independence, effectiveness and performance of the Internal Audit Unit in the fulfilment of its mandate.
- (iv) Satisfied itself that the Internal Audit function has the necessary resources, budget and authority to enable it to discharge its duties.
- (v) Reviewed and approved the Internal Audit Plan; and
- (vi) Encouraged co-operation between External and Internal Audit work.

A summary of the outstanding findings of all internal audits carried out by the unit during the year was reported quarterly. A consolidated report in as form of Internal Audit Tracker was presented to the management and to also to Audit Committee for consideration.

Audit Committee has noted that, there are still an element of not implementing hundred percent on the recommendations of the Internal Audit. The responses from the Management of the Municipality and its Entities to the internal audit findings were reviewed and where necessary corrective action was recommended, and implementation monitored.

10.1 Recommendations:

The following are recommended to the management

- (i) At least all the recommendations made by the internal audit should be implemented by the management so as to avoid repeating findings raised by auditor general (AGSA)

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- (ii) Resolution and or recommendations by the audit committee members through a resolution register should be implemented
- (iii) Management should ensure that, there are no repeating findings from the AGSA, so therefore the Audit Implementation Plan should be continuously monitored
- (iv) Appointment of the Senior Internal Auditor to improve staff and skill in the unit should be considered
- (v) Reasonable budget for the unit that will cover the issue of trainings

14. APPRECIATION

The Audit Committee would like to express its gratitude to the Council, Accounting Officers for their co-operation and assistance during the year.

Ms. N.Ntshanga

Chairperson:

Audit Committee Chairperson

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

NOT APPLICABLE

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APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

NOT APPLICABLE

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APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

	OFFICIALS	
64	M NAKO	Yes
65	T. BACELA	Yes
66	N. NOKWE	Yes
67	Z. MSIPHA	Yes
68	N. NKUHLU	Yes
69	MASHABA. A	Yes
70	N. MLUNGU	Yes
CLLR T MTYAPI		None

LL SANGQU	Yes
NN NGOMTHI	Yes
L MANTSHIYOSE	Yes
N NKOMONYE	Yes

N NQWENA	Yes
WM SOLONTSI	None
S MROBO	Yes

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SD KALITYI	Yes
B SISWANA	Yes
B JAMNDA	Yes
XO WILLIE	None
M PETER	Yes
T TSHIKA	Yes
M MBOMVU	Yes
T MAFANYA	None

P RULUMENI	Yes
V MATIWANE	Yes

ST SITWAYI	Yes
MK MAKAPELA	None
S MWAHLA	Yes
NB SIRUNU NTANGA	Yes
SC LIVI	Yes
B MAJAVU	None
L MATITI	Yes
SN JANDA	Yes
CLLR T BOMVU	Yes
N TYELINGANYE	Yes
S MANTSHINGILANE	Yes
S MDIKINDA	Yes
NM MKHEDAMO	Yes
M TSHAKA	Yes
PP KONDILE	Yes
C GENYANE	Yes
N GANDA	Yes
P BUNGU	Yes
M SIBINGIBINGI	Yes
CLLR Y MHLATHI	Yes

L MAHOBE	Yes
SD SICENGU	Yes
NE MBANE	Yes
P MAMBA	Yes
NO SOGAYISE	Yes
W NAMBA	Yes
N MAHLATHI	None

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APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major condition s applied by donor (continue below if necessar y)
				Budget	Adjust ments Budge t	
Equitable Share	249 464 000	341 100 000	341 100 000	0%	0%	Payment of salaries and other municipal operations
<i>Other Specify:</i>				0%	0%	
<i>Finance Management Grant</i>	1 700 000	1 700 000	1 700 000	0%	0%	Capacity Building for Finance Officials and appointme nt of Interns and systems enhancem ent
<i>EPWP Incentive</i>	4 147 000	4 147 000	4 147 000	0%	0%	Capacity Building and

						employe nt growth
Libraries	500 000	500 000	500 000	0%	0%	Library operations
Electrification	12 492 000	6 492 000	6 492 000	0%	0%	Electrificat ion of municipal wards
Total	281 729 162	354 389 000	354 389 000			

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

Delete Directive note once comment is complete – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

TL.1

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APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

VN KWEDINANA	Yes
LM SOSHANKANE	Yes
NN MBOXELA	Yes
N NYALAMBISA	None
NA TYALI	Yes
P MAKELENI	Yes

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Vote Description	REVENUE COLLECTION PERFORMANCE BY SOURCE					
	Year -1	Current Year 0			Year 0 % Variance	
	Actual	Original Budget	Adjusted Budget	YearTD actual	Original budget	Adjusted budget
R thousands						
Revenue By Source						
Property rates	11,396,251	8,000,000	8,000,000	11,492,400	-48%	48%
Service charges - refuse revenue	912,221	1,000,000	1,000,000	372,315	69%	69%
Rental of facilities and equipment	2,380,605	2,000,000	2,000,000	1,569,738	22%	22%
Interest earned - external investments	3,252,067	3,500,000	3,500,000	2,732,741	22%	22%
Interest earned - outstanding debtors	1,923,504	-	-	974,425	-100%	-100%
Fines, penalties and forfeits	2,272,080	2,000,000	2,000,000	1,430,312	28%	28%
Licences and permits	735,331	1,500,000	1,500,000	2,462,339	-64%	-64%
Agency services	-	1,500,000	1,500,000	689,689	54%	54%
Transfers and subsidies	241,383,340	281,729,162	281,729,162	281,729,162	0%	0%
Other revenue	3,312,542	12,120,000	12,140,000	33,442,579	-173%	-173%
Transfers and subsidies - capital	70,192,000	59,992,000	59,992,000	59,992,000	0%	0%
Total Revenue (excluding capital transfers and contributions)	337,759,941	373,341,162	373,361,162	396,887,700	-6%	-6%

Applicable

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
Description	R '000						
	Year 0	Year 1			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	-	-		-	-	-	-
<i>Roads, Pavements & Bridges</i>							
<i>Storm water</i>							
Infrastructure: Electricity - Total	-	-		-	-	-	-
<i>Generation</i>							
<i>Transmission & Reticulation</i>							
<i>Street Lighting</i>							
Infrastructure: Water - Total	-	-		-	-	-	-
<i>Dams & Reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total	-	-		-	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
Community - Total	-	-		-	-	-	-
<i>Parks & gardens</i>							
<i>Sportsfields & stadia</i>							
<i>Swimming pools</i>							
<i>Community halls</i>							
<i>Libraries</i>							
<i>Recreational facilities</i>							
<i>Fire, safety & emergency</i>							
<i>Security and policing</i>							
<i>Buses</i>							
<i>Clinics</i>							
<i>Museums & Art Galleries</i>							
<i>Cemeteries</i>							
<i>Social rental housing</i>							
<i>Other</i>							
<i>Table continued next page</i>							

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APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - Upgrade/Renewal Programme*							
Description	Year 0	Year 1			Planned Capital		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	-		-	-	-	-
Infrastructure: Road transport -Total	-	-		-	-	-	-
<i>Roads, Pavements & Bridges</i>							
<i>Storm water</i>							
Infrastructure: Electricity - Total	-	-		-	-	-	-
<i>Generation</i>							
<i>Transmission & Reticulation</i>							
<i>Street Lighting</i>							
Infrastructure: Water - Total	-	-		-	-	-	-
<i>Dams & Reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total	-	-		-	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
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

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Table continued from previous page

Capital Expenditure - Upgrade/Renewal Programme*								R '000
Description	Year 0	Year 1			Planned Capital			
	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	-	-		-	-	-	-	
<i>List sub-class</i>								
Biological assets	-	-		-	-	-	-	
<i>List sub-class</i>								
Intangibles	-	-		-	-	-	-	
Computers - software & programming								
Other (<i>list sub-class</i>)								
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)

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APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 1

Not Applicable

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APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 1

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		No (under construction
		23
		No (under construction
		27
		No (under construction
		14
		No (under construction
		23
		No (under construction
		27
Housing		
Destitute housing	2,3,4,5,6,7,8,9,10,32	Yes
Destitute housing		Yes

Refuse removal	Wards	All Yes
Storm water		01 Yes
		02 Yes
		13 Yes
		03 Yes

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	31	Yes
	30	Yes
Economic development		
Sports, Arts & Culture	13	No
	25	No
	02	No
	13	No
	25	No
	21	Yes
Environment		
Health		
Safety and Security	All Wards	Yes

ICT and Other		

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APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community 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:		
None		
Housing:		
Low Cost Houses in Gatyana	90 houses	Unhappiness and crime associated with unfinished houses
Xhorha rectification	292 houses	
Licensing and Testing Centre:		
Dutywa	1	Loss of revenue by the municipality.
Reservoirs		
None		
Schools (Primary and High):		
None		
Sports Fields:		
Gatyana	1(Still under construction	Delayed youth development

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APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

None

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APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

N/A

RE: **REQUEST FOR THE CONSIDERATION OF KEY PERFORMANCE INDICATORS IN THE ANNUAL REPORT**

The following is the list of indicators that were agreed upon and on how the performance information should be populated:-

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	A
1	Vacancy rate for all approved and budgeted posts;	284	273	9
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	7	6	8
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	7	7	1
4	Percentage of Managers in Technical Services with a professional qualification	2	2	1
5	Level of PMS effectiveness in the DM – (DM to report)			

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6	Level of effectiveness of PMS in the LM – (LM to report)	The Municipality does have the Performance Management System. After the consultation process the municipal council adopted the PMS framework in 2017. The performance agreements were signed in 2017. The municipality implemented the PMS framework and the system as prescribed by the legislation.		
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	275	275	100%
8	Percentage of councillors who attended a skill development training within the current 5 year term	75	74	98,6%
9	Percentage of staff complement with disability	5	1	20%
10	Percentage of female employees	275	129	46,9%
11	Percentage of employees that are aged 35 or younger	275	123	44.7%
12	Adoption and implementation of HRD Plan including WSP	30 April 2017	WSP 30 April 2017	100%

CONCERNING TS

Delete this Appendix if all returns have been made in accordance with reporting requirements.

Delete Directive note before publication

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	Not a WSA nor WSP				
2	Percentage of indigent households with access to free basic potable water	Not a WSA nor WSP				
3	Percentage of clinics with access to potable water	Not a WSA nor WSP				
4	Percentage of schools	Not a WSA nor WSP				

	with access to potable water					
5	Percentage of households in formal settlements using buckets	Not a WSA nor WSP				

Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY
1	Percentage of households with access to electricity services	60124	6266	360	360

2	Percentage of indigent households with access to basic electricity services				
3	Percentage of indigent households with access to free alternative energy sources	60124	8276	1000	1000

Annual performance as per key performance indicators in sanitation services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of a
1	Percentage of households with access to sanitation services	Not a WSA nor WSP				
2	Percentage of indigent households with	Not a WSA nor WSP				

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of a
	access to free basic sanitation services					
3	Percentage of clinics with access to sanitation services	Not a WSA nor WSP				
4	Percentage of schools with access to sanitation services	Not a WSA nor WSP				

Annual performance as per key performance indicators in road maintenance services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual numbers)	Number of H reached dur
1	Percentage of households without access to gravel or graded roads	58858	58858	17 133	17 133
2	Percentage of road infrastructure requiring upgrade	58858	58858	0	0

3	Percentage of planned new road infrastructure actually constructed	58858	58858	0	0
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	58858	57684	1174	1174

Annual performance as per key performance indicators in waste management services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number HH/customer reached	
1	Percentage of households with access to refuse removal services	60124	60124	60124	60124	
	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement
1	Percentage of households living in informal settlements	910	None	None	None	0%

2	Percentage of informal settlements that have been provided with basic services	910	None	None	None	0%
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	Not known	N/A	N/A		0%
4	Existence of an effective indigent policy	The municipality is in the process of updating the Indigent Register.				
5	Existence of an approved SDF	2019/20 approved reviewed SDF				
6	Existence of Land Use Management System (LUMS)	Zoning Plans, Transkei Town Planning Scheme and SPLUMA currently in use.				

CHAPTER: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)

Annual performance as per key performance indicators in LED

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	None	N/A	N/A

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
2	Percentage of LED Budget spent on LED related activities.	R5.5m	R4.7m	85%
3	Existence of LED strategy	Yes		
4	Number of LED stakeholder forum meetings held	3	3	100%
5	Plans to stimulate second economy	Yes	Yes	50%
6	Percentage of SMME that have benefited from a SMME support program	35	35 SMMEs	100%
7	Number of job opportunities created through EPWP	1540	1540	100%
8	Number of job opportunities created through PPP	None	55	100%

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	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	38%	R 121 256 718	53%

		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
2	Salary budget as a percentage of the total operational budget	46%	R 103 474 974	34%
		Target set for the year (20% or less) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the actual revenue
3	Trade creditors as a percentage of total actual revenue	2%	R 7 001 817	3%
		Target set for the year (80% and more) R(000)	Achievement level during the year R(000)	Achievement percentage during the year
4	Total municipal own revenue as a percentage of the total actual budget	23%	R 27 381 100	8%
		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
5	Rate of municipal consumer debt reduction	100%	R 8 420 772	41%
6	Percentage of MIG budget appropriately spent	100%	100%	100%

7	Percentage of MSIG budget appropriately spent	100%	100%	100%
8	AG Audit opinion	Unqualified Opinion	Unqualified Opinion	Unqualified Opinion
9	Functionality of the Audit Committee	Effective	Effective	Effective
10	Submission of AFS after the end of financial year	31 August 2017	31 August 2017	31 August 2017

Chapter: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% of ward committees established	100%	100%	100%
2	% of ward committees that are functional	95%	95%	95%
3	Existence of an effective system to monitor CDWs	The Municipality does not have the effective system to monitor the CDW as they are not directly reporting to the municipality, however there are sessions that are being held on a quarterly basis between the CDW, Ward Committees, Ward Councillors and COGTA public participation unit. This engagement session is trying to assist the municipality in bridging the gap between the municipality functioning and CDW reporting.		

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
4	Existence of an IGR strategy	The municipality developed an IGR Framework that was adopted by Council in July 2020 that is fully implemented and used as the Terms of Reference for the IGR Forum.		
5	Effectiveness of IGR structural meetings	The IGR structural meetings are effective. The municipality included all the scheduled dates of the IGR in the calendar of events of the municipality which was adopted by Council in July 2019. The sector departments are invited on time and some departments are consistently present in the meetings. The municipality also developed clusters aligned to the 5 KPAs which are reporting directly to the full IGR. However, there are still departments who are constantly not present, this has been uplifted to the District IGR and DIMAFO.		
6	Existence of an effective communication strategy	The municipality does have the communication strategy which was used in the financial year of 2019/20 FY. The reviewed communication strategy was adopted by council in July 2020. The municipality is intending to review the communication strategy on a yearly basis.		
7	Number of mayoral imbizos conducted	32 wards	3 (in all 3 units, all 32 wards participated)	100%
8	Existence of a fraud prevention mechanism	<p>The municipality has developed a fraud prevention plan in the financial year under review.</p> <p>Risk Management committee is in place, and is chaired by the independent person.</p>		

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.