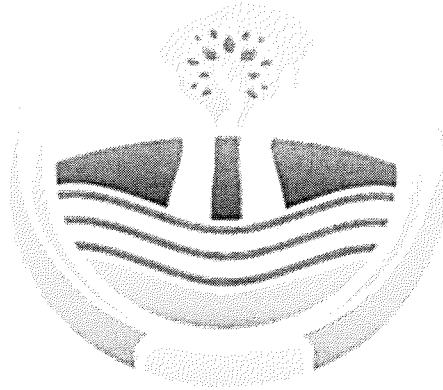


RAYMOND MHLABA LOCAL MUNICIPALITY



RAYMOND
MHLABA
MUNICIPALITY

UMANYANO KUPHIBILISO

FINAL ANNUAL REPORT 2021/2022

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| | |
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MAYOR'S FOREWORD



The overall mandate given by society to us is to improve the quality of their lives. These ideals are captured in our inaugural IDP as adopted during the 2021/2022 financial year. Thus, our institution developed a set of strategic objectives in line with provincial and national government's strategic focal areas. These strategic objectives are linked to the National Development Plan, National Spatial Development Perspective including the District Developmental Model. Thus, the central aim thereof is to guide the administrative arm by constructing a clearly defined developmental framework. Furthermore, to concretize and consolidate business plans with specific deliverables and targets in order to give effects to the strategic objectives of Council, which include inter alia:

- Increase the thin revenue base of the municipality
- Build a professional, capable, efficient, effective and responsive institution
- Strengthen transparency, accountability including promoting good governance
- Accelerate the provision of current basic service delivery through infrastructural developmental projects
- Create an enabling environment for socio-economic developmental patterns
- Foster strategic and developmental partnerships with local communities
- Enhance social cohesion through solidifying social compact with stakeholders

It is within this context that I express my utmost delight on the privilege bestowed upon me to present the Annual Report for the 2021/2022 financial year. This Annual Report overtly reflects on our service delivery and developmental achievements and challenges. This Annual Report is presented in recognition of our legislative obligation that of being an accountable and transparent institution. Moreover, it also outlines that the implementation of these objectives conform to the various pieces of legislation such as section 46 of the Local Government Municipal Systems Act of 2000 and section 121 and 127 (2) of the MFMA No 56 of 2003

At the heart of this report, is a comprehensive outline detailing the overall performance on the targets we have set ourselves in line with the five key performance areas applicable to local government are contained in this Annual Report namely:

1. Basic Services Delivery and Infrastructure Development
2. Municipal Transformation and Development
3. Local Economic Development
4. Municipality Financial viability and management
5. Good Governance and Public Participation

Consequently, this Annual Report outlines in details the achievements in various deliverables of which the following are but a few examples:

1. Paving and greening of internal streets
2. Upgrading and regravelling of access roads in villages
3. Maintenance of storm water drainages
4. Construction of Community Halls and Day Care facilities
5. Installation and connection of High Mast
6. Renovation of the Fort Beaufort Library
7. Establishing and operationalisation of satellite firebase in Alice & Adelaide
8. Establishing and operationalisation of the Customer Care Platform
9. Increased support for the SMME's
10. Implementation of Risk Management Policy and Risk Management Strategy

It is incumbent that we buttress that the municipality's cash flow crunch, combined with the effects of COVID 19 lockdown created one of the most challenging environment to date to plan ahead. The municipality's dire financial situation and the increased pressure on an already depressed economy by the national lockdown had a compounding negative effect and increased the global challenges experienced in all spheres of governance.

To this end, the municipality adopted and implemented the cost containment measures as well as the credit control policy. The cost containment measure is mainly an instrument utilised in order to curtail expenditure including imposing stringent financial controls, thus, avoiding unnecessary spending and wastage. Conversely, the implementation of the credit control policy is geared towards an aggressive revenue collection in line with our debt management prescripts. At best, the implementation of the above-mentioned measures continues to gradually generate positive spins-off for the institution.

Imperatively, the Service Delivery Budget Implementation Plan (SDBIP) is the cornerstone to determine the key service delivery objectives and targets of the municipality based on the IDP. The SDBIP directly informs the Annual Budget of the municipality and the Performance Agreements and Performance Plans of the MM and section 57 Managers. The Performance Plans of the Section 57 Managers at the same time informs the Performance Scorecards of the various operating sections within the department. It is against this background that we continue to preserve the reporting format as escalating from the bottom section to the top, which relates to the compilation of Quarterly and Annual Performance Reports

It is equally imperative that I reflect on the Risk Management framework because we have made significant strides in implementing the Risk Management framework. In processing the risk management, we have developed the following frameworks:

- Risk Management Policy
- Risk Management Strategy
- Strategic Risk Register
- Annual Risk Plan

Furthermore, we successfully facilitated strategic risk and policy workshops for councillors, management and employees in order to promote a positive risk culture. Thus, we managed to monitor 14 risks on an on-going basis through various governance structures. It suffice to say that operational risk profiles were developed and monitored for all our internal departments.

Subsequently, in line with our utmost commitment in promoting good governance and public participation, we consistently continue to preserve community and stakeholder's engagement. As guided by the legislative prescripts, public hearings and community outreach programmes remains the backbone of our community outreach and consultation platforms. In our resolve to strengthen public participation, we solidified community engagements through the following avenues:

- IDP & Budget Roadshows
- MPAC Draft Annual Report Public Hearings
- Establishment of the Ward Committees in all the 23 Wards
- Stakeholders Engagement on Geographical name changes
- Public consultations on Ward Delimitation
- Establishment of the Customer Care Platform
- Intensification of Social Media usage (Facebook page)
- Reconfiguration of the Municipal Website

Overtly, the report performance of the municipality reflects a stable administrative institution coupled by glaring financial distressed status. The financial position of the municipality can vastly improve through an increase in the payment of rate and services and honouring of financial commitments by our debtors. The cumulative Eskom debt continues to drain the already strained municipal balance sheet. The effects of the Eskom debt impacts on the ability of the municipality to fully discharge its responsibility in providing quality services to our communities.

Our collective leadership continue to display an unwavering appetite in responding to the needs of our communities. Our priority matrix remain intact in relation to the provision of quality service delivery. We will be consistent in strengthening better cooperation with our social partners because sustaining the social compact with our communities is a commitment we will never forsake.

It is befitting that I present to you the 2021/2022 Annual Report covering the reporting period from 01 July 2021 to 30 June 2022. Consequently, let me extend gratitude to the Speaker, Chief Whip, and Members of the Executive Committee, Councillors, Municipal Manager, Directors, all Municipal employees and people of Raymond Mhlaba Municipality in general



MAYOR: CLLR NOMHLE SANGO

DATE: 03/02/2023

INTRODUCTION TO BACKGROUND DATA

The Raymond Mhlaba municipality is situated along the southern slopes of the Winterberg Mountain range escarpment in the hinterland of the Eastern Cape, and is under the jurisdiction of the Amathole District municipality. The municipality was formally established in 2016, through the merger of the Nkonkobe and Nxuba Local Councils following the local government elections in that year. Alice town is a legislative seat and Fort Beaufort is the administrative head of the municipality. The municipal area covers approximately 6 474 km², with major towns being Alice, Adelaide, Bedford, Fort Beaufort and Middledrift. Smaller settlements include Hogsback, Seymour, Balfour, Blinkwater and Debenek.

Main access corridors are the R63 from King Williams Town through Alice and Fort Beaufort towards Adelaide and Bedford and the R67 from Grahamstown through Fort Beaufort, Blinkwater, Seymour towards Queenstown. Raymond Local Municipality is comprised of 23 wards with a total population of approximately 157 000 of which the majority about 72% resides in rural villages and farms.

Urbanization is concentrated in Alice, Adelaide, Bedford and Fort Beaufort. The municipal area includes parts of the former Ciskei homeland and Cape Provincial Administration (CPA) areas, which means that it has a history of land expropriation and disposition in many parts due to the consolidation of land to create Ciskei in the 1960s. A distinct land tenure and land use system prevails with two distinctly different systems in the former Ciskei homeland and Cape Province areas.

Raymond Mhlaba is a rural municipality, and the economy is largely driven by the agricultural sector, which includes citrus, forestry, livestock and crop production. Raymond Mhlaba Local Municipality is well-known for its rich heritage and culture. The historic education institutions of Healdtown, Lovedale College and the University of Fort Hare – are important heritage sites in Raymond Mhlaba but as yet are underutilized as tourism or cultural sites. The tourism sector remains largely unsupported and underexploited in a municipality with iconic natural resources in the form of the Amathole Mountains and national significant heritage sites. Some of the major challenges facing Raymond Mhlaba LM include infrastructure challenges and high levels of unemployment and poverty.

The municipality is the second largest local municipality covering 6 474 km², of the surface area of the Amatole District Municipality. The municipality has the following satellite offices – Middledrift, Hogsback, Alice, Seymour, Adelaide and Bedford. The Raymond Mhlaba area is neighboured by the boundaries of Makana Local Municipality, Blue Crane Local Municipality, Amahlathi Local Municipality, Ngqushwa Local Municipality, Enoch Mgijima Local Municipality and the Buffalo City Metropolitan Municipality.

The following map represents the geographic location of Raymond Mhlaba Local Municipality



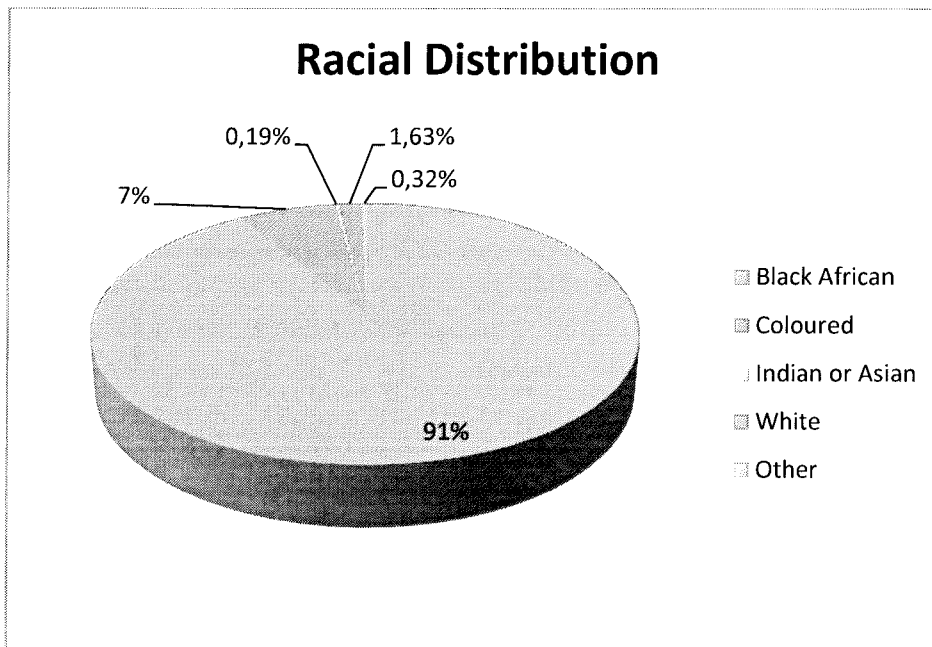
1.1.2 DEMOGRAPHIC INDICATORS

1.1.2.1 TOTAL POPULATION

The 2020 IHS Markit Regional eXplorer indicates that the total population in Raymond Mhlaba Municipality is 163 000. The municipality has 23 wards; and it is dominated by large populace which is indigent. The majority of the population of Raymond Mhlaba of just over 70% resides in both villages and farms, and minorities are located in urban dwellings. Urbanisation is mainly concentrated in Alice, Fort Beaufort, Adelaide and Bedford.

1.1.2.2 RACIAL DISTRIBUTION

The results from the pie chart foreshadowed (below) indicate that Black Africans form majority of the total population in Raymond Mhlaba Local Municipality, whereas there is small Coloured population sporadically populated around the municipal area and Indians/ Asians and Whites being the least represented population group.

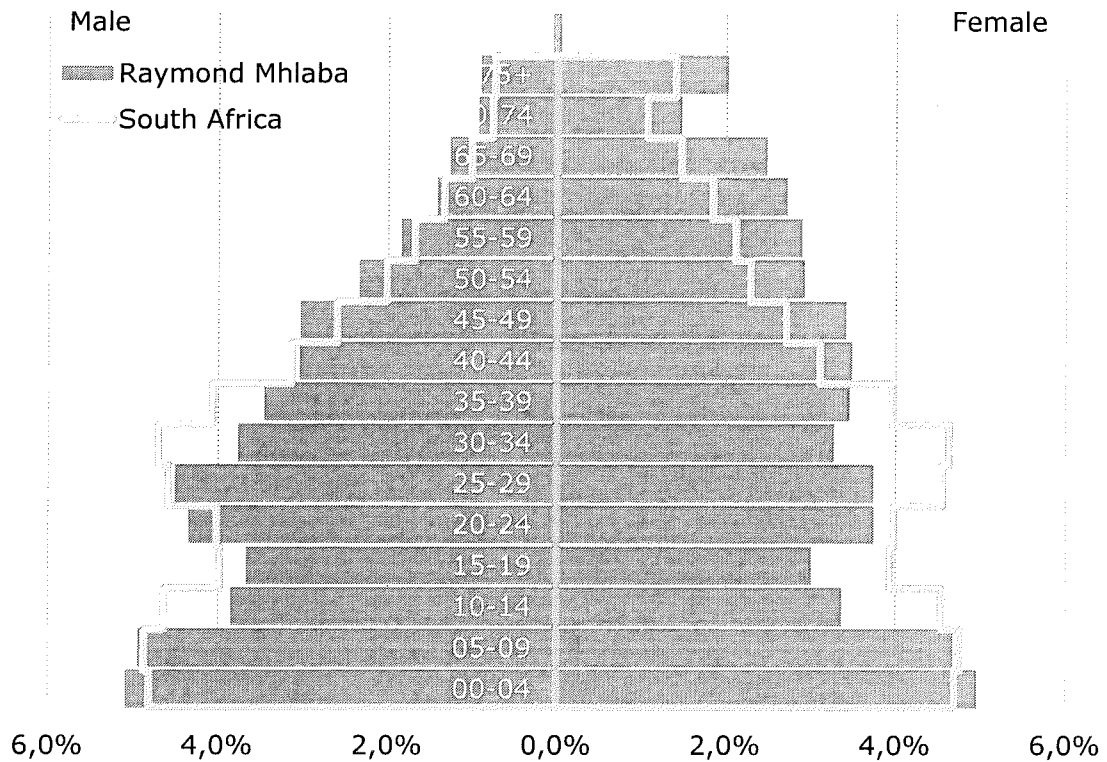


Source: Community Survey, 2016

1.1.2.3 POPULATION GROWTH RATE

In 2020, the Raymond Mhlaba Local Municipality's population consisted of 91.39% African (149 000), White (2 330), Coloured (11 300) and Asian (451) people. The largest share of population is within the young working age (25-44 years) age category with a total number of 46 900 or 28.7% of the total population. The age category with the second largest number of people is the babies and kids (0-14 years) age category with a total share of 26.9%, followed by the older working age (45-64 years) age category with 33 600 people. The age category with the least number of people is the retired / old age (65 years and older) age category with only 14 800 people, as reflected in the population pyramids below.

Population structure Raymond Mhlaba vs. South Africa, 2020



Source: IHS Markit Regional eXplorer version 2103

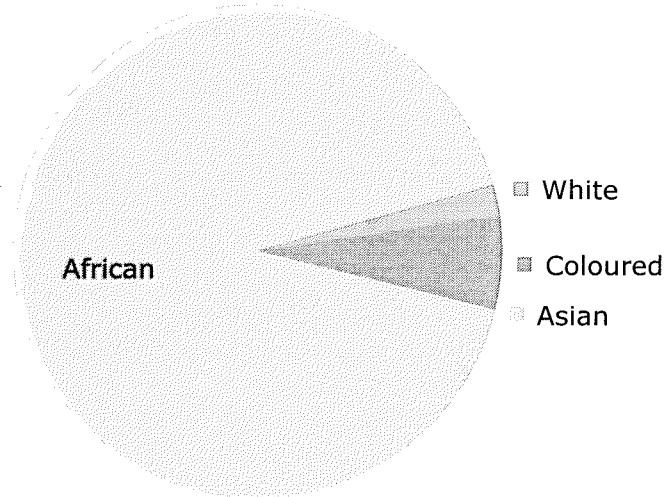
The population pyramid above, indicates that the population of Raymond Mhlaba Local Municipality is dominated by youth and women, ages from 25-44.

1.1.2.4 NUMBER OF HOUSEHOLDS

For the year under review, the municipality comprised of 45 700 households. This equates to an average annual growth rate of 0.46% in the number of households from 2010 to 2020. With an average annual growth rate of 0.53% in the total population, the average household size in the Raymond Mhlaba Local Municipality is by implication increasing. This is confirmed by the data where the average household size in 2010 increased from approximately 3.7 individuals per household to 3.8 persons per household in 2020. The composition of the households by population group consists of 91.4% which is ascribed to the African population group with the largest number of households by population group. The Coloured population group had a total composition of 6.2% (ranking second). The White population group had a total composition of

2.0% of the total households. The smallest population group by households is the Asian population group with only 0.4% in 2020.

Number of Households by Population group
Raymond Mhlaba, 2020



Source: IHS Markit Regional Explorer version 2103

| Natural Resources | |
|---------------------------------|---|
| Major Natural Resource | Relevance to Community |
| Fresh Water Systems | Mariculture and Aquaculture |
| Biodiversity and Natural Forest | Land based projects and environmental projects |
| National Heritage Sites | recreation and tourism, research, education and cultural values |

1.2 SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

Raymond Mhlaba Local Municipality performs the following functions as embedded in the Constitution:

- Road Traffic Regulations;
- Vehicle Licensing;
- Municipal planning;
- Local tourism;
- Stormwater management systems;
- Cemeteries;
- Cleansing;
- Municipal Roads;
- Electricity;
- Municipal Parks and Recreations;
- Street Lighting;
- Public Spaces; and
- Refuse removal, refuse dumps and solid waste etc.

Basic service delivery and infrastructure development is one of the cornerstones for development and service delivery, as such; the municipality has invested in infrastructural development and to ensure that basic services are accessible by everyone within the municipal area.

The Amathole District Municipality is the Water Services Authority (WSA) and the Water Service Provider for the entire Raymond Mhlaba area. Water reticulation is provided by the WSP in the urban areas.

1.3 FINANCIAL OVERVIEW

The original budgeted revenue amounted to R 417 million excluding capital transfers and no adjustments for revenue were performed million. At year end revenue amounted to R 427 million, variance amounted to R10 million.

Budgeted expenditure by type amounted to R414 million and adjusted upwards to accommodate depreciation, debt impairment and other expenditure. The adjusted budget amounted to R 427 million and actual spending amounted to R443 million, variance amounted

to R 16 million. The budgeted capital expenditure amounted to R39 million, actual spent amounted to R60 million, variance R21 million.

| Financial Overview: 2021/22 | | | |
|------------------------------------|------------------------|--------------------------|----------------|
| | | | R' 000 |
| Details | Original budget | Adjustment Budget | Actual |
| Income: | | | |
| Grants | 199,643,650 | 199,643,650 | 200,169,983 |
| Taxes, Levies and tariffs | 181,175,758 | 181,175,758 | 177,360,152 |
| Other | 37,061,000 | 37,061,000 | 50,074,172 |
| Sub Total | 417,880,408 | 417,880,408 | 427,604,307 |
| Less: Expenditure | 414,739,992 | 427,176,095 | 443,604,508 |
| Net Total* | 3,140,416 | -9,295,687 | -16,000,201 |
| <i>* Note: surplus/(defecit)</i> | | | <i>T 1.4.2</i> |

1.4 ORGANISATIONAL DEVELOPMENT PERFORMANCE

Raymond Mhlaba Municipality acknowledges that the realisation of its growth and development objectives as well as the provision of acceptable levels of service delivery depends on the existence of an effective workforce. In acknowledging this reality, the Municipality takes a holistic approach to human resource management and development. Priority is given to skills and capacity development initiatives, change management, development and implementation of policies that support individual development while also striving to create an exciting workplace for full realization of everyone's potential in order to improve competencies and efficiencies. The ability to evolve and respond to individual employee needs is also a critical imperative for the Municipality.

1.5 AUDITOR GENERAL REPORT FOR 2021/2022

The Auditor General's Report is attached as an annexure.

1.6 STATUTORY ANNUAL REPORT PROCESS

| No | Activity | Timeframe |
|----|--|-------------------------|
| 1 | Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period | July |
| 2 | Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting). | |
| 3 | Finalize the 4th quarter Report for previous financial year | |
| 4 | Submit draft 201/2022 Annual Report to Internal Audit and Audit Committee | August |
| 5 | Municipal entities submit draft annual reports to MM | |
| 6 | Audit/Performance committee considers draft Annual Report of municipality and entities | |
| 8 | Mayor tables the unaudited Annual Report | |
| 9 | Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General | |
| 10 | Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase | September – December |
| 11 | Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data | |
| 12 | Municipalities receive and start to address the Auditor General's comments | |
| 13 | Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report | |
| 14 | Audited Annual Report is made public and representation is invited | |
| 15 | Oversight Committee assesses Annual Report | |
| 16 | Council adopts Oversight report | |
| 17 | Oversight report is made public | |
| 18 | Oversight report is submitted to relevant provincial councils | |
| 19 | Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input | |

1.7 COMMENTS ON THE ANNUAL REPORT PROCESS

This Annual Report reflects on the performance of the Raymond Mhlaba Local Municipality as well as the achievement obtained and challenged encountered by the municipality during the year under review. This Annual Report provides a full reporting version as required by National Treasury's MFMA Annual Report Circular 63 and is structured as follows:

Chapter 1: Mayor's Foreword and Executive Summary

Chapter 2: Governance

Chapter 3: Service delivery performance

Chapter 4: Organizational development performance

Chapter 5: Financial performance

Chapter 6: Auditor-General Audit Findings

APPENDICES

CHAPTER 2 – GOVERNANCE

2.1 INTRODUCTION TO GOVERNANCE

This chapter integrates the municipality's overarching governance structures and decision making processes. There are several role players for corporate governance in the municipality. Good governance in the municipality embodies processes, structures and systems by the municipality is directed and held to account for. It is characterized by a dynamic interface between political office bearers, administration, public participation and corporate governance.

Raymond Municipality Local Municipality strives towards achieving the following characteristics of efficient government in both legs of governance (political and administrative):

- Participation;
- Transparency;
- Responsiveness;
- Consensus orientation;
- Equity;
- Effectiveness and efficiency;
- Accountability; and
- Strategic vision.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.2 INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Raymond Mhlaba Local Municipality has comprehensive, effective governance structures, both political and administrative, systems, policies and procedures underpinned by a sound set of values and ethics to support the municipality's growth and development. Furthermore, it has a fully representative and highly structured Council, compliant with legislative requirements. Council is led by the Mayor working collectively with the Executive committee (EXCO) and Councillors. Raymond Mhlaba Municipality has established committees to enhance its all governance structures. These committees function with clearly defined roles and responsibilities. For an example, the section 79 and 80 committees are set up to deal with oversight roles, and to provide advisory role to Raymond Mhlaba Municipality Council.

Raymond Mhlaba Municipality has a highly competitive and capable administrative leadership led by the Municipal Manager. The administrative arm of governance consists of the Municipal

Manager and 5 Directors which constitutes a Senior Management Committee (SMC) that is chaired by the Municipal Manager. The committee sits every first Tuesday of each month, (Monthly basis) to address both strategic and operational matters.

RMM has an active Inter-Governmental Relations function, which is shared across the entire institution. There are imminent engagements with all intra and inter-stakeholders, with a purpose to gather information and updates and to communicate such on continuous basis. External stakeholders include all spheres of government.

Corporate governance is one central focus that distinguishes RMM. The Municipality has established committees to encourage compliance with all legislations and enhance ethical consideration by all its employees and Councillors. The Risk Management Committee guides to identify all risk and oversee processes to managing such. All Supply Chain Management Bid Committees are set and operational, i.e. Specification Committee, Evaluation Committee and Adjudication Committee. An Audit Committee is operational and holds its meetings on quarterly, and as and when the situation warrant. This committee of Council deals with all audits of the municipality, performance issues, risk management, and provide advice to and reports to RMM Council.

2.3 POLITICAL GOVERNANCE

2.3.1 INTRODUCTION TO POLITICAL GOVERNANCE

The political arm is comprised of 46 Public elected representatives (Councillors) The elected public representatives represent the views of their political parties in Council. The Council is made up of three (3) political parties namely, the African National Congress (ANC) Democratic Alliance (DA) and the Economic Freedom Fighters (EFF).

The Legislative Arm in Council is led by the Speaker of Council who presides as the Chair in Council Sittings. The Executive Arm in Council is led by the Mayor who presides as the Chair in the Executive Committee. Members of the Executive Committee are appointed by Council amongst Councillors elected to serve in the Raymond Mhlaba Municipal Council

MAYOR: COUNCILLOR ZINGISWA RASMENI

Councillor Zingiswa Rasmeni is the Mayor of Raymond Mhlaba Municipality and is discharged for presiding at meetings of the executive committee and performs the duties including any ceremonial functions, and exercise the powers delegated to the Mayor by the municipal council or the executive committee. In addition, the Mayor recommends to the Municipal Council strategies, programmes and services to address priorities needs through the IDP, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans.

SPEAKER OF COUNCIL: COUNCILLOR THOZAMA NGAYE

Councillor Ngaye is the Speaker of Council. The Speaker of Council is the Chairperson of Council, presiding over council meetings in accordance with council's Standing Rules and Orders of Raymond Mhlaba Municipal Council. The Speaker also advice on major legislative compliance matters. The Speaker also has a responsibility for Section 79 oversight committees and Councillor affairs to develop political governance capacity among Councillors. Over and above the Speaker is also the driving force of public participation, petitions and ward committees.

CHIEF WHIP OF COUNCIL: COUNCILLOR NONKAZIMLO MLAMLA-KLAAS

Councillor Mlamla is the Chief Whip of Council. The Chief Whip is an official office bearer, who is also the Chief Whip of the Majority Party. The Chief Whip ensures proportional distribution of Councillors to various Committees of Council. The Chief Whip maintains sound relations among the various political parties by attending to disputes among political parties.

POLITICAL STRUCTURE

MAYOR

Cllr Zingiswa Rasmeni

SPEAKER

Cllr Thozama Ngaye

CHIEF WHIP

Councillor Nonkazimlo Mlamla-Klaas

EXECUTIVE COMMITTEE:

Cllr Zingiswa Rasmeni

Cllr Bukelwa Tyali

Cllr Nomhle Sango

Cllr Portia Sabane

Cllr Anele Ntsangani

Cllr Sinethemba Mjakuca

Cllr Sithembela Zuka

Mhlangabazi Nombombo

Cllr Ernst Lombard

2.3.2 COUNCILLORS

The Raymond Mhlaba Council is composed of 45 councillors of which 23 are Ward Councillors and the remaining Councillors are Proportional Representatives Councillors (PR). Councillors of Raymond Mhlaba Municipality contribute to the strategic direction of the municipality through their participation in the development and review of the Integrated Development Plan. Furthermore, Council received a Government Gazette appointing 10 traditional leaders to participate in the municipality in line with the provisions of section 83 of the Local Government Municipal Structures Act, 1998 as amended, read with Traditional Leadership and Governance Framework Act 2003. The traditional leaders participate in all council committees except the Executive Committee. Council adopted a schedule of meetings which provided for the meetings of Council to be held at least 4 times a year, except where circumstances require the convening of a special meeting of Council.

2.3.3 COMMITTEES OF COUNCIL

The Municipality has functional section 79 and 80 committees of which section 80 committees are as follows; Engineering, Finance, Strategic Planning and Local Economic Development, Corporate Services, Community Services, Sport and Recreation Committee headed by Members of the Executive Committee. These Committees are set up to deal with oversight roles, support and performs an advisory role to the Mayor and Council.

The following Councillors are chairpersons of the above mentioned committees:

| NO. | NAME | COMMITTEE |
|-----|-------------------|--------------------------------------|
| 1. | Cllr B. Tyali | Corporate Services Committee |
| 2. | Cllr N. Sango | Engineering Services |
| 3. | Cllr A. Ntsangani | Finance Committee |
| 4. | Cllr S. Zuka | Community Services Committee |
| 5. | Cllr S. Mjakuca | Strategic Planning and LED Committee |
| 6. | Cllr P.Sabane | Sports and recreation Committee |

2.3.3.1 BELOW IS THE LIST OF SECTION 79/OVERSIGHT COMMITTEES:

1. Municipal Public Accounts Committee (MPAC)

The Municipal Public Accounts Committee is functional and exercise oversight responsibilities over the executive responsibilities of Council. It also assists Council to hold the executive and municipal entities to account, and to ensure the economic, efficient and effective use of municipal resources. By doing so the Committee helps to enhance the public awareness on financial and performance matters of Council and its entities, where applicable.

2. Petitions committee

The committee regularly or at intervals not exceeding six months submits to Council a report indicating all the petitions received, referred, resolved and a summary of the response to the petitioners or community.

3. Ethics Committee

The committee as mandated by Council in terms of delegated powers must ensure that issues of Councilor's ethical conduct and discipline become key fundamental values that will shape the future of the Council.

4. Rules Committee

The committee exists to create a clear road map in as far as the implementation of rules within the Raymond Mhlaba Municipality. To enforce compliance in all stings and official gatherings of the Council and also to put into place systems that will enhance the development of members of the council in terms of conducting fruitful gathering within council.

5. Women Caucus

The committee oversee/review the alignment, efficiency and effectiveness of gender policy, mainstreaming strategy to implementation, it also oversees and ensure that civic education/awareness programmes, gender analysis and impact assessment are activated within the municipality.

2.3.3.2 Performance and Audit Committee

The Performance and Audit Committee is a Committee of Council and performs the statutory responsibilities assigned to it in terms of sections 165 and 166 of the MFMA. It is an independent advisory body that advises Council and is responsible for oversight over the following functions:

- Internal audits

- External audits
- Financial reporting
- Risk management
- Internal controls
- Information technology governance
- Performance management

COMPOSITION OF THE PERFORMANCE & AUDIT COMMITTEE AND ATTENDANCE OF MEETINGS

List of Members and meetings held during as end June 2022:

| NO | Name of members | Meeting dates and Description of meeting | Attendance |
|----|---|--|-------------|
| 1. | Mr Wayne Manthe (Chair): Chairperson of the Audit Committee | 29/09/2021 24/11/2021 06/04/2022 | All members |
| 2. | Mr Samkelo Mxunyelwa: Chairperson of Performance Audit Committee | | |
| 3. | Ms Sisanda Lehlehla | | |
| 4. | Dr Ngwadi Mzamo | | |
| 5. | Mr Mxolisi Skosana | | |

2.3.4 POLITICAL DECISION-TAKING

Standing Committees sit monthly to discuss issues pertaining to their respective departments and make recommendations to Executive Committee. Executive Committee meeting is then convened to discuss reports and recommendations submitted by Portfolio Heads and agree on the matters to be referred to Council.

Troika, which consists of Speaker, Chief Whip and Mayor, convenes a meeting prior to the sitting of each Council meeting to discuss all issues to be tabled in the Council. The Municipal Manager also attends the Troika meetings to provide guidance and advice. Council sits quarterly and makes decisions on all matters pertaining to community development and service

delivery. Council resolutions are taken on the basis of reports and recommendations made by the Committees.

2.4 ADMINISTRATIVE GOVERNANCE

2.4.1 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Administrative Arm of the municipality is driven by the Municipal Manager: Ms U.T Malinzi as the Accounting Officer. The Municipal Manager is supported by a team of five (5) Directors. The municipal administration has the overall responsibility for management and strategic direction of the municipal business affairs. Other duties of the Municipal Administration include planning, reporting and accountability, enforcing internal controls revenue enhancement etc.

TOP ADMINISTRATIVE STRUCTURE

MUNICIPAL MANAGER

Ms Unathi Malinzi

DIRECTORS:

Director Corporate Services

Mr Mzwandile Nini

Director Engineering Services

Mr Daluxolo Mlenzana

Acting Director Community Services

Ms Nosimphiwo Speelman

Chief Financial Officer

Mr Mveleli Ngxowa

Director Strategic Planning & LED

Dr. Lulamile Donacious Hanabe

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.5 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Raymond Mhlaba Local Municipality has fostered Intergovernmental Relations (IGR) to ensure the coordinated delivery of services to citizens. This aligns with the Intergovernmental Relations Framework Act, Act No 13 of 2005, which requires all spheres of Government to coordinate, communicate, align and integrate service delivery to ensure effective access to services. The IGR is a forum that is chaired by the Mayor, and includes Portfolio Heads, Senior Managers of departments in Raymond Mhlaba Municipality as well as Senior managers within the municipality. Government departments in this forum present their programmes within the municipal space for the year as well as programmes they want the municipality to be involved in.

2.5.1 PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The Municipal Manager seats in the provincial structure called the Ministers and Members of Executive Council meeting (MuNIMEC). This is where all Ministers, MECs, Municipal Managers, Mayors and Heads of Departments sit. In terms of the value obtained from the meetings; it is challenging to quantify it. There are thorny issues that the municipality has over the years raised in the local structures, and these have been escalated to both the DIMAFO (Mayor's forum) and the provincial IGR structure (MuNIMEC).

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.6 OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipality has a long-standing culture of community and stakeholder engagement, which promotes transparency and accountability. These values are an integral part of any truly democratic society, and are enshrined in the Constitution.

The following consultations were facilitated, among others:

- IDP and Medium-term Revenue and Expenditure Framework (MTREF)

Chapter 4 of the Local Government Municipal Systems Act, 32 of 2000 encourages municipalities to create conditions for the local community to participate in the affairs of the municipality. In terms of strengthening public participation, a wide range of communication tools

are used to communicate with the community and also to disseminate information. These include;

- Newspapers: Winterberg, Times Media, Dike lethu, Hogsback Times, Umhlali newsletter
- Imbizo's / Road shows,
- Loud hailing,
- Library;
- Notice boards
- Social Media Pages (Facebook, Twitter)
- Municipal Website
- Intergovernmental Relations (IGR)
- Meetings of ward committees
- Forte FM, Tru FM, Algoa FM, Umhlobo wenene FM

2.6.1 COMMENT ON SATISFACTION LEVELS:

Raymond Mhlaba Local is committed to effective and efficient delivery of services. Accordingly, the municipality acknowledges that this can only be achieved by engaging residents so as to understand their concerns and priorities. Through the ongoing outreach processes, the municipality aims to build a collective and shared vision of the future of the entire Raymond Mhlaba jurisdiction. The processes enable stakeholders to express their interests, concerns, fears and aspirations for the future of Raymond Mhlaba.

2.7 WARD COMMITTEE MEMBERS

Municipal Structures Act provides forward committee members to be established with primary function to be a formal communication channel between the community and the municipal council. The Raymond Mhlaba Municipality has ward committees members in each ward. They are always invited to participate in municipal activities as required in terms of the Municipal Systems Act, No 32 of 2000.

2.8 IDP PARTICIPATION AND ALIGNMENT

The Municipality's commitment regarding the promotion of public participation and consultation are based on constitutional and legal obligations including the governance model. Therefore the Municipality continues to promote participatory engagements with communities in all its processes, including the development of the IDP. Public participation is a critical part of democracy, as it affords members of the community and stakeholders an opportunity to inform the Municipality about their developmental needs. The process also gives community members a clear understanding of how the Municipality arranges for public participation.

| 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? | NO |
| Does the budget align directly to the KPIs in the strategic plan? | YES |
| Do the IDP KPIs align to the Section 57 Managers | YES |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP? | YES |
| Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes | YES |
| Were the indicators communicated to the public? | YES |
| Were the fourth quarter aligned reports submitted within stipulated time frames? | YES |

COMPONENT D: CORPORATE GOVERNANCE

2.9 RISK MANAGEMENT

The purpose of risk management is to identify potential problems before they occur that may affect the municipality, manage risks to be within its risk tolerance and to provide reasonable assurance regarding the achievement of municipality's objectives.

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

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

Risk Management Policy and Risk Management Strategy were developed and approved by the Council and a workshop on strategic risks and policy was conducted to Councilors and employees to promote a positive risk culture.

The strategic risk profile for 2021-22 had 14 risks which were monitored and managed on an ongoing basis through various risk governance structures. Operational risk profiles were also developed and monitored for all departments.

Below is the list for top 5 high strategic risks:

| No | LINK TO STRATEGIC OBJECTIVE(S) | RISK DESCRIPTION | ROOT CAUSES | CURRENT CONTROLS | LIKELIHOOD | IMPACT | EXPOSURE | RESULT |
|----|--|--|---|--|------------|--------|----------|--------|
| 1 | To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022 | Poor service delivery | 1. Ailing infrastructure, 2. Poor/ Lack maintenance of infrastructure. 3. Lack of upgrading as the demand increases 4. Insufficient budget allocation | 1. Maintenance plans in place 2. Human Capital 3. Plant and Machinery | 4 | 4 | 16 | High |
| 2 | To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022 | Inability to implement effective infrastructure project. | 1. Poor performance of service providers 2. Financial constraints 3. Lack of in-house capacity 4. Poor Monitoring of projects | 1. Technicians for monitoring projects 2. Project plan is in place. 1. Hygiene protocols: Distribution and careful placement of COVID-19 related posters; Provision of hand sanitizers and masks; All staff and students to adhere to screening protocols at entrances to campuses and facilities; | 4 | 4 | 16 | High |
| 3 | To ensure effective and efficient workforce by aligning institutional arrangements to the overall strategy to deliver quality services by 2022 | Increase employee cost in comparison to current budget | 1. Amalgamation | 1. Organogram in place | 4 | 4 | 16 | High |

| | | | | | | | | |
|---|---|--|--|--|---|---|----|------|
| 4 | To ensure sustainable Local Economic Development (LED) by 2022 | 1. Inability to facilitate programmes that may provide support to LED initiatives. 2. Non existence of LED strategy | 1.No prioritization of funding applications 2.Parallel structures of farmers 3.Insufficient Budget | 1. Memorandum of understanding with UFH 2. Partnerships with local farmers 3. Business forums in place | 4 | 5 | 20 | High |
| 5 | To ensure financial sustainability in order to fulfil the statutory requirements by 2022. | Low revenue base | 1. Rural state of municipality 2. Increase in indigent debtors/unemployment rate 3. Financial burdens caused by amalgamation | 1. Additional revenue from different sources/investors | 4 | 4 | 16 | High |

2.10 SUPPLY CHAIN MANAGEMENT

Raymond Mhlaba implements a Supply Chain Management Policy that is aligned with MFMA and SCM regulations which includes all the elements of Supply Chain Management namely:

- Demand management,
- Acquisition management,
- Logistics management,
- Disposal management,
- Risk management and
- Performance management.

SCM policy has allocated 30% of procurement to be prioritized for local SMME's. The municipality has met this target for the financial year. The municipality has also targeted that 70% of its procurement should be for vulnerable groups e.g women, youth, disabled and military veterans for threshold under R200 000.00. In the 2021/22 financial year the municipality has procured more than 76% from local SMME's.

There are three committees established in the bidding process namely:-

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

The municipality is planning on capacitating its local SMME's by conducting a supplier day in the begging of the following year.

**2.11 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES
INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)
SERVICES**

Information Communication Technology section 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 ensuring optimum and uninterrupted functionality of operating systems and applications across the Municipality. Use system analysis techniques and procedures, including consulting with users, to determine hardware, software, or system specifications. Managing LAN/WAN infrastructure and making sure it's up and running.

| Capital Expenditure Year 2021/2022: ICT Services | | | | | |
|---|------------------|--------------------------|---------------------------|--------------------------------------|----------------------------|
| Capital Projects | 2021/2022 | | | | |
| | Budget | Adjustment Budget | Actual Expenditure | Variance from original budget | Total Project Value |
| ICT Server and Website | 786520 | | 786520,00 | | |

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL

Information Communication Technology Unit has ensured that stability of business systems and network infrastructure within the organization is maintained, which required constant performance monitoring. The Municipal website was upgraded with continuous maintenance. To improve corporate governance of ICT, new policies were developed and submitted to Council for approval and are reviewed continuously. An Internet service upgrade has been performed in all municipal offices including the previously disadvantaged sites i.e. Hogsback and Seymour. Continuous upgrade of ICT Infrastructure in a phased approach is implemented. A functional ICT Steering Committee was established to enhance ICT monitoring and performance.

2.12 CUSTOMER CARE

The institution receives complaints/ queries through a dedicate email (customercare@raymondmhlaba.gov.za) and communications Office landline. Once a complaint/ query has been received, officials from customer care acknowledge receipt of the query to the resident / rate payer, then its forwarded to departmental personnel, who investigates and resolves the query and forward update/ action to Customer Care Unit. The Customer Care contacts the resident/ rate payer and provides feedback and once the resident/ rate payer is satisfied with feedback and the query is resolved.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

3.1 INTRODUCTION

This chapter presents the performance of the Municipality over the 2021/2022 financial year. In the main, the focus is on performance against predetermined objectives as presented in the SDBIP scorecard approved by Council. The Municipality identified the following strategic pillars to anchor its development objectives and guide the implementation of programmes for effective service delivery:

- To ensure a safe, friendly and sustainable environment by 2022.
- To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022

Over the financial year under review, the Municipality committed to improve effectiveness in the provision of basic services in order to restore the living conditions of disadvantaged residents while maintaining good service standards in the affluent and previously serviced areas. The provision of roads and storm water networks, waste management, electricity, housing, disaster management, emergency services such as firefighting, social programmes for the elderly and other vulnerable groups were all identified as priority focus areas.

The Amathole District Municipality is the Water Service Authority (WSA) and the Water Service Provider for the entire Raymond Mhlaba area.

COMPONENT A: BASIC SERVICES

This component includes: electricity; waste management; and housing services; and a summary of free basic services.

3.2 INTRODUCTION TO BASIC SERVICES

This key performance area (kpa) deals with the core functions of the Municipality by providing the provision of electricity, roads and stormwater, community facilities, and town planning services. The departments responsible for this KPA are Engineering and Community Services and they are entrusted with ensuring that services are delivered to the communities *i.e.* construction of community halls, day care facilities; construction or development or maintenance of gravel roads, paving of roads, installation of electricity, maintenance of municipal buildings and consideration of plans (building plans), zoning *etc.* Land and Human Settlements is also located in this department, registration for houses, rectification is referred to this department and channeled to the Provincial Department.

3.3 INTRODUCTION TO ELECTRICITY

Electricity department is expected to execute applications of new connections and reconnections to Raymond Mhlaba residence (Fort Beaufort, Adelaide and Bedford) within in the municipality area of electricity supply .The departments executes the maintenance of the electrical infrastructure within the municipality area of supply, this includes maintenance of streetlights and highmast lights .

The top 3 deliveries that the municipality prioritised are;

1. New connections
2. Electrical infrastructure maintenance
3. Electricity meter audits and meter reading

The table below shows the annual progress as at end June 2022;

| Number of faults attended | Streetlights maintenance (Adelaide, Bedford, Fort Beaufort, Seymour, Alice and Middledrift) | Highmastlights maintenance (Adelaide, Bedford, Fort Beaufort, Seymour, Alice and Middledrift) |
|---------------------------|---|---|
| 500 | 490 | 33 |

| BASIC SERVICE DELIVERY | | | | | | |
|------------------------|---------------|--|---|----------|---------------------------|---|
| REF | PRIORITY AREA | STRATEGIC OBJECTIVE | Outcome Based Indicator | Baseline | 2021 - 2022 Annual Target | 2021/ 2022 Actual performance |
| BSD 19 | Electricity | To ensure adequate, efficient, sustainable energy supply | Number of illegal connection audits conducted | 4 | 4 | 4 illegal electricity connections have been conducted |

| | | | | | | |
|---------------|--|---|---|------|------|---|
| | | and infrastructure by 2022 | | | | |
| BSD 11 | | To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022 | Percentage of new connections and reconnections completed | 100% | 100% | Achieved; (applications received/ connections made*100) 55/55*100=100% |

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The Electricity section of RMLM deals with day-to-day maintenance and repairs of the electrical infrastructure in Fort Beaufort, Adelaide and Bedford. These include, but not limited to, maintenance of highmast and streetlights, providing supply for new customers, maintaining/replacing faulty meters, attending to cable/line faults etc. Some parts of the electrical network are vulnerable and requires upgrade to mitigate power outages.

Eight new highmasts have been erected in different areas (Alice-1, Middledrift-1, Fort Beaufort-3, Seymour-2 and Adelaide-1) of which 3 are to be connected to the electrical network of the municipality and the other 5 are awaiting connection from Eskom.

3.4 WASTE MANAGEMENT

INTRODUCTION TO WASTE MANAGEMENT

Waste Management is the primary function of the municipality as enshrined in the Constitution of RSA, 1996, Part B Schedule 5. The municipality collects refuse on a weekly basis in the following areas: Fort Beaufort, Alice, Middledrift, Hogsback, Seymour, Adelaide and Bedford. The service is rendered only in urban areas. Refuse in businesses and households is collected as per the municipal refuse schedule which is based on the volume of waste generated. Only a few number of business premises have proper refuse storage facilities and there have been campaigns made to encourage them to construct such storage facilities. Businesses are also encouraged to call the municipality when they have consumed large volume of waste to avoid refuse being put in front of their shops, but that is still a challenge as some of the are still doing it. The waste that is collected is disposed off to the waste disposal sites namely; Alice, Middledrift and Bedford. All these disposal sites are permitted but need to be reconstructed I

order to comply with the National Environmental Waste Act (NEMWA). During the year under Peace Officers have been able to enforce by-laws on problem areas identified within the central business and urban areas.

Recycling initiative

Four recycling initiatives have been operational in different towns namely; Bedford, Adelaide, Fort Beaufort and Alice. Business plan have been submitted to DEA and DEDEAT for funding. However, the process has been put on hold due to funding applications cycle that has passed. The municipality has also entered in a partnership with SPRUCE UP to assist in the recycling initiatives. The structure is complete within the Alice disposal site that will serve as an area where recycling will take place, Eskom is busy with the installation of electricity. A training on

Co-operatives in Waste Management:

The municipality has appointed 4 co-operatives for waste management and refuse collection in Alice, Fort Beaufort, Seymour, Hogsback and Middledrift. These co-operatives provide refuse trucks, personnel and issuing of bin liners to each household in areas they are servicing. These co-operatives are contracted for a period of twenty four months as means of encouraging economic growth to SMME's within Raymond Mhlaba.

Projects funded by the Department of Forestry, Fisheries and Environment:

Fifty eight (58) participants were employed for a period of 6 months to assist the municipality with cleaning and mopping of areas affected by the recent floods. A workshop to reduce Waste generation and promote recycling was conducted on 9 June 2022 at Fort Beaufort town hall.

3.5 HOUSING

One of the serious problems facing South Africa is the backlog in low cost housing provision, and Raymond Mhlaba Local Municipality is no different from the national reality. The Raymond Mhlaba Local Municipality is a Category B Municipality which means when it comes to the provision of low cost housing it is mainly responsible for the coordination and ensuring adequate provision of housing for its residents through amongst other things Beneficiary administration, ensuring land availability and suitability then the Department of Human settlements is the one responsible for the actual implementation of the projects.

Human Settlements (Shelter) is unarguably one of the basic inevitabilities of the human race. It used to be ranked second after food in the hierarchy of human needs. Raymond Mhlaba Local Municipality is striving with the challenge of ensuring access to adequate human

settlements to all its inhabitants. Delivery of human settlements is underpinned by the principles of promoting sustainable dignified communities, economic viability and urban integration.

The major challenges are inter alia with:

- Upgrading of informal settlements.
- Identify land for human settlements development.
- Facilitate integration and viability of sustainable human settlements.
- Spatial integration primarily through infill development.
- Revitalization of small towns within the Local Municipality
- Promotion of medium density housing, such as, Community Residential Units (CRUs) and Social Housing

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

Raymond Mhlaba LM has a free basic services unit which is discharged at ensuring that all indigent households within the jurisdiction of the municipality receive free basic services. There is an indigent policy in place which regulates the whole indigent beneficiary programme. A register of qualifying beneficiaries is maintained on a monthly basis and only person(s) in this register gets the subsidy. As of June 2022 all qualifying indigent households who registered in the database of the municipality have received the indigent support. The services rendered under this programme are as follows;

1. Subsidised electricity
2. Subsidised refuse removal
3. Alternative energy i.e. paraffin
4. Subsidised property rates

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Raymond Mhlaba LM has a free basic services unit which is dedicated at ensuring that all indigent households within the jurisdiction of the municipality receive free basic services. There is an indigent policy in place which regulates the whole indigent beneficiary programme.

COMPONENT B: ROADS AND STORMWATER

This component includes: roads and waste water (stormwater drainage).

3.7 INTRODUCTION TO ROADS

The role of the Municipality is to provide appropriate, cost effective and affordable roads, storm-water drainage, transport infrastructure and public services in-order to improve the quality of

life of the communities. The main role players are the Municipality, Department of Roads and Public works, as well as SANRAL. The Department of Roads and Public Works and SANRAL are responsible for the construction and maintenance of National, Provincial Road networks whereas the Municipality is responsible for the access roads leading to villages and those in urban areas.

All the households have the access to gravel or surfaced roads. The gravel roads are maintained according to the work schedule of the Engineering Department and also immediately after rainstorms. The surfaced roads are maintained from the operating maintenance budget. The quality and standards of the roads are in a poor condition.

| Stormwater drainage: 2021/2022 | | |
|--|---------------|---------------------------|
| Outcome Based Indicator | TARGET | ACTUAL PERFORMANCE |
| Number of stormwater drainage maintained | 100 | 898 |

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

All the roads that fall under the jurisdiction of the Municipality are being attended by the Civil Works Unit according to their work schedule. The surface roads are repaired and cleaned after heavy rainfalls including storm-water channels

The storm-water management system is provided for the towns of Adelaide, Alice, Bedford, Fort Beaufort, Middledrift, and Seymour. The municipality has prioritised storm-water and storm-water management needs.

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.8 INTRODUCTION TO PLANNING AND DEVELOPMENT

Town Planning and Land Use Management is a very important component in ensuring coordinated and proper development as well as investor attraction within the Municipality as in its nature ensures compliance with relevant statutory framework as well as guides development through the development of the Spatial development Frameworks, development and enforcement of By-Laws . In view of the above, in June 2022, the municipality developed and approved its Land Use scheme (LUMS) in accordance with the Spatial Planning and Land Use

Management Act, 2013 (Act 16 of 2013). This scheme considers various aspects such as integration, topography, infrastructure, environmental concerns, existing and future developments. It will have direct impact on property values, business development and ultimately rates income for the municipality. It would also introduce a more uniform and development facilitation land management system that could form the basis for sustainable development in the municipality for a long-term period.

3.9 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

3.9.1 INTRODUCTION TO ECONOMIC DEVELOPMENT

The outbreak of the Covid-19 pandemic in March, 2020, found a susceptible South African Economy, to this effect; the pandemic deepened the economic crisis and had significant impact particularly on Small Enterprises and Formal Sectors. Many people lost their jobs, many have gone without income for extended periods, job losses concentrated among low income earners, deteriorating already undecorated inequalities despite the government's decisive and pro-poor response with transfer programs that partially mitigating the damaging impacts of the pandemic. Low-wage workers suffered almost multiple times more job losses than high-wage earners and Raymond Mhlaba Municipality was no exception as many of these workers depend on seasonal jobs (citrus)

Furthermore, the Country has led efforts to keep children safe in classrooms, as much as possible, since the COVID-19 outbreak, however, there has been a gradual improvement in the level of education in Raymond Mhlaba and the population is relatively well educated compared with other municipal areas in the province, The overall education levels are still quite low. There is a large proportion of the population who are unable to be fully economically active members of the community due to the fact that they are unemployable. This impacts on income levels of the community and reduces the potential for economic growth. Another could be the lack of employment opportunities for more skilled workers, which reduces the incentives for further study. Skilled people are more likely to leave the area to look for work or higher paying work elsewhere, reducing the skills available in the area.

The municipality is in the process of reviving the LED forum for all stakeholders to participate in local economic development issues within the area. A long term and shared vision on how to develop and drive a robust and inclusive local economy with a view to create job opportunities and eradicate poverty should be realized by the LED forum. It is imperative that systematic baseline data (for example, socio-economic data) must be gathered before the initiation of a policy project and on-going monitoring process must take place throughout the lifespan of the project and even after its completion in order to enable effective evaluation of that project.

Generally, cooperatives in Raymond Mhlaba are black owned, run by the elderly individuals who barely have any skill capacity, and the legacy still continues to exist, and this leaves cooperatives unsustainable even if they are skilled, they suffer from natural attrition due to old age. Most cooperatives and group enterprises are started with unemployed people, often with low technical skill capacity levels and no prior business experience in economically marginal areas; hence their chance of success is reduced to the absolute minimum. The Cooperative Act No.14 of 2005 spells out how cooperatives should operate and as such the Municipality has assisted local cooperatives in the form of training and legal registration. However, there is new amendment Act No. 6 of 2013 which seeks to address the strengthening of Cooperative governers, adhering to cooperative regulations as per cooperative constitution and to ensure the effective directorship, leadership and management of the cooperative.

Furthermore, to enhance the effective, financial viability and stability, the Department of Trade and Industry, Eastern Cape Development Corporation, SEDA and DEDEAT has got funding for SMME development and the municipality has explored these funding opportunities by assisting SMME in developing their business plans for funding. Auditing of SMME's is of essence to ensure that the municipality has statistical information of its SMME's. A need to develop an SMME strategy is still a priority and for sustainable projects. The municipality is working hand in hand with RMEDA for registration of new SMME's.

Tourism focuses on the following targets, to develop and promote tourism, social history and heritage. The rate of loss of employment is threatening to exacerbate the poverty levels. LED is a sub-national action within the context of a local Labour market. The assumption is that the intervention by local authority, and its community and private sector partners, can assist in creating an environment and infrastructure conducive to investment, and can provide seed funding and give advice that contributes towards Agric - Tourism development. In order to strengthen tourism development and marketing, Raymond Mhlaba Municipality is working in partnership with the Community Tourism Organization and Raymond Mhlaba Municipality Local Tourism Organization, the two structures play a crucial role on driving tourism development. To explore hunting, game farming, eco-tourism and promote adventure tourism in Raymond Mhlaba Municipality. To leverage off existing and potential tourism products in Raymond, Raymond Mhlaba Local Tourism Organization in partnership with tourism unit has developed and designed a tourism marketing brochure, in order to market Raymond Mhlaba Municipality as leading tourist destination in Amathole District Municipality.

Tourism sector was virtually decimated by the COVID Lockdown, which affected the value chain connected to the industry, like catering, retail, agriculture, transport etc, however, the tourism unit has developed ever since and also promoted tourism products to stimulate the local economy with a view of creating employment opportunities. The Tourism Unit in partnership with Raymond Mhlaba Crafters Association has converted and refurbished the Arts and Craft Shop in Alice Tourism Offices Complex whereby all the handmade arts and craft items produced in Raymond Mhlaba will be displayed and sold. Raymond Mhlaba Municipality

in partnership with the Eastern Cape Parks and Tourism Agency have established a homestays project in Alice. Homestays refers to the experience of tourists or visitors living together with a selected host family while interacting and experiencing the day to day life of the family, including their cultural lifestyle. It is a private residence that accommodates paying guests who enjoys staying in the comfort and security of family home. The homestays are intended to provide visitors with accommodation, a taste of township, village and urban lifestyle attempting to provide authentic cross cultural experience. The tourism unit is supporting the emerging tourism entrepreneurs and facilitating the capacity building programmes in partnership with other relevant stakeholders.

| LOCAL ECONOMIC DEVELOPMENT | | | | | | |
|-----------------------------------|----------------------|--|--|---|----------------------------------|--------------------------------------|
| REF | PRIORITY AREA | STRATEGIC OBJECTIVE | Outcome Based Indicator | Baseline | 2021 - 2022 Annual Target | 2020/ 2021 Actual performance |
| LED 1 | Unemployment | To ensure sustainable Local Economic Development by 2022 | Number of jobs created through Capital Projects | 200 | 200 | 439 |
| LED 2 | | To ensure sustainable Local Economic Development by 2022 | Number of jobs created through EPWP | New Indicator | 200 | 691 |
| LED 3 | | To ensure sustainable Local Economic Development by 2022 | Number of jobs created through LED initiatives | 92 | 50 | 0 |
| LED 4 | | To ensure sustainable Local Economic Development by 2022 | Number of economic activities supported | 4 | 4 | 3 economic activities supported |
| LED 5 | | SMMEs | To ensure sustainable Local Economic Development by 2022 | Number of SMMEs supported by the Municipality | 13 | 10 |

3.10 INTRODUCTION TO COMMUNITY

A wide range of social services and amenities are provided to promote sustainable communities and ensure that the dignity of the people is restored. The aim is to achieve social empowerment and cohesion by promoting social development and strengthening communities, with a dedicated focus on poor, vulnerable and marginalised residents. The municipality's interventions include establishing and maintaining inclusive community amenities such as municipal halls, parks/ recreational facilities, sport grounds, markets and libraries. These play a critical role in the development of society and in enhancing social cohesion.

3.10.1 Cemeteries

Raymond Mhlaba Municipality currently has a total of eleven (11) cemeteries that are located in urban areas. All of the cemeteries are almost full to capacity as such the municipality has identified new sites through the assistance of the town planning section in all our towns and as such the Environmental Impact Assessment needs to be conducted in ensuring that the identified sites meets the required standards. The municipality continues to roll out the fencing of rural cemeteries. This is done in consultation with ward councillors. Their responsibility is to identify which cemetery to be fenced. The fence is procured and later erected per identified space making use of local youth. This is to ensure that the project is owned by the communities while the same youth receives income.

3.10.2 Community facilities

The municipality has 19 halls and 5 municipal parks under its jurisdiction which are rented out to communities as per approved municipal tariffs. All the municipal halls need major renovations and as such the office has been receiving numerous complaints about the conditions of such properties. During the year under review, four halls were renovated namely; Adelaide, Fort Beaufort, Alice and Bedford town hall. The Bedford Hall was done with assistance from Amakhala Emoyeni Wind Farm.

3.10.3 Libraries

Raymond Mhlaba Municipality has eight public libraries in the following areas; Bedford x 1, Adelaide x 2, Alice x 1, Fort Beaufort x 3 and Seymour which the municipality is rendering the service on behalf of the Department of Sport, Recreation, and Arts & Culture (DSRAC). On a yearly basis the municipality is requested to submit a business plan which outlines the activities that will be carried out within these libraries for DSRAC to fund those. The municipality is also required to enter into an MOA with Department which outlines the responsibilities of each party. Renovations in Alice Library has been completed and facility is in use by the public. Town

Library is also under renovations which is funded by the Department of Public Works. Challenges relating to the arrangement is that the subsidy received to deliver this service do not cover 100% of the expenses of library services. This impact negatively on the rolling out of programmes of the library services to communities. Also, the municipality is experiencing vandalism in these facilities due to the lack of security.

3.12 INTRODUCTION TO CHILD CARE, AGED CARE AND SOCIAL PROGRAMMES

The Department of Social Development is well positioned to empower the poor, as a crucial component of ensuring a sustainable solution to poverty and hunger in the long term. The Department's targeted interventions focus on poverty reduction, food security and developmental initiatives that enable self-sustainability and social inclusivity. These interventions further respond to the conditions of both individual and household poverty by providing a broad variety of programmes and support services. A critical enabling milestone in addressing the inter-generational poverty confronting many poor households is food and nutrition security. To this end the municipality supports small scale farmers so that they can contribute to the municipality food trade surplus.

COMPONENT E: HEALTH

This component includes: clinics and hospitals.

3.13 INTRODUCTION TO HEALTH

Department of Health is mandated to develop a high quality, efficient, equitable health system that is accessible to all Raymond Mhlaba Municipality's residents. The Department is responsible for the provision of primary health care services in the Raymond Mhlaba through its 38 clinics network. The municipality's clinics operate in conjunction with the six hospitals managed by the Eastern Cape Provincial Department of Health.

COMPONENT F: DISASTER AND SAFETY

This component includes: fire & disaster management services, Traffic, registration and licencing and control of animals.

3.14 FIRE SERVICES INTRODUCTION TO FIRE SERVICES

Raymond Mhlaba Municipal Fire & Rescue Department as a first responder to incidents is dedicated to protecting and serving the entire community with a commitment to professionalism and performance excellence. Prevention of human life from fire and other hazards, advance public safety through fire prevention, investigation and education is amongst the core responsibility of the unit.

Fire Prevention:

Improve quality of life through pro-active services, including education, inspection and awareness campaigns.

Fire Administration:

Provide leadership and visionary and direction for the Raymond Mhlaba Fire and Rescue Services.

PERFORMANCE IMPROVEMENT:

- i. Trained staff appointed
- ii. One Rapid Response Vehicle to attend to rescue related incidents,
- iii. One medium pumper with the capacity of 6 000 L of water
- iv. Main Fire base in Fort Beaufort operational,
- v. Adelaide satellite base opened and operational,
- vi. Alice satellite fire station established and operational.

| Fire Service Data | | | | | |
|-------------------|--|---------------|-----------------|---------------|-----------------------|
| | Details | 2020/ 2021 | 2021/ 2022 | | 2023/2024 |
| | | Actual No. | Estimate No. | Actual No. | Estimate No. |
| 1 | Total fires <i>attended</i> in the year | 48 | | 80 | |
| 2 | Total of other incidents attended in the year | 72 | | 50 | |
| 3 | Average turnout time - urban areas | 30 minutes | | 30 minutes | 3min to 15 minutes |
| 4 | Average turnout time - rural areas | 60 minutes | | 60 minutes | 60 minutes |
| 5 | Fire fighters in post at year end | 7 | | 8 | 12 |
| 6 | Total fire appliances at year end | 2 | | 2 | 2 |
| 7 | Average number of appliance off the road during the year | 2 | | 2 | 3 |

After hours the crew is placed on stand by and responds from home, making turnout time very long. The time between the caller and the departure time from the base is extended by the fact that responders are to be fetched from home.

3.15 INTRODUCTION TO TRAFFIC SERVICE

Traffic services unit is responsible to carry the following functions;

- Deliver satisfied service to all citizens.
- Making appointments for learners licence.
- Renewal of driving licence.
- Conducting eye tests
- Renewal of professional driving permits.
- Conducting learners licence class.
- Testing for driving licence.
- Serving residents with queries on certain transactions.
- Registration and licensing of motor vehicles.
- To regulate and control traffic upon any public road within our area of jurisdiction.
- To attend to accidents.
- To do escorts.
- To serve warrants of arrest.
- To conduct external training at schools.
- To visit scholar patrols and conduct traffic safety talks.

| Traffic Service Data | | | | | |
|----------------------|---|------------|--------------|------------|--------------|
| | Details | 2020/ 21 | 2021/ 2022 | | 2023/ 2024 |
| | | Actual No. | Estimate No. | Actual No. | Estimate No. |
| 1. | Number of road traffic accidents during the year | 109 | 200 | 100 | 120 |
| 2. | Number of by-law infringements attended | 11 | 14 | 9 | 12 |
| 3. | Number of traffic officers in the field on an average day | 9 | 9 | 9 | 9 |
| 4. | Number of traffic officers on duty on an average day | 9 | 9 | 9 | 9 |

COMPONENT G: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls and stadiums.

3.16 INTRODUCTION TO SPORT AND RECREATION

Raymond Mhlaba Local Municipality provides access to facilities and encourages recreational activities and other healthy lifestyle activities. It strives for sporting excellence, encouraging the transformation of sporting codes and facilitates various initiatives that reinforce the national

sport plan initiatives. The municipality has a total of 7 sports facilities in the following urban areas, Bedford x 3, Adelaide x 1, Fort Beaufort x 2, Alice x1 and Middledrift x1.

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

INTRODUCTION

The organization is the 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 service Department. The core functions of the department are as follows.

- i. Organizational design
- ii. Job analysis and evaluations
- iii. Employee assistance programme

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, Vacancies AND Turnover rate

Raymond Mhlaba Municipality currently employs 1063 (including contract employees) officials, who individually and collectively contribute to the achievement of municipality's objectives. The primary objective of the Human Resources Management is to render an innovative HR service that addresses both skills development and an administrative function.

4.1.1 EMPLOYEE TOTALS

| Description | 2021/2022 | 2020/2021 | | | |
|--|------------------|--------------------------|------------------|------------------|----------------|
| | Employees No. | Approved Posts No. | Employees No. | Vacancies No. | Vacancies % |
| Municipal Manager Office | 2 | 2 | 2 | 0 | 100% |
| Communications | 3 | 4 | 3 | 1 | 25% |
| Internal Audit | 3 | 4 | 3 | 1 | 25% |
| Office of the Speaker | 7 | 9 | 7 | 2 | 22% |
| Office of the Mayor | 3 | 4 | 3 | 1 | 0% |
| Strategic Planning and Local Economic Development | 18 | 26 | 18 | 6 | 23% |
| Local Economic Development | 15 | 20 | 15 | 5 | 25% |
| IDP & PMS | 3 | 4 | 3 | 1 | 25% |

| | | | | | |
|---|------------|------------|------------|------------|------|
| Finance | 2 | 2 | 1 | 0 | 0% |
| Budget | 4 | 4 | 4 | 0 | 0% |
| Asset | 2 | 5 | 2 | 1 | 60% |
| Revenue | 28 | 34 | 28 | 6 | 18% |
| Expenditure | 4 | 5 | 4 | 1 | 20% |
| Supply Chain | 8 | 10 | 10 | 0 | 0% |
| Corporate Services Director & Secretary | 2 | 2 | 2 | 1 | 50% |
| Council Support and Records Management | 18 | 19 | 18 | 1 | 5.3% |
| ICT | 4 | 5 | 4 | 1 | 20% |
| Administration | 40 | 50 | 40 | 8 | 16% |
| Human Resources | 13 | 14 | 13 | 1 | 7.6% |
| Fleet | 21 | 37 | 21 | 16 | 43% |
| Community Services | 2 | 2 | 2 | 2 | 0% |
| Waste and Social Needs | 91 | 104 | 96 | 8 | 7.7% |
| Fire and Disaster Management | 8 | 33 | 8 | 25 | 76% |
| Law Enforcement Manager | 1 | 1 | 1 | 1 | 0% |
| Peace Officer | 6 | 10 | 6 | 4 | 40% |
| Traffic & Admin | 16 | 38 | 18 | 18 | 32% |
| Rangers | 07 | 07 | 07 | 0 | 0% |
| Pound Master | 4 | 7 | 7 | 3 | 43% |
| Security | 39 | 44 | 39 | 5 | 11% |
| Engineering | 1 | 2 | 2 | 2 | 0% |
| Housing and Landuse | 22 | 38 | 22 | 16 | 42% |
| PMU | 5 | 6 | 5 | 1 | 20% |
| Civil Works | 31 | 37 | 37 | 6 | 16% |
| Roads and Storm water | 39 | 55 | 53 | 2 | 3.6% |
| Electricity Services | 26 | 38 | 28 | 12 | 32% |
| Council | 03 | 03 | 03 | 0 | 0% |
| Totals | 499 | 706 | 533 | 142 | |

4.1.2 VACANCY RATE

| Vacancy Rate: 2020/2021 | | | |
|---|------------------------------|--|---|
| 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. | % |
| Municipal Manager | 1 | 0 | 0% |
| CFO | 1 | 0 | 0% |
| Other S57 Managers (excluding Finance Posts) | 4 | 1 | 25% |
| Other S57 Managers (Finance posts) | 0 | 0 | 0% |
| Security officers | 44 | 10 | 23% |
| Fire fighters | 25 | 18 | 72% |
| Senior management: Levels 13-15 (excluding Finance Posts) | 21 | 5 | 24% |
| Senior management: Levels 13-15 (Finance posts) | 6 | 3 | 50% |
| Highly skilled supervision: levels 9-12 (excluding Finance posts) | 81 | 7 | 8.6% |
| Highly skilled supervision: levels 9-12 (Finance posts) | 18 | 7 | 38.8% |
| Total | 201 | 51 | 25% |

4.1.3 TURN-OVER RATE

| Turn-over Rate | | | |
|-----------------------|---|---|------------------------|
| Details | Total Appointments as of beginning of Financial Year | Terminations during the Financial Year | Turn-over Rate* |
| | No. | No. | |
| Year 2019/20 | 120 | 11 | 9.1% |
| Year 2020/21 | 120 | 20 | 20.4% |
| Year 2021/22 | 1 | 21 | 2.1% |

COMMENT ON VACANCIES AND TURNOVER:

The institution encountered 7 Deaths, 6 resignations, 5 dismissal and 3 retirements.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 POLICIES

| HR Policies and Plans | | | | |
|------------------------------|--|------------------|-----------------|---|
| | Name of Policy | Completed | Reviewed | Date adopted by council or comment on failure to adopt |
| | | % | % | |
| 1 | Whistle Blowing | x | 100% | 22 May 2022 |
| 2 | Internal Sport & Recreation | x | 100% | 22 May 2022 |
| 3 | Housing& Rental for Staff | x | 100% | 22 May 2022 |
| 4 | Imprisonment | x | 100% | 22 May 2022 |
| 5 | Councillor Employee Assistant Programs | x | 100% | 22 May 2022 |
| 6 | Records Management | x | 100% | 22 May 2022 |
| 7 | S & T | x | 100% | 30 August 2021 |
| 8 | Employee Assistance / Wellness | x | 100% | 30 August 2021 |
| 9 | Employment Equity Plan | x | 100% | 30 August 2021 |
| 10 | Exit Management | x | 100% | 30 August 2021 |
| 11 | Grievance Procedures | x | 100% | 30 August 2021 |
| 11 | HIV/Aids | x | 100% | 30 August 2021 |
| 12 | Human Resource and Development | x | 100% | 30 August 2021 |
| 13 | Information Technology | x | 100% | 30 August 2021 |
| 14 | Job Evaluation | x | 100% | 30 August 2021 |
| 15 | Leave | x | 100% | 30 August 2021 |
| 16 | Occupational Health and Safety | x | 100% | 30 August 2021 |
| 17 | Smoke | x | 100% | 30 August 2021 |
| 18 | Substance Abuse | x | 100% | 30 August 2021 |
| 19 | Attendance & Punctuality | x | 100% | 30 August 2021 |
| 20 | ICT users access Management | x | 100% | 30 August 2021 |
| 21 | ICT Security Management | x | 100% | 30 August 2021 |
| 22 | ICT Email | x | 100% | 30 August 2021 |
| 23 | Telephone | x | 100% | 30 August 2021 |
| 24 | Recruitment & Selection | x | 100% | 30 August 2021 |
| 25 | Dress code | x | 100% | 30 August 2021 |
| 26 | Bursary | x | 100% | 30 August 2021 |
| 27 | Sexual Harassment | x | 100% | 30 August 2021 |

| | | | | |
|----|--|---|------|----------------|
| 28 | Skills Development | x | 100% | 30 August 2021 |
| 29 | Insurance | x | 100% | 30 August 2021 |
| 30 | Succession | x | 100% | 30 August 2021 |
| 31 | Exit Management | x | 100% | 30 August 2021 |
| 32 | Danger Allowance | x | 100% | 30 August 2021 |
| 33 | Performance Management and Development | x | 100% | 30 August 2021 |

4.3 INJURIES, SICKNESS AND SUSPENSIONS

| 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 | 0 | 0 | 0% | 0 | 00.00 |
| Temporary total disablement | 0 | 0 | 0% | 0 | |
| Permanent disablement | 0 | 0 | 0% | 0 | |
| Fatal | | | | | |
| Total | 0 | 0 | 0 | 0 | 00.00 |

| 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 | R' 000 |
| Lower skilled (Levels 1-2) | | | | | | |
| Skilled (Levels 3-5) | 250 | 30% | 102 | 173 | 2 | |
| Highly skilled production (levels 6-8) | 286 | 20% | 89 | 198 | 1 | |
| Highly skilled supervision (levels 9-12) | 109 | 25% | 48 | 99 | 1 | |

| | | | | | | |
|----------------------------------|------------|-------------|------------|------------|----------|--|
| Senior management (Levels 13-15) | 74 | 15% | 13 | 21 | 4 | |
| MM and S57 | 9 | 20% | 2 | 6 | 1 | |
| Total | 728 | 105% | 254 | 497 | 9 | |

COMMENT ON INJURY AND SICK LEAVE:

One employee got injured on duty during this financial year. The case was attended to and reported to the Department of Labour.

| 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 |
| Payroll Officer | Financial misconduct | February-2020 | Suspension extended in June to August 2021 for hearing | Hearing held in July 2021 |
| Payroll Officer | Financial Misconduct | November 2021 | Case has been reported outside | In progress |
| HR Manager | Alleged misconduct | 15 December 2021 | August 2022 | In progress |

| 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 |
| Payroll Officer | Financial misconduct (R 100 000.00) | On Suspension | In progress |
| Payroll Officer | Financial misconduct (4 000 000.00) | On Suspension | In progress |

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

All the above suspensions are above four months as the cases are continuing and the extensions were done appropriately.

4.4 PERFORMANCE REWARDS

No performance rewards were paid under the period under review.

4.5 DISCLOSURES OF FINANCIAL INTERESTS

Councillors, Senior Management and all employees including those sitting in Bid committees have signed the declaration of interest forms.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The MSA states that a municipality must develop its workforce to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable manner. For this purpose, the HR Capacity of a municipality must comply with the Skills Development Act and Skills Development Levies Act.

One of the key programmes was the implementation of the Workplace Skills Plan wherein employees and previously disadvantaged persons were trained on acquire skills. A plan was developed and submitted to the LGSETA on time. Programs were implemented for both Councillors and employees through Institution of Higher Learning by providing education assistance. Unemployed learners were taken through learnership.

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 | | Total | | |
|--|--------|--|--|-----------------------|---------------|------------------------|-----------------------|---------------|---|-----------------------|-------------------------|------------------------|-----------------------|---------------|----|
| | | | 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 | Actual: End of Year -1 | Actual: End of Year 0 | Year 0 Target | |
| MM and s57 | Female | 1 | 0 | 1 | 1 | 1 | | | | | 0 | 1 | 1 | 1 | 2 |
| | Male | 3 | 1 | | | | | | | | 1 | 2 | | 1 | 2 |
| Councillors, senior officials and managers | Female | 25 | 0 | | | | | | | | 19 | 3 | 3 | 3 | 3 |
| | Male | 40 | 0 | | | | | | 28 | | 4 | 4 | | 4 | 4 |
| Technicians and associate professionals * | Female | 68 | 0 | | | | | | | | 2 | 2 | | 2 | 2 |
| | Male | 38 | 4 | | | | | | | | 8 | 9 | | 8 | 9 |
| Professionals | Female | 34 | 1 | 11 | 15 | | | | | | 6 | 6 | | 17 | 21 |
| | Male | 29 | 4 | 10 | 15 | | | | | | 2 | 2 | | 2 | 2 |
| Sub total | Female | 128 | 1 | 12 | 16 | | | | | | 11 | 12 | | 23 | 28 |
| | Male | 110 | 9 | 10 | 15 | | | | | | 15 | 17 | | 15 | 17 |
| Total | | 238 | 10 | 44 | 62 | 0 | 0 | 0 | 47 | | 52 | 58 | 0 | 76 | 90 |

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 number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f)) | Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)) |
|--|--|---|--------------------------------------|---|--|---|
| Financial Officials | | | | | | |
| Accounting officer | 1 | 0 | 1 | 0 | 0 | 1 |
| Chief financial officer | 1 | 0 | 1 | 0 | 0 | 1 |
| Senior managers | 4 | 0 | 4 | 0 | 0 | 4 |
| Any other financial officials | 8 | 0 | 8 | 0 | 0 | 8 |
| Supply Chain Management Officials | | | | | | |
| Heads of supply chain management units | 1 | 0 | 1 | 0 | 0 | 1 |

| | | | | | | |
|---|-----------|----------|-----------|----------|----------|-----------|
| Supply chain management senior managers | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 15 | 0 | 15 | 0 | 0 | 15 |

Skills Development Expenditure

R'000

| Management level | Gender | Employees as at the beginning of the financial year | Original Budget and Actual Expenditure on skills development Year 1 | | Skills programmes & other short courses | | Other forms of training | | Total | |
|--|--------|---|---|--------|---|--------|-------------------------|--------|-----------------|--------|
| | | | Original Budget | Actual | Original Budget | Actual | Original Budget | Actual | Original Budget | Actual |
| MM and S57 | Female | 1 | 50000 | 46000 | | | | | 50000 | 46000 |
| | Male | 3 | | | | | | | | |
| Legislators, senior officials and managers | Female | 25 | | | | | | | | |
| | Male | 40 | | | | | | | | |
| Professionals | Female | 34 | 300000 | 252170 | | | | | 300000 | 252170 |
| | Male | 29 | 350000 | 717232 | | | | | 350000 | 717232 |
| Technicians and associate professionals | Female | 68 | | | | | | | | |
| | Male | 38 | | | | | | | | |
| Clerks | Female | 38 | | | | | | | | |
| | Male | 32 | | | | | | | | |
| Service and sales workers | Female | 17 | | | | | | | | |
| | Male | 12 | | | | | | | | |
| Plant and machine operators and assemblers | Female | 0 | | | | | | | | |
| | Male | 18 | | | | | | | | |

| | | | | | | | | | | |
|------------------------|--------|------------|---------------|----------------|----------|----------|----------|----------|---------------|----------------|
| Elementary occupations | Female | 41 | 100000 | 42888 | | | | | 100000 | 42888 |
| | Male | 11 | 100000 | | | | | | 100000 | |
| Sub total | Female | 224 | 350000 | 298170 | | | | | 350000 | 298170 |
| | Male | 183 | 350000 | 717232 | | | | | 350000 | 717232 |
| Total | | 407 | 700000 | 1015402 | 0 | 0 | 0 | 0 | 700000 | 1015402 |

| Skills Development Expenditure | | | | | | | | | | | |
|--|--------|---|---|--------|---|--------|-------------------------|--------|-----------------|--------|--|
| R'000 | | | | | | | | | | | |
| Management level | Gender | Employees as at the beginning of the financial year | Original Budget and Actual Expenditure on skills development Year 1 | | Skills programmes & other short courses | | Other forms of training | | Total | | |
| | | | Original Budget | Actual | Original Budget | Actual | Original Budget | Actual | Original Budget | Actual | |
| MM and S57 | Female | 3 | 50000 | 46000 | | | | | 50000 | 46000 | |
| | Male | 3 | | | | | | | | | |
| Legislators, senior officials and managers | Female | 23 | | | | | | | | | |
| | Male | 52 | | | | | | | | | |
| Professionals | Female | 2 | 300000 | 252170 | | | | | 300000 | 252170 | |
| | Male | 2 | 350000 | 717232 | | | | | 350000 | 717232 | |
| Technicians and associate professionals | Female | 33 | | | | | | | | | |
| | Male | 83 | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | |
|--|--------|------------|---------------|--|----------------|--|----------|--|----------|--|----------|--|----------|--|---------------|--|----------------|--|--|
| Clerks | Female | 43 | | | | | | | | | | | | | | | | | |
| | Male | 34 | | | | | | | | | | | | | | | | | |
| Service and sales workers | Female | 38 | | | | | | | | | | | | | | | | | |
| | Male | 67 | | | | | | | | | | | | | | | | | |
| Plant and machine operators and assemblers | Female | 38 | | | | | | | | | | | | | | | | | |
| | Male | 75 | | | | | | | | | | | | | | | | | |
| Elementary occupations | Female | 96 | 100000 | | 42888 | | | | | | | | | | | | | | |
| | Male | 116 | 100000 | | | | | | | | | | | | | | | | |
| Sub total | Female | 142 | 350000 | | 298170 | | | | | | | | | | | | | | |
| | Male | 241 | 350000 | | 717232 | | | | | | | | | | | | | | |
| Total | | 383 | 700000 | | 1015402 | | 0 | | 0 | | 0 | | 0 | | 700000 | | 1015402 | | |

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

Councillors and employees who registered or progressing with their studies were given the financial support. The municipality has ensured that the budget for training was put within affordability and prevented over commitment. This was done through ensuring that a plan is in place

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

The municipality tried to ensure that the workforce expenditure is kept within the accepted proportion of the equitable share. This was affected by the absorption of more than 100 contract employees in the middle of the financial year. Nevertheless, the municipality did not tap into Grants meant for service delivery. Instead, it enhanced its human capital expenditure through own revenue source.

4.6 EMPLOYEE EXPENDITURE

| FINANCIAL YEAR | BUDGETED | ACTUAL |
|-----------------------|-----------------|---------------|
| 2019/20 | R138 450 000 | R137 041 312 |
| 2020/21 | R 149 305 713 | R 149 322 711 |
| 2021/22 | R 164 678 151 | R 166 771 031 |

COMMENT ON WORKFORCE EXPENDITURE:

4.7 DISCLOSURES OF FINANCIAL INTERESTS

Councillors, Senior Management and employees including those sitting in Bid Committees have signed the declaration of interest forms

CHAPTER 5 – FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The municipal revenue at year end including operating and capital grants at year end amounted to R 487 million and the total operating expenditure amounted to R 443 million; the net deficit for the year amounted to R44 million. The largest sources of revenue include grants, property rates, service charges and interest on outstanding debtors. The municipality developed a financial recovery plan. The liquidity ratio of 0,3 this is an indication that the municipality is unable to pay all its current or short term obligations, this is mainly due to the Eskom debt. In addressing the liabilities, the municipality has put in place the following measures:

- Payment arrangement entered into with Eskom
- Set-off arrangement to be entered into with Amatole District
- Revision of the existing payment arrangement plan with Auditor General.
- Payment arrangement to be entered into with SALGA

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Reconciliation of Table A1 Budget Summary

| Description | 2021/22 | | | | | | | | | | 2020/21 | | | | |
|--|--------------------|---|--------------------------|---|---------------------------------------|--------------------|--------------------|--------------------------|----------|-------------------------------------|--|-----------------------------------|---|-------------------------|--------------------------|
| | Original Budget | Budget Adjustments (to \$28 and \$31 of the MFMA) | Final adjustments budget | Shifting of funds (to \$31 of the MFMA) | Virement (to Council approved policy) | Final Budget | Actual Outcome | Unauthorised expenditure | Variance | Actual Outcome as % of Final Budget | Actual Outcome as % of Original Budget | Reported unauthorised expenditure | Expenditure authorised in terms of section 32 of MFMA | Balance to be recovered | Restated Auditor Outcome |
| R thousands | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| Financial Performance | | | | | | | | | | | | | | | |
| Property rates | 110,360,400 | 0 | 110,360,400 | | | 110,360,400 | 100,082,404 | | | 91% | 91% | | | | 103,828,797 |
| Service charges | 70,815,358 | 0 | 70,815,358 | | | 70,815,358 | 77,277,748 | | | 109% | 109% | | | | 84,487,542 |
| Investment revenue | 330,000 | 0 | 330,000 | | | 330,000 | 1,414,766 | | | 429% | 429% | | | | 1,552,982 |
| Transfers recognised - operational | 199,643,650 | 0 | 199,643,650 | | | 199,643,650 | 200,169,983 | | | 100% | 100% | | | | 235,700,018 |
| Other own revenue | 36,731,000 | 0 | 36,731,000 | | | 36,731,000 | 48,659,405 | | | 132% | 132% | | | | 38,704,461 |
| Total Revenue (excluding capital transfers and contributions) | 417,880,408 | 0 | 417,880,408 | | | 417,880,408 | 427,804,306 | | | 102% | 102% | | | | 484,073,770 |
| Employee costs | 196,703,048 | 6,692,238 | 203,395,286 | | | 203,395,286 | 196,351,905 | | | 98% | 101% | | | | 189,467,804 |
| Remuneration of councillors | 19,997,252 | 1,397,074 | 21,394,326 | | | 21,394,326 | 19,037,190 | | | 89% | 95% | | | | 18,464,737 |
| Debt impairment | 25,000,000 | -22,119,462 | 2,880,538 | | | 2,880,538 | 76,757,514 | | | 2734% | 315% | | | | 75,717,040 |
| Depreciation & asset impairment | 30,855,871 | 0 | 30,855,871 | | | 30,855,871 | 4,826,064 | | | 16% | 16% | | | | 29,795,265 |
| Finance charges | 18,698,000 | 1,739 | 18,696,739 | | | 18,696,739 | 8,075,185 | | | 43% | 43% | | | | 13,435,402 |
| Materials and bulk purchases | 45,600,000 | 5,946,173 | 51,546,173 | | | 51,546,173 | 37,103,914 | | | 72% | 81% | | | | 69,393,436 |
| Transfers and grants | 11,200,000 | -1,627,770 | 11,037,230 | | | 11,037,230 | 7,657,123 | | | 69% | 69% | | | | 9,459,906 |
| Other expenditure | 66,888,821 | 20,681,111 | 87,369,932 | | | 87,369,932 | 89,795,614 | | | 103% | 135% | | | | 138,658,061 |
| Total Expenditure | 414,739,992 | 12,436,103 | 427,176,095 | | | 427,176,095 | 443,604,509 | | | 104% | 107% | | | | 544,391,650 |
| Surplus/(Deficit) | 39,266,350 | 0 | 39,266,350 | | | 39,266,350 | 60,043,590 | | | 153% | 153% | | | | 75,249,011 |
| Transfers recognised - capital | | | | | | | | | | | | | | | |
| Contributions recognised - capital & contributed assets | | | | | | | | | | | | | | | |
| Surplus/(Deficit) after capital transfers & contributions | | | | | | | | | | | | | | | |
| Share of surplus/(deficit) of associate | | | | | | | | | | | | | | | |
| Surplus/(Deficit) for the year | 42,406,766 | -12,436,103 | 29,970,663 | | | 29,970,663 | 44,043,377 | | | | | | | | -5,068,869 |
| Capital expenditure & funds sources | | | | | | | | | | | | | | | |
| Capital expenditure | | | | | | | | | | | | | | | |
| Transfers recognised - capital | 39,266,350 | | 39,266,350 | | | 39,266,350 | 60,043,590 | | | | | | | | 75,249,011 |
| Public contributions & donations | | | | | | | | | | | | | | | |
| Borrowing | | | | | | | | | | | | | | | |
| Internally generated funds | | | | | | | | | | | | | | | |
| Total sources of capital funds | 39,266,350 | 0 | 39,266,350 | | | 39,266,350 | 60,043,590 | | | | | | | | 75,249,011 |
| Cash flows | | | | | | | | | | | | | | | |
| Net cash from (used) operating | 49,726,670 | -15,632,890 | 34,693,990 | | | 34,693,990 | 70,669,596 | | | | | | | | |
| Net cash from (used) investing | -76,590,700 | -12,660,796 | -89,251,496 | | | -89,251,496 | 69,028,667 | | | | | | | | |
| Net cash from (used) financing | 218,095 | -68,000 | 150,095 | | | 150,095 | -1,535,092 | | | | | | | | |
| Cash/cash equivalents at the year end | -17,491,029 | -20,389,029 | -37,880,058 | | | -37,880,058 | 16,663,189 | | | | | | | | 15,111 |

R '000

| Description | 2020/21 | 2021/22 | | 2021/22 Variance | | |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------|-------------------|
| | Actual | Original Budget | Adjustment Budget | Actual | Original Budget | Adjustment Budget |
| Operating Cost | | | | | | |
| Water | 0 | 0 | 0 | 0 | | |
| Waste Water (Sanitation) | 0 | 0 | 0 | 0 | | |
| Electricity | 160,343,595 | 77,973,604 | 93,965,823 | 98,881,523 | 21.14% | 4.97% |
| Waste Management | 30,359,494 | 17,974,714 | 17,088,056 | 35,915,187 | 49.95% | 52.42% |
| Housing | 0 | 0 | 0 | 0 | | |
| Component A: sub-total | 190,703,089 | 95,948,318 | 111,053,879 | 134,796,710 | 28.82% | 17.61% |
| Waste Water (Stormwater Drainage) | 0 | 0 | 0 | 0 | | |
| Roads | 61,747,989 | 45,752,372 | 31,021,604 | 31,599,806 | -44.79% | 1.83% |
| Transport | 0 | 0 | 0 | 0 | | |
| Component B: sub-total | 61,747,989 | 45,752,372 | 31,021,604 | 31,599,806 | -44.79% | 1.83% |
| Planning | 0 | 0 | 0 | 0 | | |
| Local Economic Development | | 0 | 0 | | | |
| Component B: sub-total | 0 | 0 | 0 | 0 | | |
| Planning (Strategic & Regulatory) | 15,794,574 | 56,215,867 | 60,181,750 | 22,615,436 | -148.57% | -166.11% |
| Local Economic Development | 0 | 0 | 0 | 0 | | |
| Component C: sub-total | 15,794,574 | 56,215,867 | 60,181,750 | 22,615,436 | -148.57% | -166.11% |
| Community & Social Services | 14,333,710 | 7,211,168 | 10,392,810 | 1,022,195 | -605.46% | -916.72% |
| Environmental Protection | 0 | 0 | 0 | 0 | | |
| Health | 0 | 0 | 0 | 0 | | |
| Security and Safety | 10,752,315 | 28,665,665 | 23,226,117 | 48,088,977 | 40.39% | 51.70% |
| Sport and Recreation | 3,642,443 | | 2,006,549 | 5,902,870 | 100.00% | 66.01% |
| Corporate Policy Offices and Other | 247,417,530 | 180,946,602 | 162,518,139 | 199,578,514 | 9.34% | 18.57% |
| Component D: sub-total | 276,145,998 | 216,823,435 | 198,143,615 | 254,592,556 | 14.84% | 22.17% |
| Total Expenditure | 544,391,650 | 414,739,992 | 400,400,848 | 443,604,508 | 6.51% | 9.74% |

Original budget for opex was increased during the financial year, the actual spending amounted to R443 million. The adjustments are mainly due to employee related costs, depreciation, bulk purchases, debt impairment and other expenditure.

5.2 GRANTS

| Grant Performance | | | | | | | R' 000 |
|---|-------------|-------------|-------------------|------------------|---------------------|-------------------------|--------|
| Description | 2020/21 | 2021/22 | | 2021/22 Variance | | | |
| | Actual | Budget | Adjustment Budget | Actual | Original Budget (%) | Adjustment s Budget (%) | |
| Operating Transfers and Grants | | | | | | | |
| National Government: | 274,898,084 | 236,760,000 | 236,760,000 | 237,591,838 | 0% | 0% | |
| Equitable share | 218,472,782 | 189,927,000 | 189,927,000 | 189,927,000 | 0% | 0% | |
| Municipal Systems Improvement | 0 | | | 0 | | | |
| Department of Water Affairs | 0 | | | 0 | | | |
| Levy replacement | 0 | | | 0 | | | |
| Municipal Finance Management grant | 2,500,000 | 2,600,000 | 2,600,000 | 2,600,000 | 0% | 0% | |
| Municipal Infrastructure grant | 31,546,000 | 41,333,000 | 41,333,000 | 41,333,000 | 0% | 0% | |
| Intergrated National Electrification Program | 16,554,000 | 0 | 0 | 0 | | | |
| Energy Efficiency and Demand Management Side | | | | 0 | | | |
| Expanded Public Works Programme | 3,309,000 | 2,900,000 | 2,900,000 | 2,900,000 | 0% | 0% | |
| Municipal Disaster Relief grant | 0 | | | 0 | | | |
| National Treasury Audit fees grant 1% LG Seta | 2,283,789 | | | 569,866 | 100% | 100% | |
| | 232,513 | | | 261,972 | 100% | 100% | |
| Provincial Government: | 36,050,945 | 2,150,000 | 2,150,000 | 22,621,726 | 90% | 90% | |
| Health subsidy | 0 | | | 0 | | | |
| Housing | 1,499,263 | 0 | 0 | 0 | | | |
| Ambulance subsidy | 0 | | | 0 | | | |
| Sports and Recreation | 1,650,000 | 1,650,000 | 1,650,000 | 1,650,000 | 0% | 0% | |
| | 0 | | | 0 | | | |
| | 4,641,941 | 500,000 | 500,000 | 288,939 | -73% | -73% | |
| | 15,003,331 | | | | | | |
| | 13,256,410 | | | 20,682,787 | 100% | 100% | |
| District Municipality: | 0 | 0 | 0 | 0 | | | |
| <i>[insert description]</i> | | | | | | | |
| Other grant providers: | 0 | 0 | 0 | 0 | | | |
| <i>[insert description]</i> | | | | | | | |

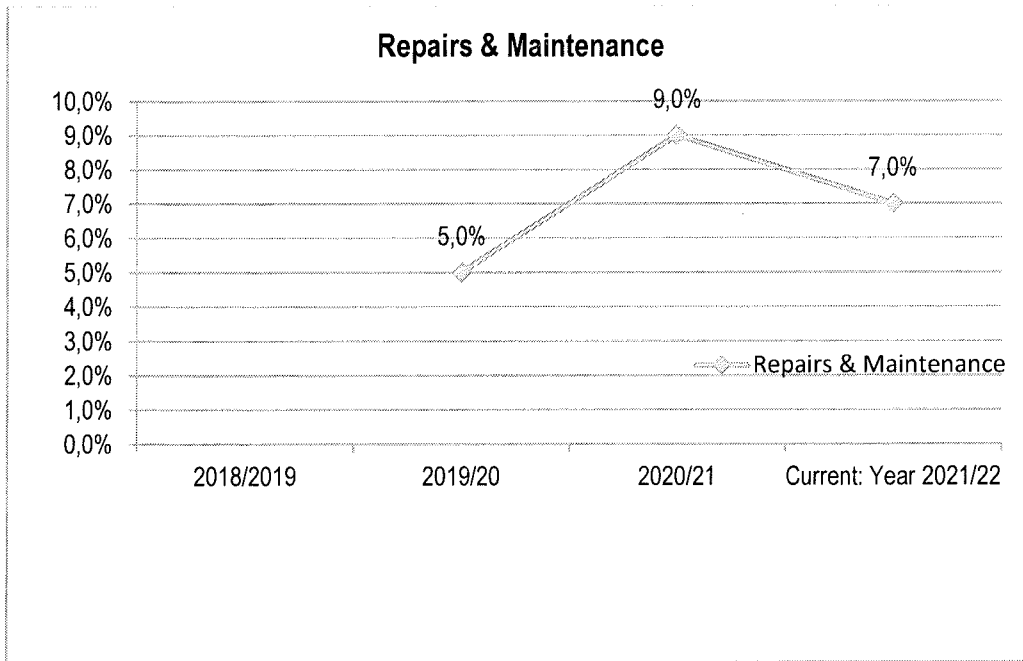
The grants and subsidies amounted to R260 million from National and Provincial government against the budgeted amount for grants of R 238 million. The variance is due to the National Treasury Audit fees grant, LG SETA and Department of Roads (purpose is to assist the municipality to upgrade roads). The municipality spent 100% of National allocations, unspent funds pertain to Provincial allocations.

5.2 ASSET MANAGEMENT

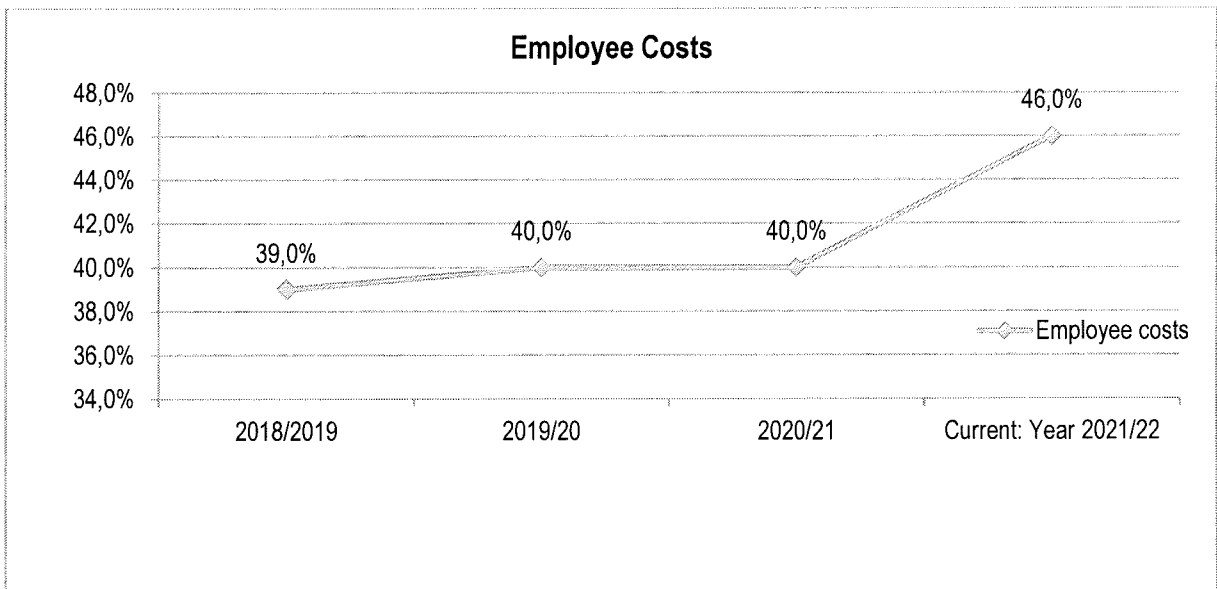
| TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2021/22 | | | | |
|---|---|---------|---------|--------------|
| Asset 1 | | | | |
| Name | Paving of Bedford Access Road - Phase 3 | | | |
| Description | Paving of Bedford Access Road - Phase 3 | | | |
| Asset Type | Roads | | | |
| Key Staff Involved | PMU Unit staff | | | |
| Staff Responsibilities | to make sure project is implemented, constructed and completed | | | |
| Asset Value | Year -3 | Year -2 | Year -1 | Year 0 |
| | | | | 7,516,701.44 |
| Capital Implications | | | | |
| Future Purpose of Asset | to provide community with a good quality road network | | | |
| Describe Key Issues | Road was constructed from block paving and has cement stormwater drainage | | | |
| Policies in Place to Manage Asset | Asset management Policy | | | |
| Asset 2 | | | | |
| Name | Supply and installation of High Mast light on Turnkey for Raymond Mhlaba | | | |
| Description | Installation of High mast Lighting | | | |
| Asset Type | Electricity | | | |
| Key Staff Involved | PMU Unit staff | | | |
| Staff Responsibilities | to make sure project is implemented, constructed and completed | | | |
| Asset Value | Year -3 | Year -2 | Year -1 | Year 0 |
| | | | | 5,038,315.72 |
| Capital Implications | | | | |
| Future Purpose of Asset | To ensure street lighting and safety | | | |
| Describe Key Issues | To High mast light were installed in Key areas that were identified | | | |
| Policies in Place to Manage Asset | Asset management Policy | | | |

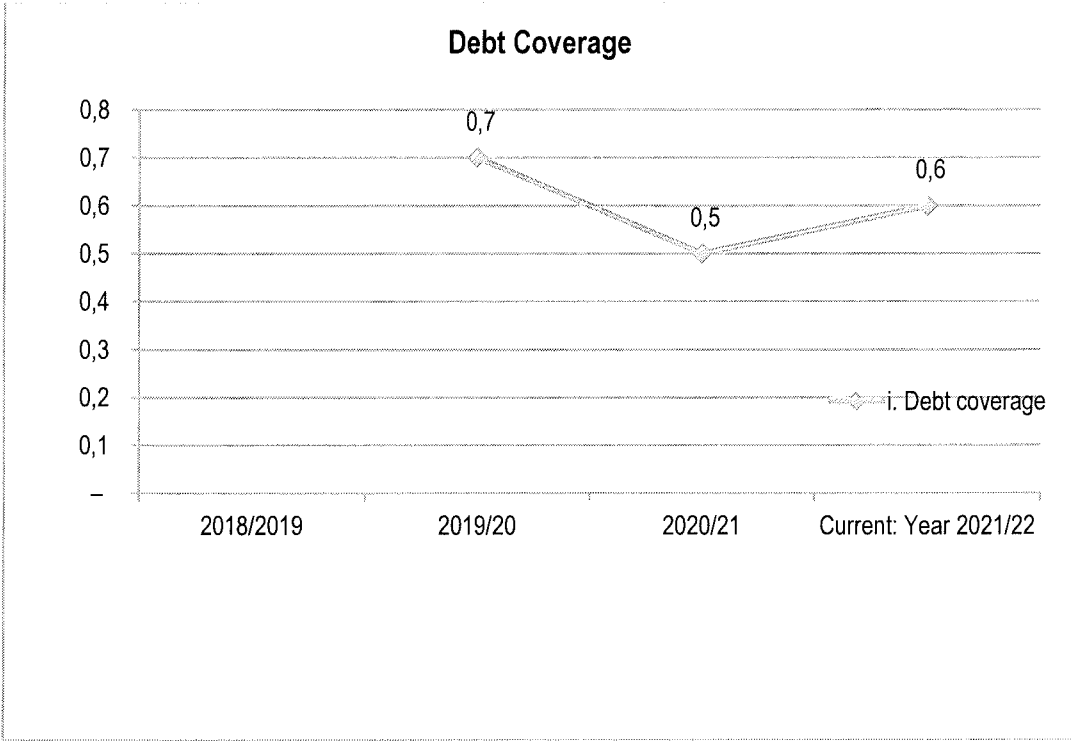
| Repair and Maintenance Expenditure: 2021/22 | | | | |
|---|-----------------|-------------------|------------|-----------------|
| | | | | R' 000 |
| | Original Budget | Adjustment Budget | Actual | Budget variance |
| Repairs and Maintenance Expenditure | 19,080,000 | 30,922,058 | 32,163,610 | -69% |
| | | | | T 5.3.4 |

The repairs and maintenance ratio is 7% which is below the norm of 8 %,this indicates the insufficient funds being spent on repairs to the extent that it could increase impairment of useful assets. The budgeted repairs amounted to R30 million and actual spent R 32 million, variance amounts to R 1,2 million.



Data used from MBRR SA8

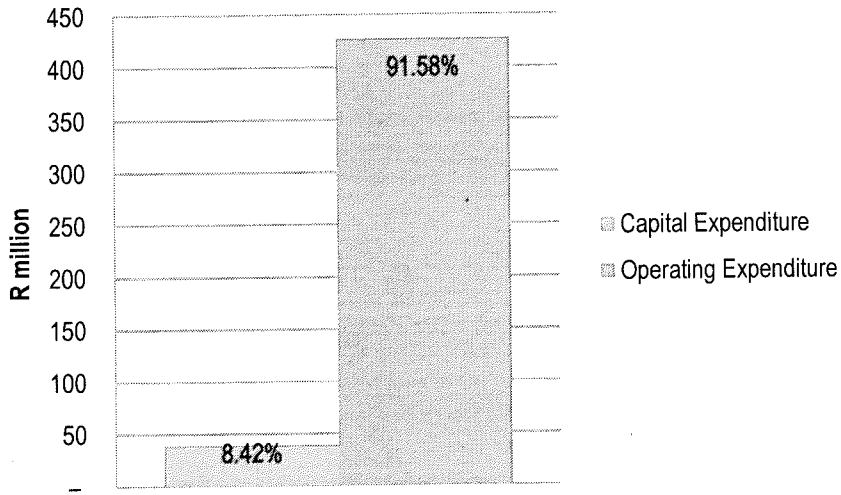




Data used from MBRR SA8

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital Expenditure: 2021/22



Capital Expenditure - Funding Sources: 2020/21 to 2021/22

R' 000

| Details | 2020/21 | 2021/22 | | | | |
|------------------------------------|-------------------|----------------------|-------------------|-------------------|-------------------------------|---------------------------|
| | Actual | Original Budget (OB) | Adjustment Budget | Actual | Adjustment to OB Variance (%) | Actual to OB Variance (%) |
| Source of finance | | | | | | |
| External loans | | | | | | |
| Public contributions and donations | | | | | | |
| Grants and subsidies | 69,028,667 | 39,266,350 | 39,266,350 | 59,431,600 | 0.00% | 51.36% |
| Other | | | | | | |
| Total | 69,028,667 | 39,266,350 | 39,266,350 | 59,431,600 | 0.00% | 51.36% |
| Percentage of finance | | | | | | |
| External loans | 0.0% | 0.0% | 0.0% | 0.0% | #DIV/0! | 0.0% |
| Public contributions and donations | 0.0% | 0.0% | 0.0% | 0.0% | #DIV/0! | 0.0% |
| Grants and subsidies | 100.0% | 100.0% | 100.0% | 100.0% | #DIV/0! | 100.0% |
| Other | 0.0% | 0.0% | 0.0% | 0.0% | #DIV/0! | 0.0% |
| Capital expenditure | | | | | | |
| Water and sanitation | | | | | | |
| Electricity | 1,562 | 2,000,000 | 2,000,000 | 5,038,315 | 0.00% | 151.92% |
| Housing | 0 | | | | | |
| Roads and storm water | 1,352 | 37,277,350 | 37,277,350 | 33,381,645 | 0.00% | -10.45% |
| Other | 54,694,817 | | | | | |
| Total | 54,697,731 | 39,277,350 | 39,277,350 | 38,419,960 | 0.00% | 141.47% |

| Name of Project | 2021/22 | | | Variance: 2021/22 | |
|-----------------|------------------------|-------------------|--------------------|-----------------------|-------------------------|
| | Original Budget | Adjustment Budget | Actual Expenditure | Original Variance (%) | Adjustment variance (%) |
| | Resurfacing of Bedford | 3,000,000 | 3,000,000 | 7,516,701 | -151% |
| Highmast | 2,000,000 | 2,000,000 | 5,038,315 | -152% | 0% |
| Gomma Gomma | 3,000,000 | 3,000,000 | 4,364,690 | -45% | 0% |
| Newtown | 6,254,228 | 6,000,000 | 5,619,378 | 10% | 4% |
| Takalani | 3,000,000 | 3,000,000 | 2,823,053 | 6% | 0% |

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

| Cash Flow Outcomes | | | | | R'000 |
|---|--------------------|--------------------|--------------------|--------------------|-------|
| Description | 2020/21 | Current: 2021/22 | | | |
| | Audited Outcome | Original Budget | Adjusted Budget | Actual | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Ratepayers and other | 135,765,154 | 136,819,253 | 136,819,253 | 138,092,844 | |
| Government - operating | 232,909,851 | 199,643,650 | 199,643,650 | 199,881,045 | |
| Government - capital | 89,992,601 | 39,266,350 | 39,266,350 | 55,360,793 | |
| Interest | 12,304,511 | 0 | 330,000 | 8,566,202 | |
| Dividends | | | | | |
| Payments | | | | | |
| Suppliers and employees | -381,832,257 | -328,989,121 | -328,989,121 | -331,134,537 | |
| Finance charges | -8,980,358 | -18,695,000 | -18,695,000 | -405,852 | |
| Transfers and Grants | -9,459,905 | -11,200,000 | -11,200,000 | -7,657,123 | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 70,699,597 | 16,845,132 | 17,175,132 | 62,703,372 | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Proceeds on disposal of PPE | | | | | |
| Decrease (Increase) in non-current debtors | | | | | |
| Decrease (increase) other non-current receivables | | | | | |
| Decrease (increase) in non-current investments | | | | | |
| Payments | | | | | |
| Capital assets | -69,028,667 | -39,266,350 | -39,266,350 | -59,431,600 | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | -69,028,667 | -39,266,350 | -39,266,350 | -59,431,600 | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Receipts | | | | | |
| Short term loans | | | | | |
| Borrowing long term/refinancing | | | | | |
| Increase (decrease) in consumer deposits | 222,600 | -2,473,837 | | 166,019 | |
| Payments | | | | | |
| Repayment of borrowing | -1,757,692 | | | -687,896 | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | -1,535,092 | -2,473,837 | 0 | -521,877 | |
| NET INCREASE/ (DECREASE) IN CASH HELD | 135,838 | -24,895,055 | -22,091,218 | 2,749,895 | |
| Cash/cash equivalents at the year begin: | 16,527,353 | 16,527,353 | 16,527,353 | 16,663,189 | |
| Cash/cash equivalents at the year end: | 16,663,189 | -8,367,702 | -5,563,865 | 19,413,084 | |

Source: MBRR A7

T 5.9.1

Cash receipts for the year amounted R401 million and payments R339 excluding capital assets. The Cash and cash equivalents at the end of the year amounted to R19,4 million comprising of call deposits and bank accounts, mainly due to conditional grants that were unspent of R11,1 million.

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

6.1 INTRODUCTION:

Section 188 (1) (b) of the Constitution states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. The responsibility of the Auditor-General is to perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement and to express an opinion based on the audit conducted in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA).

The Municipal System Act section 45 states that the results of performance measurement must be audited annually by the Auditor-General. The reported performance against predetermined objectives is evaluated against the overall criteria of usefulness and reliability. The usefulness of information relates to whether the reported performance is consistent with the planned development priorities or objectives and if indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for managing programme performance information.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR: 2020/2021

| Number | Area | Finding | Proposed Solution |
|--------|------------------------------|---|---|
| 1 | Investment Properties | The municipality incorrectly classified the investment properties as property, plant and equipment and other property, plant and equipment as investment properties. Therefore, the investment property was overstated by 6,8 million and PPE was understated by the same amount - 15 236 810 | <p>Management will ensure that all the investment properties are recognised in accordance with GRAP 16</p> <p>Management will ensure that all those investment properties (where there are RDP houses) are correctly classified</p> <p>Management will conduct physical verification for all investment properties and obtain the list of assets that do not meet the definition of investment property and recommend the transfer of those assets to Council</p> |

| | | | |
|---|------------------------------|---|---|
| 2 | Bulk Purchases | The municipality did not have an adequate system in place to verify the number of units of electricity purchased and that the units were actually received (Limitation misstatement) | Management will ensure that they install check meter to make sure that Eskom is billing the municipality correctly |
| | | The misstatement identified is due to the inability to confirm the system in place by the municipality to confirm the actual receipt of electricity paid for and used to determine the distribution losses (Limitation misstatement) R 13 619 480 | Management will ensure that meter readings are taken upon receiving electricity Bill from Eskom |
| 3 | Irregular Expenditure | The municipality did not have proper systems in place to identify and disclose the irregular expenditure as required in terms of S125 (2)(d) of the MFMA. The disclosure was incomplete for the irregular expenditure. | Management will review all transactions for 2020/21 for irregular and ensure that all transaction that are irregular are recorded properly to ensure completeness of irregular expenditure disclosed |
| | | | Management ensures that SCM processes are followed by putting control measures in the system |
| | | | Management ensures that all SCM related documents are reviewed and stored in a safe place |
| | | | Management will ensure that irregular expenditure is reported on monthly and on a quarterly basis |
| 4 | AOPO | The source information for measuring the planned indicator was not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions | Ensure that all information presented in the APR is adequately reviewed for validity, accuracy and completeness and ensure that the performance reported in the APR are supported by adequate, complete, and clear evidence |

| | | | |
|---|-------------------------------|---|--|
| | | The planned targets were not consistent with the actual achievements reported in the Service Delivery Budget Implementation Plan (SDBIP | |
| 5 | Expenditure Management | Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA. | Ensure that invoices are processed within 30 days. Improved on cashflow management. |
| | | Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM regulations. | Develop monthly report on irregular expenditure and establish consequence management principles and reporting. |
| | | Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R19,4 million, as disclosed in note 46.2 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties on late payments | Develop monthly report on fruitless and wasteful expenditure. |
| 7 | Consequence Management | Unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) and (b) of the MFMA | Implement SOP on consequence management and ensure monitoring and adherence by management |
| | | | Monthly report be submitted to the accounting officer with full detail of the consequences to be followed to deal with unauthorised, irregular and fruitless expenditure |

| | | | |
|----------|-----------------------------------|---|--|
| 8 | SCM and Contact Management | <p>Some contracts were awarded to bidders based on points given for criteria that differed from those stipulated in the original invitation for bidding and quotations, in contravention of SCM regulations 21(b) and 28(1)(a)(i) and the Preferential Procurement Regulations. Similar non-compliance was also reported in the prior year</p> | <p>Management needs to ensure that evaluation criteria before the advert is issued is reviewed for correctness by the BAC to ensure that the evaluation criteria is objective to avoid changes at the evaluation and adjudication stages</p> |
| | | <p>The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. This non-compliance was also identified in the procurement processes for the Turnkey Service for design and upgrade of electrical infrastructure in Adelaide and Paving of Takalani, TYoks and Mpolweni internal Streets Ward.</p> | <p>Municipality will ensure that the performance of contractors is monitored on a monthly basis. SCM Manager will develop a performance system for all contracts.</p> |
| | | <p>The contract performance and monitoring measures and methods were not sufficient to ensure effective contract management, as required by section 116(2)(c) of the MFMA.</p> | |
| | | <p>Awards were made to providers who were in the service of other state institutions or whose directors / principal shareholders were in the service of other state institutions, in contravention of MFMA 112(j) and SCM regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM</p> | <p>All service providers that are in business with the municipality have signed the declaration form and Management ensures that once a service provider is picked by AG CAATS system that contract or service is declared irregular and that the municipality do not conduct any business with those service providers again unless there is a proof that</p> |

| | | | |
|--|--|---|--|
| | | process, as required by SCM regulation 38(1). | they are no longer in the service of the state |
|--|--|---|--|

COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2021/2022

| NUMBER | EXCEPTION TITLE | EXCEPTION DETAILS | MANAGEMENT ACTION |
|--------|--|---|---|
| 1. | COAF 1: IT Governance - Inadequate IT Governance controls | <p>a) IT spending for the year 2021/2022 information was not monitored to get assurance that the spending that took place in the year under review was in line with the IT strategy that was in place and within the IT budget for the year under review: at a minimum the following was to be accessed:</p> <ul style="list-style-type: none"> • Infrastructure: • Software Licences: • SITA services: • External service providers: • System development: • IT consultants: - IT Budget: - IT expenditure: - Over/Under: | Management will ensure that the IT budget is aligned to the IT strategic plan and all IT projects are budgeted in line with the IT strategic plan. |
| 2. | COAF 1: Security Management - Inadequate IT Security Management Controls | <p>Information Technology (IT) Management had not ensured that Security Management controls were adequately designed and implemented within the IT environment. As such the following control deficiencies had been identified:</p> <p>a) Assurance could not be provided that patches were installed on all the computers at the municipality.</p> | Management to ensure that that patches are installed on computers so that they are safe against security threats and also new features are installed to improve their functionality |

| | | | |
|-----------|---|---|---|
| <p>3.</p> | <p>COAF 1: User Access Management - Inadequate User Access Management Controls – Active Directory, Sage and Contour</p> | <p>Information Technology (IT) management had not ensured that user access management controls had been adequately designed and implemented within the IT environment. As a result, the following control deficiencies had been noted:</p> <p>a) System generated list of users who were on the systems could not be obtained to get assurances that users who were on the system were correct users, granted access to the systems and had appropriate access given to them. This affected the auditors ability to also confirm if formal access request documentation was being completed for:</p> <ul style="list-style-type: none"> - registering users, - changing access rights, - password resets and - termination of access on all financial <p>Unauthorised access to information systems might result in unauthorised request to effect changes/updates to information that could negatively impact data integrity of information systems.</p> <p>b) The review of user access rights to confirm whether the functions allocated to users are still in line with user's job function was not performed at the Municipality during the period under review.</p> <p>Lack of regular review of user access to information systems may result in users with inappropriate access to process unauthorised transactions that could negatively impact the integrity of data generated by these information systems.</p> | <p>a) IT Management will ensure that formal processes are in place to ensure that only authorised users have access to information systems.</p> <p>b) IT management will ensure that the system generates audit logs of dates when users are created, amending user functions/access, changing their password and terminating users profiles on the system. This is to allow those charged with oversight including auditors to monitors and asses the environment of risks that could affect the objectives of the municipality.</p> <p>b) IT management will ensure that access and privileges on all systems is periodically reviewed by the appropriate function, to confirm that such access and privileges are still commensurate with their job title responsibilities.</p> <p>c) IT management will ensure that system administrator activities are monitored on a regular basis and evidence thereof is maintained. At a minimum the following</p> |
|-----------|---|---|---|

| | | | |
|--|--|---|--|
| | | <p>c) The activities of the system administrator were not monitored during the period under review at the Municipality.</p> <p>Lack of monitoring of the activities of the system administrator has the potential of weakening internal controls and allowing the Municipality to be vulnerable to unauthorised access and unauthorised transaction being performed on the systems and the data stored wherein.</p> <p>d) Assurances could not be provided that users created on the municipality's systems that there were no generic users as the system generated list of users was not provided to the auditors for evaluation (Contour).</p> <p>Use of generic user accounts makes it impossible to apportion accountability in the event when unauthorised transactions are processed</p> | <p>will be looked at;</p> <ul style="list-style-type: none"> • User creation • User profile amendments • Termination • Dormant accounts • Generic accounts and • Logon violations. <p>d) IT management will ensure that user accounts are properly managed by disabling generic/default accounts to avoid unauthorised access.</p> |
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| 4. | COAF 1: Program Change Management - Inadequate Program Change Management Controls | <p>a) System generated change control logs were not maintained; as a result, the auditors could not confirm if changes made to these applications were duly authorised. This resulted in the inability to conclude on the design, implementation, and operating effectiveness of controls:</p> <p>The following controls could not be verified:</p> <ul style="list-style-type: none"> • Authorisation of changes; • Testing of changes; • Go live approval; • Monitoring of changes; and • Segregation of duties. <p>Without an adequate change management process, unnecessary changes, and unauthorised changes, might be made, not all changes might be documented, approved and tested before being implemented.</p> <p>b) Assurance could not be provided that vendors have access to the production (live) environment and if they have access it is monitored as we were not provided with the system generated list of users of who has access to the systems.</p> | <p>a) IT Management will ensure that program change management policy is approved.</p> <p>b) Management will ensure that program changes to information systems are classified and appropriately documented to indicate the reasons for the change as well as who requested the change and is appropriately monitored by the designated official.</p> |
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| <p>a) IT Management will ensure that disaster recovery plan is documented and in line with the municipality's current environment and cater for all the applications found in the Municipality. Additionally, Management will ensure that the plan is tested and that the test results are updated on the DRP for the next test.</p> <p>b) IT management will ensure that backups for all their critical data and systems is performed regularly and as per their backup policy and that all backups are verified and checked for successful completion.</p> <p>c) IT management will ensure that all critical backup media, documentation and other IT resources necessary for IT recovery and business continuity plans are stored offsite.</p> | <p>a) The municipality does not have a disaster recovery plan (DRP) that include all systems (network, financial and performance reporting systems) that should be backup and recovered and furthermore have the DRP tested for its effectiveness.</p> <p>If there is no disaster recovery plan in place that speaks directly to existing systems, the municipality may not be able to recover its information or data in the event of a disaster there may be lack of awareness of IT continuity plans for key individuals, furthermore weaknesses may not be addressed and the major changes made in the municipality may not be reflected on the plan, which could result in the plan becoming irrelevant.</p> <p>b) There was no assurance that backups were performed as the system generated backup logs for the application systems (Contour) were not maintained with backups performed, verified and checked for successful completion.</p> <p>- Furthermore for the SAGE application, backups were not maintained for the entire financial period under review.</p> <p>If backups are not performed and maintained, in the event of disaster there might be data loss, which would lead to the business not to be able to continue with their operations leading to service delivery delays, lost data, and increased costs to the municipality to recover its data.</p> <p>c) Assurance could not be provided that backups were stored at a secure</p> | <p>COAF 1: IT Service Continuity - Inadequate IT Service Continuity controls</p> | <p>5.</p> |
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| | <p>offsite storage facility as the municipality could not prove and provide evidence that information or data stored in their system was adequately secured and stored at an off-site facility.</p> | | |
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| <p>1. Management to request TOU reports from bulk meter readings from Eskom for the periods for which the municipality is billed for bulk purchase. 2. The Municipality to further compare the consumption from the TOU report for each billing period to the consumption billed by ESKOM in their Invoices to confirm that the quantity we were billed for corresponds to the actual consumption as contained in the hourly TOU reports.</p> | <p>While performing the test of detail for bulk purchases, the municipality could not confirm and provide us with evidence that payments for bulk purchases are made on receipt of actual goods, and that the quantity that the municipality is charged for as per the invoice, is reasonable. As such we could not confirm the occurrence assertion of the bulk purchases.</p> | <p>COAF 7: Execution Bulk Purchases - Misstatement</p> | <p>6.</p> |
| <p>1. Preparation and reviewal of Reconciliation on a monthly basis. 2. Budget section to ensure correct vote is used for every transaction incurred.</p> | <p>The Fuel and Oil account has been misallocated to vehicle rentals. The incorrect classification is reflected as per the description and reference of the Oil and Fuel from the general Ledger</p> | <p>COAF 8: Execution - Fuel & Oil- Classification</p> | <p>7.</p> |
| <p>Management will ensure that all journals are reviewed, signed and dated.</p> | <p>Upon journal testing, the journal entries submitted had no date for the signature request and authorization, therefore it cannot be ascertained whether the journals were authorized before or after year-end fir the following journals</p> | <p>COAF 9: Execution- Repairs & Maintenance- Authorisation</p> | <p>8.</p> |

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| <p>1. BAC to refer back to BEC for Re-evaluation all projects with which they disagree with the recommendation with reasons for disagreement clearly stated. 2. In cases where the recommendation is different to that of BEC due to disagreement such will be clearly stated on the BAC report to be submitted to the accounting Officer.</p> | <p>During the audit of the below tenders it was noted that the Bid Adjudication Committee (BAC) decided to award a bid other than the one recommended by the Bid Evaluation Committee (BEC). The Accounting officer was not notified, and no reasonable reasons were provided by the BAC</p> | <p>COAF 11: Execution- Supply Chain Management: Bid invitations</p> | <p>9.</p> |
| <p>1. Management to develop a shift allowance policy and present it to Council for Approval</p> | <p>It was identified that there is no municipal policy on shift allowances. As there is no shift allowance policy for Raymond Mhlabha Local Municipality, there is thus no document or memo which states who is entitled to the shift allowance, as the circular does not state who is entitled to the allowance</p> | <p>COAF 13: Execution- Employee Related Cost – No shift allowance policy</p> | <p>10.</p> |
| <p>1. A breakdown between Overtime and shift allowance will be done when preparing the Interims and Annual Financial Statements. 2. Correct disclosure to be made on the Financial Statements</p> | <p>When testing the Overtime under Employee related cost, it was identified that the shift allowance was not separately disclosed on the AFS or Interims and Annual Financial Statements. Overtime are not the same and have different characteristics it needs to be disclosed separately from overtime.</p> | <p>COAF 13: Execution – Employee Related Cost – Misclassification of Shift Allowance</p> | <p>11.</p> |

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| <p>1. Management will review all supporting documents prior to making a payment and overtime or shift allowance amount will be matched with actual hours worked and where there's any differences a follow will be made. 2. Management will ensure that amount paid to employees is accompanied by accurate and complete supporting evidence.</p> | <p>1. During the audit of overtime and shift allowance differences were identified when recalculating the amount of overtime and shift allowance paid. 2. The timesheets or work attendance registers for some employees were not attached therefore evidence off actual overtime work attendance could not be confirmed</p> | <p>COAF 13: Execution – Employee Related Cost – Accuracy and Occurrence of shift allowance and overtime could not be confirmed</p> | <p>12.</p> |
| <p>Management to revisit all discounts allowed and ensure they have been correctly accounted for: a) Early settlement discounts to be debited against the Revenue. B) settlement discounts to be expensed in the year it is realised.</p> | <p>While testing other expenses, it was noted that the sample included discounts which were granted to the University of Forthare for early payment. This therefore is in contravention to the requirements of the reporting framework (GRAP), as well as the accounting policy of the Municipality.</p> | <p>COAF 15: Other expenditure - of discount allowed</p> | <p>13.</p> |
| <p>1. Management to align its budget to the nature of the expenditure to be incurred especially Grant funded expenditure (interns stipends and EPWP expenditures to be budgeted under the correct item being employee related costs)</p> | <p>While testing the other expenses component, it was noted that there were expense line items which related to salary payments of ward committee members, and therefore were misclassified as other expenses. This therefore is in contravention to the requirements of the reporting framework (GRAP). Per inspection of the Financial Statements, the following line item was noted and per our discussion with the Municipality, it relates to payment of EPWP employees. > Job creation projects R5,308,840.00</p> | <p>COAF 15: Other expenses - of employee related costs</p> | <p>14.</p> |

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| 15. | COAF 15: Other Expenses - Disagreement Misstatement (VAT) | While testing other expenses for accuracy, a difference of R57,449.17 was noted. This was due to the fact that the amount recorded in the general ledger was inclusive of VAT, which is incorrect. | <ol style="list-style-type: none"> 1. Management to revisit all payment vouchers and ensure VAT has been appropriately accounted for. 2. Evidence of the exercise to be provided to CFO for Review. 3. Proper reviewal of payment vouchers to ensure correct treatment of VAT for all future payments to be done. | | | | | | | | |
| 16. | COAF 17: Operating Expenditure- Professional & Consultancy Fees- Cut-off | Whilst performing the audit for the journal testing, an invoice worth R 2 350 000 which was incorrectly misallocated to audit fees and correctly reversed to professional and consultancy fees is dated 03 June 2021 which relates to the previous reporting period; thus, the cut-off assertion has been compromised | <ol style="list-style-type: none"> 1. Management to revisit all payment vouchers made in the 2021/22 and 2022/23 FY and ensure that payments were made in the correct FY. 2. Evidence of the exercise to be provided to CFO for Review. 3. Restatement file to be compiled where necessary with all the supporting information. 4. All the restatements to form part of the 3rd Quarter IFS. | | | | | | | | |
| 17. | COAF 18: Execution - Prepaid electricity - Completeness | <p>During the audit for completeness of Service charges - Prepaid electricity it was noted that the Contour/Eskom statements do not agree with the amount presented in the current year AFS.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">1. Balance Per Prepaid Electricity Vote & AFS</td> <td style="text-align: right;">42 051</td> </tr> <tr> <td></td> <td style="text-align: right;">274,00</td> </tr> <tr> <td>2. Total Balance per the Eskom and Contour Reports 2021/22.</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">41 328 756,49</td> </tr> </table> <p>During the audit of Service charges - prepaid electricity it was noted that the</p> | 1. Balance Per Prepaid Electricity Vote & AFS | 42 051 | | 274,00 | 2. Total Balance per the Eskom and Contour Reports 2021/22. | | | 41 328 756,49 | <ol style="list-style-type: none"> 1. Management to prepare monthly reconciliations for all revenue streams to ensure correct allocation and recording of the revenue amounts. 2. Recons to be submitted to CFO monthly for review and sign-off. |
| 1. Balance Per Prepaid Electricity Vote & AFS | 42 051 | | | | | | | | | | |
| | 274,00 | | | | | | | | | | |
| 2. Total Balance per the Eskom and Contour Reports 2021/22. | | | | | | | | | | | |
| | 41 328 756,49 | | | | | | | | | | |

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| | | VAT amounts in the General ledger were not exclusive of VAT, | |
| 18. | COAF 18: License & Permits - Cut off | The following transaction was recorded in the incorrect period as the disbursement report shows that the transaction belongs to the prior year. | <ol style="list-style-type: none"> 1. Management to prepare monthly reconciliations for all revenue streams to ensure correct allocation and recording of the revenue amounts. 2. Recons to be submitted to CFO monthly for review and sign-off. |
| 19. | COAF 22: Execution - Remuneration of Section 57 Managers – Annual remuneration packages above upper limits determined through government gazette. | During the audit of remuneration of section 57 managers, it was identified that the section 57 managers are remunerated at amounts above the set upper limits as outlined in government gazette 46062 of 2022 read with government gazette 43122 of 2020 issued by the department of Corporative government thus resulting to irregular expenditure amounting to R1,419,061 | Management to discuss the matter at senior level and resolve on the matter. |

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| 20. | COAF 23: Execution - Debtors in credit - Limitation misstatement | The following debtors in credit could not be traced to the valuation roll to confirm existence thereof. ERF numbers linking these accounts to properties were requested but were not obtained. | <ol style="list-style-type: none"> 1. Management to assess all debtors with credit balances and confirm existence thereof. 2. A journal be proposed to remove all invalid debtors. 3. All supporting information be submitted to CFO for reviewal. 4. AFS and IFS restated accordingly. |
| 21. | COAF 24: Execution - Supply Chain Management - Contract Management | <p>The finding on Extension/ modification reports awarded for tenders are all Irregular because of the following: The director of Zamisanani Projects JV Dalukhanyo Trading is the employee of the municipality. Refer to issue COAF.32 - SCM - CAATS - Suppliers not declaring their interest. No supporting information in place for the variation order value of R28 823 399,65.</p> <p>These amount of variation orders are made up of various appointment letters that were issued as new appointments every time the contract expires. Therefore SCM processes were not followed.</p> <p>The extension of Siyanda Solutions is void as the supply chain management processes were not followed. Therefore this is a non-compliance with SCM regulations and it result to irregular expenditure amount to the value of R2 322 046,50</p> <p>The contract of Siyanda Solutions was ending on 07 May 2022 and the municipality extended the contract on 28 April 2022, meaning the municipality knew the contract will end</p> | <ol style="list-style-type: none"> 1. Management to ensure all projects are awarded after all the SCM processes have been followed. 2. No extension of projects without reasonable reasons will be taken to the accounting officer for Approval. 3. No awards to be made to suppliers included in the related party register and to those previously picked by the AGSA |

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| | | <p>but did not plan for the next procurement of the contract through competitive bidding process and this results to a poor planning by the municipality. This contract should have went through competitive bidding process instead of the extension. The extension of this contract happened in May 2021 and May 2022 to August 2022, therefore the contract was extended for in two (2) consecutive years without proper planning.</p> | |
| 22. | <p>COAF 26: 2. Execution - Receivables from Exchange transactions and Non-Exchange Transactions are Incomplete</p> | <p>When performing the completeness testing for the receivables the following was performed: Per our understanding, every property on the valuation roll should be charged service receivables or rates. Therefore, a sample was selected from the valuation roll and traced the account to the debtors age analysis. It was noted that the following accounts on the valuation roll did not have a corresponding account in the debtors age analysis, therefore indicating that the age analysis is incomplete.</p> | <p>1. Management to perform a reconciliation between the Valuation roll and the Billing data to ensure that all properties in the valuation roll are included for billing. 2. Management to ensure consistency in treating exempt accounts and accounts with Zero balances when</p> |

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| | | | producing the Age analyses. |
| 23 | COAF 28: Execution - Operating Expenditure- Professional & Consultancy Fees- Classification | As per the supporting documentation submitted the professional and consultancy fees have been classified incorrectly for the following transactions | <ol style="list-style-type: none"> 1. Management to identify all misallocations on a monthly basis and a correcting journal be prepared monthly. 2. Budget section to ensure that the correct budget is used during the requisition and order stage. 3. Monthly recons to be prepared and reclassification be corrected monthly or during Budget adjustment stage where there is insufficient budget. |

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| 24. | COAF 30: SCM - CAATS - Suppliers not declaring their interest | <p>The following employee of the municipality owns a company that is trading with the municipality, the company is doing work with services related to the employees work duties:</p> <p>Interest Auditee Name of person Position Section/ component Appointment date Supplier name Amount ONKE NELSON SOTYATO ARTISANPLUMBI Community Service 2014/09/01 DALUKHANYO TRADING 11 282 228,96</p> <p>Interest Family Name of person Position Name of spouse/ partner/ associate Relationship to person Supplier name Total rand-value of award (Payment) - current year 1 NZIMENI LOUIS ZWENI ENTERPRISEDEVO NTOMBIZONKE PATRONELA SPOUSE MISA SERVICES AND SUPPLIERS 826 807,34 400 125,67,00</p> <p>Other Interest 1 FUNDISIL</p> | <p>1. Management to compile a register/list whereby the exceptions on suppliers identified by the AGSA on an annual basis will be recorded and this list will be used whenever a supplier is considered to be used by the municipality.</p> <p>2. No contracts will be entered with the suppliers that appear on the records unless they bring sufficient and appropriate evidence to show that they are not connected to the persons or institutions on the records.</p> <p>3. A register of interest must be established and all employees and role players must be required to declare their personal financial interest and those of their close family members, partners and associates as and when it occurs.</p> <p>4. As part of consequence management, disciplinary action should be instituted against officials, suppliers and role players who have failed to comply with the policy of the municipality.</p> <p>These cases should be investigated for possible undue influence in the</p> |
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| | | | <p>process and appropriate action taken against the affected official or role player in accordance with the policies and procedures of the department.</p> <p>Other action may include cancelling the contract with the supplier if the official or role player committed a corrupt activity that benefited the supplier (TR16A9.1(f)(ii)).</p> |
| 25. | COAF 31: Employee Benefits - Leave Provision and Leave pay - Accuracy | 1. During the recalculation of leave provision, it was noted that the amount raised as a provision for the following employees does not agree with the recalculated provision amount. | <ol style="list-style-type: none"> 1. Management to update the Leave register on a monthly basis. 2. Leave forms to be captured on the system on a monthly basis and a report to be generated and submitted to the CFO for Leave provision calculation when preparing IFS. 3. The updated register to be forwarded to Director Corporate and |

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| | | | CFO by the 15th of each month. |
| 26. | COAF 32: Employee Related Cost – 3RD Party payments made per bank statement do not agree with payments per payroll report | During the audit of 3rd party payments, it was noted that payments made each month during the year under review per bank statement did not agree with the monthly payroll report | <ol style="list-style-type: none"> 1. Management to separately account for the commission received from 3rd parties on a monthly basis and provide the amount to BTO for recording on to the GL. 2. A breakdown of the amount deducted, the amount paid over and the commission amount to be provided and kept for Audit purposes. |

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| 27. | COAF 35: Receivables from Non-Exchange – Property Category and Tariff discrepancies. | <p>When performing the existence, accuracy, valuation and allocation of debtors for services rates testing for the receivables, the following was performed to calculate the expected value of the Rates: Obtained the property category per the valuation roll and used the property category to obtain the corresponding tariff per the approved tariffs listing.</p> <p>The following discrepancies were noted: - The property categories per the valuation roll are incorrect – See Annexure A (Tab A) - The approved tariff listing supplied is incomplete and does not include certain categories included in the valuation roll – See Annexure A (Tab B)</p> | <p>1. Ensure Finalization and Gazetting of the Supplementary Valuation Roll 2. Thorough review to ensure correct categorization of properties.</p> |
| 28. | COAF 38: Receivables from Non-Exchange transactions - Misstatement | <p>When performing the existence, accuracy, valuation and allocation of debtors for services rates testing for the receivables, the following was performed: Making use of the market Value of the property per the valuation roll, calculated the expected value of the Rates that should have been charged in the current year. Variances were identified when recalculating the Rates.</p> | <p>1. Ensure Finalization and Gazetting of the Supplementary Valuation Roll 2. Thorough review to ensure correct categorization of properties.</p> |

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| 29. | COAF 39: Employee Benefits – Payments in Lieu of Leave - Accuracy | <p>During the audit of payments in lieu of leave made in the current year, the following misstatements were identified</p> <ol style="list-style-type: none"> 1. Employees paid leave pay beyond 48 cap. 2. Difference between the number of days actuals paid and the number of days remaining per leave schedules. 3. Employees who were paid leave pays more than once in one financial year. | <ol style="list-style-type: none"> 1. Management to update the Leave register on a monthly basis. 2. Leave forms to be captured on the system on a monthly basis and a report to be generated and submitted to the CFO for Leave provision calculation when preparing IFS. 3. The updated register to be forwarded to Director Corporate and CFO by the 15th of each month. 4. Management to investigate the matter of employees paid leave more than once in one financial year. |
| 30. | COAF39: Employee Related Cost: Payroll reconciliation. | during the reconciliation of payroll vs general ledger, it was noted that there was an unreconciled amount of R 174 126 | 1. Ensure monthly payroll recons are prepared |
| 31. | COAF 39: Planning: Employee Related Cost: Internal Control Deficiency – Lack of segregation of duties within the financial system | During the risk assessment and responses (Planning) of employee related cost looking specifically at 3rd party payments, it was identified that there is lack of segregation of duties when it comes to these payments. The person who does an update of details in the system carries this task as a preparer, verifier and an authorizer. | <ol style="list-style-type: none"> 1. Management should segregate duties within Payroll so that one official does not prepare, verify and authorize his/her own work. 2. SOP to be developed which will outline each individual duties. 3. The SOP should inform the process flow on the system. |

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| 32. | COAF 39: HR Compliance Management: No staff performance management tool in place. | During the audit of the employee related cost it was noted that the municipality did not develop and adopt appropriate systems and procedures to monitor, measure and evaluate performance of staff. | <ol style="list-style-type: none"> 1. Develop framework/policy for performance management of staff below Senior Managers 2. Cascade the performance management framework/policy to all employees by beginning of 2023/24 FY. |
| 33. | COAF 41: Property plant and equipment - Evidence of Work in progress | <p>During the audit of property plant and equipment, the audit team could not verify the classification of the following assets as work in progress.</p> <p>Description Amount</p> <ol style="list-style-type: none"> 1. Supply & delivery of High mast lights R1 925 000 2. Supply & installation of meters R3 558 000 3. Supply & installation of meters R1 779 000 4. Installation of indoor transformer R870 000 5. High mast Lights in Mount Pleasant R497 179 6. Construction of overhead open wire mink R2 150 000 7. Supply & delivery of High mast lights R3 852 553 <p>Total R14 631 732</p> | <ol style="list-style-type: none"> 1. Engineering to provide BTO with Project status on a monthly basis on all WIP projects. 2. Engineering to provide BTO with Completion certificate on completion of each project. 3. BTO to update WIP register monthly. 4. Engineering and BTO to verify all completed projects for purposes componentising the project on capitalization. |

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| 34. | COAF 43: Expenditure management - Suppliers not paid within 30 days | The municipality failed to pay the suppliers within 30 days of receiving the invoice | <ol style="list-style-type: none"> 1. Management has entered in to payment arrangements with major Creditors including Eskom and AGSA to avoid recurring interest and penalties. 2. Management to fastrack payment arrangement with Eskom for Adelaide debt and SALGA. 3. Management to ensure SARS is brought and kept up to date and Tax compliance is kept compliant to enable payments by all departments in order to improve cash flows and inable the municipal to meet its financial obligations. 4. Management to ensure that payment arrangements are adhered to. |
| 35. | COAF 44: Differences between balance on AFS and FAR | During the audit of property plant and equipment, the audit team identified differences between the closing balance figure of work in progress as per the fixed asset register and the property plant and equipment note accompanying the annual financial statements as of 30 June 2022. | <ol style="list-style-type: none"> 1. Preparation of a GRAP compliant FAR and AFS timeously that is in line with the Accounting Policy 2. Review of FAR and AFS by third party before submission to AGSA |

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| 36. | COAF 45: Payables - Retentions not accounted for | During the audit it was noted that the municipality holds back 10% from certain capital project's payments as retentions but does not raise a liability at year end for amounts held back as retentions | <ol style="list-style-type: none"> 1. Management to maintain a retention register which will be updated with each payment. 2. The retentions to be raised on the system and reconciled to the register on a monthly basis. 3. Retentions to be recorded in the IFS and AFS |
| 37. | COAF 49: Irregular Expenditure register - Incomplete | Through testing done in Expenditure and procurement management, it was noted that the municipality incurred irregular expenditure and has not been disclosed | <ol style="list-style-type: none"> 1. Management will go through all procurement contracts awarded during the year to identify and disclose all irregular expenditure noted. |
| 38. | COAF 50: Sundry Payables - Uncleared salary control accounts | While testing the Sundry Payables account, it was noted that the following salary control accounts were not cleared at year-end: | <ol style="list-style-type: none"> 1. Management to inspect all control accounts prior to closing off the month and ensure that the control accounts have been cleared. 2. Where a control account is not cleared there should be documented reasons with supporting information, and these should be available for Audit. |

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| 39. | COAF 50: Sundry Payables - Unusual items noted and Unauthorised Debit Orders | <p>While testing the Sundry Payables account, it was noted that the unallocated deposits account, which is used to record all EFT payments which were not cleared at year-end, had transactions with descriptions which were outside the ordinary course of business of the Municipality. These transactions were specifically selected for testing, however, no supporting documentation was submitted for them. A limitation finding was raised for that; however, the following transactions are glaringly unusual and therefore should be investigated.</p> <ul style="list-style-type: none"> - Payments made to The Foschini Group (TFG):- This is a group of clothing retailers and therefore an expense which a Municipality could never incur in its own capacity - Payment to Cell C:- The Municipality confirmed that they had no contract with the mobile operator, yet there are debit orders coming out of the Municipality account paying off cell phone contracts of individuals. This was also picked up during the expenditure testing | <ol style="list-style-type: none"> 1. Monthly Bank reconciliations to be prepared 2. Debit Order listing for all approved Debit orders must be maintained and reviewed monthly against the debit orders that have deducted. 3. Any unauthorised debit orders including those raised by the AGSA must be investigated and recovered. |
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| 40. | COAF 50 and 51: Trade Payable sample - Disagreements and Unrecorded Liabilities | <p>While auditing a sample of trade payables, the following disagreements were noted:</p> <p>Differences in amounts between the statement and the creditors listing was noted.</p> <p>While testing trade payables for completeness; tracing transactions from the bank statements to the general ledger to confirm that all the liabilities which should have been raised in the current year under audit, were actually raised. The following unrecorded liabilities were noted</p> | <ol style="list-style-type: none"> 1. Management will prepare Monthly Creditors reconciliations 2. Invoices will be captured on the system upon receipt as opposed to when payment is made. 3. Invoice register will be maintained and compared monthly to the Creditors recon/Age Analyses to ensure completeness of Creditors. 4. Management will revisit all payments made in the current year and ensure that they all relate to the current financial year. 5. restatements should be proposed and effected in the 3rd Quarter IFS for all payments made in the oncorrect financial year. |
| 41. | COAF 52: Capital Commitments- Difference in amount disclosed | <p>It was noted that amount disclosed for Capital Commitments is understated. It was further noted that the municipality paid expenditure above the contract amount</p> | <ol style="list-style-type: none"> 1. Management to update the Contract register monthly and senior SCM official to review and sign off. 2. Budget and reporting office to payment schedule for each Infrastructure project to assist to monitor expenditure on each project. 3. The above payment schedule to be attached to each payment. |

APPENDIX A: COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance

| Council Members | Full Time / Part Time FT/PT | Committees Allocated | Ward and/ or Party Represented | Percentage Council Meetings Attendance | Percentage Apologies for non- attendance |
|---------------------|---------------------------------------|-------------------------------------|--------------------------------|---|---|
| | | | | % | % |
| Zingisa Rasmeni | FT | Mayor | PR | 100% | 0% |
| Thozama Ngaye | FT | Speaker | PR | 100% | 0% |
| Nonkazimlo Mlamla | FT | Chief whip | PR | 80% | 20% |
| Anele Ntsangani | FT | Finance | PR | 100% | 0% |
| Portia Sabane | PT | Sport Arts and Culture | PR | 80% | 20% |
| Nomhle Sango | FT | Engineering | PR | 60% | 40% |
| Sinethemba Mjakuca | PT | Strategic Planning and LED | PR | 100% | 0% |
| Silhembele Zuka | PT | Community services | PR | 100% | 0% |
| Ernest Lombard | PT | Engineering | PR | 80% | 20% |
| Bukelwa Thyali | FT | Corporate Services | PR | 80% | 20% |
| M Nombombo | FT | EXCO member | PR | 60% | 40% |
| Zikhona Tyali | FT | MPAC (Chair) | PR | 100% | 0% |
| Nonkoliso Qawu | PT | Women Caucus | PR | 80% | 20% |
| Elton Banlamm | PT | MPAC | PR | 80% | 20% |
| Luxolo Nqana | PT | Finance | WC | 100% | 0% |
| Sindiswa Magxwalisa | PT | Community services | WC | 80% | 20% |
| Monwabisi Zamo | PT | Strategic Planning and LED | WC | 80% | 20% |
| Lizwe Matyolo | PT | Engineering | WC | 100% | 20% |
| Cindy Tokwe | PT | MPAC | WC | 100% | 20% |
| Songezo Mashengqana | PT | Finance | PR | 100% | 20% |
| Nonkoliso Ruselo | PT | Community services | WC | 40% | 60% |
| Masixole Thukani | PT | Community services | WC | 60% | 40% |
| Masixole Tsotsa | PT | Sport Arts and Culture | WC | 100% | 0% |
| Nolizwi Yanta | PT | MPAC | WC | 100% | 0% |
| Nkuthalo Qulie | PT | Engineering | WC | 100% | 0% |
| Palncia Ntengu | PT | MPAC | PR | 80% | 20% |
| Unathi Ngcume | PT | Finance | WC | 100% | 0% |
| Mpho Mahleza | PT | Strategic Planning and LED | WC | 100% | 0% |
| Sinovuyo Kley | PT | Sport Arts and Culture | WC | 100% | 0% |
| Xolani Dyantyi | PT | MPAC | WC | 100% | 0% |
| Nompucuko Zizi | PT | MPAC | WC | 100% | 0% |
| Simon Xego | PT | Community services | WC | 100% | 0% |
| Ntombomzi Klaas | PT | Finance | WC | 60% | 40% |
| Mzimkhulu Mathayo | PT | MPAC | WC | 40% | 60% |
| Thobeka Mjo | PT | Strategic Planning and LED | WC | 100% | 0% |
| Nolusindiso Hans | PT | Community services | | 100% | 0% |
| Cecilia Auid | PT | Strategic Planning and LED/ Finance | PR | 60% | 40% |
| Khayaletu Baliso | PT | MPAC | PR | 40% | 60% |
| Xoliswa Vusani | PT | Strategic Planning and LED | PR | 40% | 60% |
| Kwanele Tilo | PT | Sport Arts and Culture | PR | 60% | 40% |
| Kwanele Siduli | PT | Engineering | WC | 100% | 0% |
| Zikhonala Lento | PT | Engineering | WC | 80% | 20% |
| Deon Mandeka | PT | Sport Arts and Culture | PR | 60% | 40% |
| Mthetheleli Gqokro | PT | Sport Arts and Culture | WC | 100% | 0% |
| Nokwandisa Kama | PT | To be deployed | TL | 20% | 80% |
| Sivuyile Tyhali | PT | To be deployed | TL | 20% | 80% |

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

| Committees (other than Mayoral / Executive Committee) and Purposes of Committees | |
|---|---|
| Municipal Committees | Purpose of Committee |
| Finance Committee | <p>Provide political guidance of the fiscal and financial affairs of the municipality, including the budget process and the priorities that must guide the preparation of the budget;</p> <p>Monitor and oversee the exercise of financial responsibilities assigned to the Accounting Officer and Chief Financial Officer in terms of the MFMA;</p> <p>Take reasonable steps to ensure the municipality performs its Constitutional and statutory functions within the limits to the municipality's approved budget;</p> |
| Strategic planning and Local Economic Development | <p>Identify the social and economic needs of the municipality;</p> <p>Review and evaluate those needs in order of priority;</p> <p>Recommend to Council strategies, programmes and services to address priority needs through the integrated development plan and the estimates of revenue and expenditure involved;</p> <p>Recommend to Council the best way to deliver those strategies, programmes and services to the maximum benefit of the municipality;</p> <p>Identify and develop criteria in terms of which progress in the implementation of the recommended strategies, programmes and services can be evaluated, including the key performance indicators;</p> |
| Community Services | <p>Oversee the provision of services to communities in a sustainable manner.</p> <p>Areas of Responsibility of the Committee:</p> <p>Solid waste disposal services;</p> <p>Traffic services;</p> <p>Fire Services;</p> |
| Sports , Arts and Culture | <p>Assist the Mayor to enhance unity in diversity through the provision of sport, arts and culture for sustainable development.</p> |
| Corporate Services | <p>Assist the Mayor to monitor the management of the municipality's administration in accordance with the directions of Council.</p> <p>Areas of responsibility of the Committee;</p> <p>Personnel Administration;</p> <p>Public Administration;</p> <p>Occupational Health and Safety in respect of Council officials;</p> <p>Conditions of Services and Staff Benefits;</p> |
| Engineering serves | <p>Oversee the provision of services to communities in a sustainable manner.</p> <p>Areas of Responsibility of the Committee:</p> |

| | |
|---|--|
| | Electricity; Projects Land and housing, |
| Whips Committee | To ensure adherence to all council programmes and quorums by all parties serving in council |
| Petition and Public Participation Committee | To consider every petition with a view to resolve matters, to the satisfactory of the petitioners |
| Ethics Committee | To ensure compliance with code of conduct as set out in schedule 1 of the Local Government System Act 32 of 2000 |
| Rules Committee | To develop and maintain the implementation of the procedures and rules for the efficient functioning of the council and its committees |
| Municipal Public Accounts Committee | To exercise oversight over the executive obligations of Council. It also assists Council to hold the executive and municipal entities accountable. |

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

| THIRD TIER STRUCTURE | |
|-------------------------------|----------------------------------|
| DIRECTORATE | Director (TITLE AND NAME) |
| Municipal Manager | Ms Unathi Malinzi |
| Budget and Treasury | Mr Mveleli Ngxowa |
| Community Services | Ms Nomha Speelman |
| Director Corporate Services | Mr Mzwandile Nini |
| Director Engineering Services | Mr Daluxolo Mlenzana |
| Strategic Planning and LED | Dr. Lulamile Donacious Hanabe |

APPENDIX D – FUNCTIONS OF THE MUNICIPALITY

The municipality is mandated to perform the following powers and functions as enshrined in the Constitution of the Republic of South Africa 1996. The functions and powers between Amathole District Municipality and Raymond Mhlaba Local Municipality are reflected hereunder.

| SCHEDULE 4 B | Amathole DM | Raymond Mhlaba LM |
|--|--------------------|--------------------------|
| Air Pollution | | ✓ |
| Building Regulations | | ✓ |
| Child Care Facility | | ✓ |
| Electricity | | ✓ |
| Fire Fighting Services | | ✓ |
| Local Tourism | | ✓ |
| Municipal Planning | | ✓ |
| Stormwater management system | | ✓ |
| Trading Regulations | | ✓ |
| Water (potable) | ✓ | |
| Sanitation | ✓ | |
| SCHEDULE 5 B | | |
| Billboards and display of advertisement in public places | | ✓ |
| Cemeteries | | ✓ |
| Cleansing | | ✓ |
| Control of Public nuisance | | ✓ |
| Control of undertaking that sells liquor to the public | | ✓ |
| Fencing and Fences | | ✓ |
| Local Amenities | | ✓ |
| Local Sport Facilities | | ✓ |
| Markets | | ✓ |

| | | |
|--|---|---|
| Municipal Parks and Recreation | | ✓ |
| Municipal Roads | | ✓ |
| Noise Pollution | | ✓ |
| Pounds | | ✓ |
| Licensing and control of undertakings that sell food to the public | ✓ | |
| Public Places | | ✓ |
| Refuse Removal, Refuse Dumps, Solid waste disposal | | ✓ |
| Street Trading | | ✓ |
| Street lighting | | ✓ |
| Traffic and Parking | | ✓ |

APPENDIX E – WARD REPORTING

| Functionality of Ward Committees | | | | | |
|----------------------------------|--|----------------------------------|---|--|---|
| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
| 1 | Cllr. PN. Ruselo | Yes | 0 | 0 | 0 |
| | Weziwe Kapo | | | | |
| | Azola Mati | | | | |
| | Anele Tsiko | | | | |
| | Bongile Wecu | | | | |
| | Linda Ngwabeni | | | | |
| | Mandla Ngaka | | | | |
| | Tamara Madolwana | | | | |
| | Xabisa Ngxoweni | | | | |
| | Monde Kondile | | | | |
| | Lindelwa Belani | | | | |
| 2 | Cllr. M. Mathayo | Yes | 0 | 0 | 0 |
| | Unathi Bom | | | | |
| | Kholisile Banzi | | | | |
| | Zikhona Tembani | | | | |
| | Mandla Dakuse | | | | |
| | Michael Desewuti | | | | |
| | Mphakamisi Plaatjie | | | | |
| | Bambelele Ntoni | | | | |
| | Luphumlo Ningi | | | | |
| | Mphumezi Sigonyela | | | | |
| | Andisiwe Koboka | | | | |
| 3 | Cllr. S. Kley | Yes | 0 | 0 | 0 |
| | Maureen Kayi | | | | |
| | Thulethu Dyantyi | | | | |
| | Thandiwe Nduluwa | | | | |
| | Thobani Gqoloshe | | | | |
| | Vukle Nongxango | | | | |
| | Anele Ngcuwe | | | | |
| | Bukiwe Joubert | | | | |
| | Nontwazana Matini | | | | |
| | Luzuko Ntwebana | | | | |
| | Ayanda Mtana | | | | |
| 4 | Cllr. X. Dyantyi | Yes | 0 | 0 | 0 |
| | Monica Thwethwa | | | | |
| | Sivenathi Ngenmtu | | | | |
| | Prince Baartman | | | | |
| | Maqhayisa Kamase | | | | |
| | Mandla Mani | | | | |
| | Nombasa Eunice Mabaso | | | | |
| | Luvo Mgwali | | | | |
| | Xolani Keswa | | | | |
| | Vanga Bongeka | | | | |
| | Mandlenkosi Mafika | | | | |

Functionality of Ward Committees

| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
|--------------------|--|----------------------------------|---|--|---|
| 5 | Cllr. M. Tsotsa | Yes | 0 | 0 | 0 |
| | Lusindiso Mafu | | | | |
| | Mzukisi Binqela | | | | |
| | Vuyokazi Sinaye | | | | |
| | Andiswa Sihluku | | | | |
| | Philliswa Xabanisa | | | | |
| | Nosikhumbuze Mbema | | | | |
| | Sintu Yandiswa Pearl | | | | |
| | Xoliswa Nquma | | | | |
| | Thsona Phumelelo | | | | |
| | Sinokuhle Mana | | | | |
| 6 | Cllr. U. Ngcume | Yes | 0 | 0 | 0 |
| | Martin September | | | | |
| | Lyzzete Pitso | | | | |
| | Tshanga Ahleli | | | | |
| | Sawa Sive Wellem | | | | |
| | Siyabonga Nhanha | | | | |
| | Sisandile Ophila | | | | |
| | Mthuthuzeli Solani | | | | |
| | Piteli Lndisiso | | | | |
| | Phakamile Nohamba | | | | |
| | Bongiwe Hoyana | | | | |
| 7 | Cllr. K. Siduli | Yes | 0 | 0 | 0 |
| | Sifiso Fandesi | | | | |
| | Noluvuyo Ganyaza | | | | |
| | Manga Elijah | | | | |
| | Nonkhitha Dasha | | | | |
| | Nombulelo Gysman | | | | |
| | Liziwe Minetwa | | | | |
| | Lindistzwe Nikelo | | | | |
| | Lizelle Swaartbooi | | | | |
| | Nandipha Mvundlela | | | | |
| | Yandiswa Yeko | | | | |
| 8 | Cllr. N. Zizi | Yes | 0 | 0 | 0 |
| | William Laatjies | | | | |
| | Leoraine Arands | | | | |
| | Ntombekhaya Mgqwanqa | | | | |
| | Victor Nqoba | | | | |
| | Azola Tabalaza | | | | |
| | Chumani Langa | | | | |
| | Malibongwe Kwayintgo | | | | |
| | Monica Mafestile | | | | |
| | Thembeke Fiyane | | | | |
| | Ntombozuko Tshikila | | | | |
| 9 | Cllr. N. Quillie | Yes | 0 | 0 | 0 |
| | Zamxolo Tyingwa | | | | |
| | Siyabonga Mgciza | | | | |
| | Siyabulela Ncume | | | | |
| | Lwandiso Matya | | | | |
| | Morris Chitha | | | | |
| | Ntombise Ntsenge | | | | |
| | Lizo Nzitweni | | | | |
| | Gcobisa Higa | | | | |
| | Lizeka Gqobana | | | | |
| | Nomsa Ndzube | | | | |

Functionality of Ward Committees

| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
|----------------------|--|----------------------------------|---|--|---|
| 10 | Cllr. S. Xego | Yes | 0 | 0 | 0 |
| | Bongani Bavuma | | | | |
| | Itumeleng Mama | | | | |
| | Nomfusi Ngota | | | | |
| | Khanyiswa Mpete | | | | |
| | Wandile Nonkonyane | | | | |
| | Thembela Gogela | | | | |
| | Fezile Mlanjana | | | | |
| | Thokoza Sogwazile | | | | |
| | Madoda Mthunzi | | | | |
| Thabo Matwala | | | | | |
| 11 | Cllr. L. Nqana | Yes | 0 | 0 | 0 |
| | Mvozechu Mjkelo | | | | |
| | Lindokuhle Mveleli | | | | |
| | Sibusiso Zonke | | | | |
| | Afika Yolwa | | | | |
| | Sindile Ngayo | | | | |
| | Akhona Manyenyeza | | | | |
| | Siyamcela Mbanyana | | | | |
| | Zolani Fatyi | | | | |
| | Ziyanda Rautini | | | | |
| Bulelani Mnyamana | | | | | |
| 12 | Cllr. M. Gqokro | Yes | 0 | 0 | 0 |
| | Sinethemba Aplemi | | | | |
| | Noluyolo Mtsiba | | | | |
| | Khanyisa Mabandla | | | | |
| | Awonke Tshetshe | | | | |
| | Nobesuthu Madiko | | | | |
| | Nosimphiwe Vara | | | | |
| | Nozicele Gugwini | | | | |
| | Madoda Rumele | | | | |
| | Yoliswa Camagu | | | | |
| Msingathi Ntoni | | | | | |
| 13 | Cllr. S. Magxwalisa | Yes | 0 | 0 | 0 |
| | Ntombizabantu Thelma Kwetana | | | | |
| | Ntombekhaya Thontsi | | | | |
| | Asanda Dayimane | | | | |
| | Hlokomile Welcome Danyela | | | | |
| | Nomaza Maluleke | | | | |
| | Andile Yoyo | | | | |
| | Mzolisi Meke | | | | |
| | Neziswa Ntuli | | | | |
| | Ntombekhaya Ngcivana | | | | |
| Mzwandile Ndohlo | | | | | |
| 14 | Cllr. S. Mashenqana | Yes | 0 | 0 | 0 |
| | N. Gosani | | | | |
| | Bongwe Tsomo | | | | |
| | Nosicele Vula | | | | |
| | Siphosethu Balasane | | | | |
| | Songezo Mpupha | | | | |
| | Nomonde Matanga | | | | |
| | Xolelwa Vandala | | | | |
| | Nomakhaya Notsasi | | | | |
| | Sinesipho Nohanga | | | | |
| Nontobeko Shumi | | | | | |
| 15 | Cllr. N. Klaas | Yes | 0 | 0 | 0 |
| | Thina Santi | | | | |
| | Thembani Yawa | | | | |
| | Zithobile Mjamela | | | | |
| | Amanda Myeki | | | | |
| | Anelisa Tyolo | | | | |
| | Sandiswa Mana | | | | |
| | Wuphenia Nompucuko Mzileni | | | | |
| | Bukeka Dyakala | | | | |
| | Xoliswa Myoli | | | | |
| Zingisa Patric Gxolo | | | | | |

Functionality of Ward Committees

| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
|--------------------|--|----------------------------------|---|--|---|
| 16 | Cllr. M. Zamo | Yes | 0 | 0 | 0 |
| | Milani Tshaka | | | | |
| | Nwabisa Gila | | | | |
| | Linda Olifant | | | | |
| | Mayizukiswe Mbula | | | | |
| | Zukile Washington Jende | | | | |
| | Pumeza Maseti | | | | |
| | Nomakhwezi Neku | | | | |
| | Masibuele Ngwekazi | | | | |
| | Thabisa Kewuti | | | | |
| | Siyabonga Mtima | | | | |
| 17 | Cllr. L. Mathyolo | Yes | 0 | 0 | 0 |
| | Ntombomzi Radoni | | | | |
| | Vuyolwethu Jack | | | | |
| | Nomaseko Ntlangu | | | | |
| | Lindiwe Xujwa | | | | |
| | Nombuzo Stwayi | | | | |
| | Vusiwe Mapu | | | | |
| | Melikhaya Mngxa | | | | |
| | Phekela Maxhela | | | | |
| | Kholeka Mlambo | | | | |
| | Thandeka Matshaya | | | | |
| 18 | Cllr. T. Mjo | Yes | 0 | 0 | 0 |
| | Sinoxolo Matiwane | | | | |
| | Nomathemba Bianca Maneli | | | | |
| | Copiso Andiswa | | | | |
| | Phumlani Kiliman | | | | |
| | Vuyokazi Otola | | | | |
| | Nomvuyo Kala | | | | |
| | Noluto Ndaku | | | | |
| | Fuenka Nkqayi | | | | |
| | Sipho Sintwa | | | | |
| | Ntombesipho Nyamezele | | | | |
| 19 | Cllr. S. Tokwe | Yes | 0 | 0 | 0 |
| | Xolelwa Charmaine Mbali | | | | |
| | Sibabalwe Nabo | | | | |
| | Nomawethu Blou | | | | |
| | Noluphelo Nkumanda | | | | |
| | Sibulele Mnyepa | | | | |
| | Pumezo Jack | | | | |
| | Nomonde Joyce Pasman | | | | |
| | Luyanda January | | | | |
| | Khaya Baartman | | | | |
| | Thembekazi Khonzani | | | | |

Functionality of Ward Committees

| Ward Name (Number) | Name of Ward Councillor and elected Ward committee members | Committee established (Yes / No) | Number of monthly Committee meetings held during the year | Number of monthly reports submitted to Speakers Office on time | Number of quarterly public ward meetings held during year |
|--------------------|--|----------------------------------|---|--|---|
| 20 | Cllr.Z. Lento | Yes | 0 | 0 | 0 |
| | Nolusindis Mgxashe | | | | |
| | Mamkeli Goodman Yoli | | | | |
| | Mzwandile Wellington Maziko | | | | |
| | Mkhusele Archibald Matanga | | | | |
| | Lindeka Patricia Mtiwane | | | | |
| | Sebenzile Bejile Marks | | | | |
| | Phumza Ndawo | | | | |
| | Xoliswa Jayiya | | | | |
| | Liyema George | | | | |
| | Litha Mngocoba | | | | |
| 21 | Cllr. M. Tukani | Yes | 0 | 0 | 0 |
| | Mandlenkosi Mandlana | | | | |
| | Thozamile Frans | | | | |
| | Benjamin Slasha | | | | |
| | Mvuseleli Lamani | | | | |
| | Xolani Nkholi | | | | |
| | Nosisanda Dyantyi | | | | |
| | Simpiwe Mase | | | | |
| | Nomfundo Mhanga | | | | |
| | Sizakele Ndyambo | | | | |
| | VACANT | | | | |
| 22 | Cllr. N. Yanta | Yes | 0 | 0 | 0 |
| | Theoleen January | | | | |
| | Nicoleen Wilbooi | | | | |
| | Stuart Daniel Jacobs | | | | |
| | Bendry Charl Peters | | | | |
| | Nobelu Balangile | | | | |
| | Phindile Ntengu | | | | |
| | Xolelwa Mkhethshane | | | | |
| | Bongani Wani | | | | |
| | Candy Thandakazi Desi | | | | |
| | Siphokazi August | | | | |
| 23 | Cllr. M. Mahleza | Yes | 0 | 0 | 0 |
| | Ntombizondile Lolwana | | | | |
| | Thembinkosi Ngxelo | | | | |
| | Zoliswa Beauty Mboya | | | | |
| | Pamela Nawule | | | | |
| | Nombulelo Kweta | | | | |
| | Morien Bouwer | | | | |
| | Johnny Rex | | | | |
| | Andile Desire Tawule | | | | |
| | Noluyolo Mfondini | | | | |
| | Mzolisi Bana | | | | |

**APPENDIX F – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE
YEAR 2021/2022**

| Municipal Audit Committee Recommendations | | |
|--|--|---|
| Date of Committee | Committee recommendations during Year 0 | Recommendations adopted (enter Yes) If not adopted (provide explanation) |
| 29/09/2021 | AGSA Audit Strategy be presented on the next AC meeting. | Yes |
| 29/09/2021 | Audit Committee Charter and be discussed on the next AC meeting. | Yes |
| 24/11/2021 | Request AGSA to clarify the status to of the Court Summon; Municipality / AGSA | Yes |
| 24/11/2021 | Workings Debtors' and Creditors' age analysis be submitted to AC | Yes |
| 24/11/2021 | Financial Recovery Plan be submitted to the AC | Yes |
| 24/11/2021 | AG Payment Proposal Plan be presented in the AC meeting. | Yes |
| 06/04/2022 | AC be appraise on the progress made on Financial Recovery Plan. | Yes |
| 06/04/2022 | AG Payment Proposal Plan be presented in the AC meeting. | Yes |
| 06/04/2022 | Contingent, Litigation Liabilities Register be submitted to AC members | Yes |
| 06/04/2022 | Signed off IA Reports | Yes |
| 06/04/2022 | IA Find Tracking Tool | Yes |
| 07/07/2022 | Risk Management Plan | Yes |
| 07/07/2022 | Audit Action Plan | Yes |
| 07/07/2022 | RMEDA Strategy be submitted to the AC | In progress - strategy will be reviewed by the Board |
| 07/07/2022 | AC discussion on legal implication on AG outstanding debt | Yes |
| 07/07/2022 | Combine Assurance Model | No- meeting is planned for August 2022 |

APPENDIX G – MUNICIPAL SERVICE PROVIDER PERFORMANCE SCHEDULE

| Name of Entity & Purpose | (a) Service Indicators | Year 2021/2022 | | Year 2022/23 | | | Year 2023/24 | Year 3 2024/25 | |
|--|---|----------------------|--------|--------------------|----------------------------------|--------|----------------------|--------------------|---------------------|
| | | Target | Actual | Target | Target | Actual | Target | Target | |
| | | *Previous Year (iii) | (iv) | *Previous Year (v) | *Current Year (vi) | (vii) | *Current Year (viii) | *Current Year (ix) | *Following Year (x) |
| (i) Iceboeloethu Construction | (b) Service Targets (ii) Alice Road Phase 2 (Ntselamanzi)- Paving (budget maintenance) | nill | nill | 600m | 100% | N/A | N/A | N/A | |
| Liyema Civils | Paving of Gugulethu Internal Streets (budget maintenance) | nill | nill | 400m | 100% | N/A | N/A | N/A | |
| Zamisanani Jv Dalukhanyo | Bedford Access roads Phase 3 | 800m | 100% | 700m Paving | 100% | N/A | N/A | N/A | |
| SSK Cleaning Services | Paving of Hillside - Ntoleni Internal Streets (budget maintenance) | nill | nill | 600m | 100% | N/A | N/A | N/A | |
| Rosebud Building and Civil | Paving and Greening of Newtown Internal Street Phase 3 | 1km | 100% | 550m | 69% | N/A | N/A | N/A | |
| Iilitha Communications Jv L Jacobs Transport | Paving of Seymour Internal Streets Phase 2 | 1,6km | 100% | 800m paving | 100% | N/A | N/A | N/A | |
| Manxiwa Group | Installation of High mast Lights in Raymond Mhlaba | 4 high mast | 100% | 8 highmast lights | 89% electric connections was not | N/A | N/A | N/A | |

| | | | | | | | | | | | |
|--|--|---|---|---------------------------|----------|-----------------------|-----|-----|-----|-----|--|
| | 3 | Townships Phase | | | | included in the scope | | | | | |
| Bontinite PTY LTD | Fort Beaufort Sport Complex ward 21 | Construction of Fort Beaufort Sport Complex | Bontinite was appointed for ablation blocks and change rooms, refurbishment of existing guard house | 100% | Complete | N/A | N/A | N/A | N/A | N/A | |
| Altitudes Building and Civil Contractors | Fort Beaufort Drivers License Testing Centre | Nill | Nill | 100% | Complete | N/A | N/A | N/A | N/A | | |
| Altitudes Building and Civil Contractors | Paving of Jampa Internal Street Phase 1 | Nill | Nill | Paving of 800m | Complete | N/A | N/A | N/A | N/A | | |
| Khulanathi JV | Paving of Gomma Gomma Mike Valley and Kuwait Internal Street Phase 1 | Construction of 800m | 100% | Paving of 800m | Complete | N/A | N/A | N/A | N/A | | |
| Faku Chayi JV Mafungwashe Trading | Construction of Gqadushe Community Hall | Construction of Gqadushe community hall | 99% | Awaiting Eskom connection | 99% | N/A | N/A | N/A | N/A | | |
| Hlakula Construction | Construction of Rhwantsana Community Hall | Construction of Rhwantsana community hall | 100% | Awaiting Eskom connection | Complete | | | | | | |
| Chizama JV Ranos | Construction of Chris Hani Day Care Centre | Construction of Chris hani Day care centre | 100% | complete | 100% | N/A | N/A | N/A | N/A | | |

| | | | | | | | | | |
|----------------------------|--|---------------|------|---|------|-----|-----|-----|-----|
| Rosebud Building and Civil | Paving and Greening of Newtown Internal Street Phase 3 | Paving of 1km | 100% | complete | 100% | N/A | N/A | N/A | N/A |
| Idlike Construction | Alice Drivers License Testing Centre | Nill | Nill | the original scope is completed, contractor busy with additional scope. | 100% | N/A | N/A | N/A | N/A |
| SSK Jv Msipa Trading | Paving of Takalani, Tyoks and Mpolweni Internal Street (Ward3) Phase 3 | Paving of 1km | 100% | Paving of 1km | 100% | N/A | N/A | N/A | N/A |

APPENDIX H: DISCLOSURES OF FINANCIAL INTEREST

| Disclosures of Financial Interests | | |
|--|-----------------------|--|
| Period 1 July 2021 to 30 June 2022 | | |
| Position | Name | Description of Financial interests* (Nil / Or details) |
| Mayor/ Speaker | Cllr B Ketelo (Mayor) | Land and property, house ERF 4209 Ntselemanzi Alice, GEDF Special Pension. |
| Members of Exco | Cllr Sabane | Retirement pension |
| Councillor | Cllr Bantam | Directorship and partnership: Elten Agriculture /Auto Supplier, House in New Town, A plot in Fort Beaufort |
| | Cllr Kiswa | Director Malwande Investments, House in Port Elizabeth, House in Cape Town |
| | Cllr Mjo | Department of Higher Education : Centre Manager |
| | Cllr Mashengqana | Zizamele Agriculture Project |
| | Cllr Mfondini | Pension from ESKOM |
| | Cllr Sango | Site and House 1486 Maneli Street |
| | Cllr Auld | Homestead 1436 m2, Libert Life and Old Mutual Pensions |
| Municipal Manager | | |
| Chief Financial Officer | | |
| Deputy MM and (Executive) Directors | | |

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|--------------------------------|--|--|
| Other S56 Officials | | |
| | | |
| | | |
| | | |
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APPENDIX I: LONG TERM CONTRACTS

Long Term Contracts (20 Largest Contracts Entered into during Year 0)

| | | | | | R' 000 |
|---|--|------------------------|-------------------------|-----------------|---------------------|
| Name of Service Provider (Entity or Municipal Department) | Description of Services Rendered by the Service Provider | Start Date of Contract | Expiry date of Contract | Project manager | Contract Value |
| Manxwa Group | Supply and installation of high mast lights on turnkey for Raymond Mhlaba Municipality | 11/5-2021 | 05-Jun-22 | Mr D Mlenzana | 3 785 109.84 |
| Livema Civil Projects | Paving of Gugulethu | 5/6/2022 | 06-Jun-22 | Mr D Mlenzana | 589 280.00 |
| Icebolethu Construction & Projects | Paving of Ntselamanz | 5/6/2022 | 07-Jun-22 | Mr D Mlenzana | 783 196.00 |
| SSK Cleaning Services | Paving of Hillside to Moleni | 5/6/2022 | 08-Jun-22 | Mr D Mlenzana | 1 454 835.00 |
| Extra Dimensions | Construction of Alice Drivers License Testing Center | 5/6/2022 | 30-Jun-22 | Mr D Mlenzana | 300 000.00 |
| Maha SA | Fort Beaufort Drivers License Testing Centre Roadworthy Testing Equipment | 5/6/2022 | 30-Jun-22 | Mr D Mlenzana | 1 058 920.00 |
| Soyama Construction services cc | Panel of service providers for plant hiring | 3-Aug-21 | 2-Aug-24 | Mr D Mlenzana | R 4 107.80 per hour |
| Mane Tane | Panel of service providers for plant hiring | 3-Aug-21 | 2-Aug-24 | Mr D Mlenzana | R 4 496.50 per hour |
| Alomna Construction and Plant hire | Panel of service providers for plant hiring | 3-Aug-21 | 2-Aug-24 | Mr D Mlenzana | R 4 318.25 per hour |
| Midmar Plant hire | Panel of service providers for plant hiring | 3-Aug-21 | 2-Aug-24 | Mr D Mlenzana | R 5 657.86 per hour |
| Ekene Investment | Panel of service providers for plant hiring | 3-Aug-21 | 2-Aug-24 | Mr D Mlenzana | R 4 662.10 per hour |
| SMHART | Cash management and ancillary services | 14-Sep-21 | 15-Mar-22 | Mr D Mlenzana | R 210000 |
| Upsurge construction and projects | Panel of service providers to assist with revenue enhancement for Raymond Mhlaba. | 2-Jan-22 | 31-Dec-23 | Mr D Mlenzana | 18% commission |
| Brandrive Trading | Panel of service providers to assist with revenue enhancement for Raymond Mhlaba. | 2-Jan-22 | 31-Dec-23 | Mr D Mlenzana | 15% commission |
| Heeds SA | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R7 028.42 per rate |
| Prizola | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R4 735.30 per rate |
| La Dame | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R3 100.00 per rate |
| Isiqalo | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R2 538.79 per rate |
| Bhele Bo | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R 4 496.66 per rate |
| Extra Dimensions | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R8 051.70 per rate |
| Mambombi Cleaning | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R6 080.60 per rate |
| ingomso Likuthi trading | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R2 133.13 per rate |
| Damita World | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R3 837.35 per rate |
| Yebo Sales | Panel of service providers for supply and delivery of paving material for Raymond Mhlaba | 12-Nov-21 | 11-Nov-24 | Mr D Mlenzana | R4 191.82 per rate |

1. AUDITOR GENERAL'S REPORT

2. ANNUAL PERFORMANCE REPORT