



ANNUAL REPORT
2020/ 2021 FINANCIAL YEAR

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Chapter 1– Mayor’s Foreword and Executive Summary

MAYORS FOREWORD

The year 2021 is the Local Government Voting year where multitudes of the people will go to the polls to once more confirm their choice of government to take their needs forward. The democratic gains we enjoy is what the struggle stalwarts fought for hence at the grassroots where we are, we must guard against anything that is at loggerheads with what people require.

As the council of Emalahleni we are committed to clean governance and administration, Infrastructure development and maintenance, Local Economic Development and its Sustainability, Financial Viability as well as community services for the betterment of the lives of our people. Working together with the people we will be able to develop the Emalahleni we want where all our needs are fulfilled with the limited resources that we have.

The Corona virus pandemic-imposed number of challenges which requires us to exposure innovative ways. In the past we would have our engagements under one roof but now we are compelled to hold such using technology. The pandemic pushed us to acknowledge the advancements of technology as well as opportunities thereof. One would say COVID 19 is a health challenge although the reality is that it affects all what the mankind is used to do daily, from the socio-economic, political, religious and many more activities we are used to perform.

The reality is that to be able to live now, we need to adapt to a new way of doing things coupled by a behavioural change on a variety of aspects. This is not our challenge alone, but the World is affected by this pandemic. It is therefore, in our interest to improve on various alternative public consultation methods so that our communities continue to engage and understand the direction the municipality is taking on its developmental agenda. At this point in time, community radio, print media, social media and other mechanisms are alternative engagement platforms identified.

The municipality is stable as we have managed to hold council business without any fail due to the political as well as the administrative stability. There are some areas that we can improve on such as the crime in our communities and the overwhelming access to drugs in our respective communities. Gender Based Violence is so prevalent in our communities; elderly, women and children are raped and killed by community members, family members and people known to them and trusted as siblings. We appeal to men to play their part in the fight against Gender Based Violence, community structures and law enforcement to guard against this heartless behaviour that is spoiling our society.

Water and sanitation are also still a huge problem which needs our intervention as the Emalahleni Municipal Council as well as Chris Hani District Municipal Council as the water authority and provider. We will continue with the Community Works Programme (CWP) and the Expanded Public Works Programme (EPWP) that are community programmes driven to employ and capacitate people in our communities. Contractors working in our projects have got a responsibility to hire subcontractors which means Small Medium Macro Enterprises (SMME’s) in the Emalahleni area to enable them to develop and grow as small businesses.

We do this to assist build the capacity of Sub-contractors to emerge as well-established businesses. For that idea to be fulfilled we need the cooperation of business community as it necessitates commitment by all in ensuring that while working as sub-contractors, they provide quality services, building their business profiles and collect all the required skills as well as capacity levels to compete for huge projects even outside the municipal area.

On youth development and other youth programmes this financial year we are hoping to accelerate the rate in which we render services to this majority of our population through engaging Seta's, government departments and all sectors relevant to the plight of young people. Our Special Programmes and Skills Development will now have to refocus looking into the new skills needs based on the advancements in technology as well as the smart way of doing things responding to the changing world.

As we respond to COVID 19 we appreciate what government departments, role players, stakeholders and community-based structures do in their respective areas. At the same time, we have identified the need to strengthen our working relation to better serve our communities. It is therefore paramount for government departments to fully participate at the Intergovernmental Relations Forum so that there is a clear uninterrupted information flow.

Working with the department of roads we hope that our roads infrastructure will improve as we have concluded the memorandum of understanding where the plant machinery of the department is given to us to construct and maintain access roads using the inhouse teams.

The Thuma Mina call is directed to everyone within our communities including community members and civil servants. Civil servants have a responsibility to serve communities as efficient as possible. At the same time people in the community who have the means to assist to the needs of others (such as employment/community development) must also do so working hand in hand with government.

Unity in development as our slogan is the central point for us all to daily look into what we can do to develop the Emalahleni, Chris Hani, Eastern Cape, South Africa, and the world we want free from all social ills, our people suffer every day. Let us join hands and build the world we want.

COUNCILLOR NONTOMBIZANELE KONI
HONOURABLE MAYOR

EXECUTIVE SUMMARY

In 2016, Local Government Elections were held, and Emalahleni Local Municipality is in the process of developing a five-year credible strategic planning tool commonly known as Integrated Development Plan (IDP) with a cash-back budget premised on a medium-term revenue and expenditure framework. The IDP has been amended in terms of Local Government: Municipal Systems Act of 2000 (Act 32 of 2000). The needs and priorities of communities are derived from Public Participation and Mayoral Outreach Programmes, which were also conducted as per the requirements of the act. It should be noted that IDP and Budget are living documents and their implementation is assessed in terms of service delivery and budget implementation plan which confirms the relevance of programmes and projects of Council.

IDP and Budget are designed in such a way that they fulfil the constitutional mandate of Local Government that of institutional development and transformation, service delivery, local economic development, job creation, spatial planning as well as financial viability and financial management. In addition to this, Emalahleni Local Council developed and approved a business process re-engineering to inform its macro institutional organogram as an attempt to give effect to the five key priority areas.

We honestly request that Councillors, Traditional Leadership, Communities, Key Stakeholders and Sector Departments continue to support our endeavours of accelerating service delivery to all communities.

As the management our focus in the year ahead and beyond is on Local Economic Development, youth empowerment, Infrastructure Development, Financial Viability, and community services.

We are very thrilled with the audit outcomes we have received as we are a step towards achieving clean audit as we are on the unqualified audit opinion.

“Emalahleni is indeed moving forward with the execution of Back-to-Basics mandate.

Mr. V.C. Makedama
MUNICIPAL MANAGER

Chapter 2: Municipal Functions, Population and Environmental Overview

1.2 Population

Statistics SA, 2011 indicated that Emalahleni had the fourth largest population with a total of 119,460 (15% of the district population) in the Chris Hani district which extended over an area of approximately 3 840 square kilometres, including more than 200 rural villages and comprising seventeen (17) wards. In 2016, Statistics SA conducted a survey which revealed that Emalahleni population had increased to 122 700. This is an increase of 2.71% in the total population of the municipal area in a space of 5 years.

Statistics from ECSSEC revealed that with 128 000 people, the Emalahleni Local Municipality housed 0.2% of South Africa's total population in 2018. Between 2008 and 2018 the population growth averaged 0.67% per annum which is about half than the growth rate of South Africa as a whole (1.61%). When compared to other regions, the Emalahleni Local Municipality accounts for a total population of 128,000, or 15% of the total population in the Chris Hani District Municipality, with the Enoch Mgijima being the most populous region in the Chris Hani District Municipality for 2018.

The ranking in terms of the size of Emalahleni compared to the other regions remained the same between 2008 and 2018. In terms of its share the Emalahleni Local Municipality was very similar in 2018 (14.8%) compared to what it was in 2008 (14.8%). When looking at the average annual growth rate, it is noted that Emalahleni ranked third (relative to its peers in terms of growth) with an average annual growth rate of 0.7% between 2008 and 2018.

The head office of the Emalahleni Local Municipality is situated in Cacadu and has satellite offices in Dordrecht and Indwe. Growth trend analysis shows that Emalahleni population had a marginal growth of between 2% to 5% over the last 5 years. The marginal growth could be attributed to a variety of factors such as death, poverty, HIV/AIDS and/or family planning.

The following tables and graphs reflect the population of Emalahleni by various categories. The Black Africans and Black African females are the largest group of the population at 51% (and 53% including all races) of the total population. The high representation of females in the population represents an opportunity for the municipality to develop and implement programs for women empowerment.

	Black African	Coloured	Indian Asian	or	White	Other	Grand Total
Male	55 614	350	135		322	199	56620
Female	62 058	341	39		340	61	62839
Grand Total	117672	691	174		663	260	119459

1.2.1 Age and Sex Distribution

Using the 2001 Census data, the population is estimated to be 121 822 people.

Population Details									
Population '000									
Age	2011			2012			2013		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4	7 242	7 086	14 328	7 175	6 939	14 114	7 431	7 187	14 619
Age: 5 - 9	7 578	7 083	14 661	7 410	6 939	14 349	7 675	7 187	14 862
Age: 10 - 19	14 529	13 023	27 552	14 349	12 820	27 169	14 862	13 279	28 141
Age: 20 - 29	8 238	7 665	15 903	8 115	7 527	15 643	8 406	7 797	16 202
Age: 30 - 39	4 887	5 196	10 083	4 822	5 057	9 880	4 995	5 238	10 233
Age: 40 - 49	3 756	6 084	9 840	3 764	5 998	9 762	3 898	6 213	10 111
Age: 50 - 59	4 206	6 540	10 746	4 234	6 351	10 585	4 386	6 578	10 964
Age: 60 - 69	3 231	4 608	7 839	3 176	4 469	7 645	3 289	4 629	7 918
Age: 70+	2 955	5 559	8 514	2 940	5 528	8 468	3 046	5 726	8 771
Source: Statistics SA (2001 Census) with an average 3.58% growth rate per annum applied									

Using the 2011 Census data, the population in Emalahleni Local Municipality is estimated at 119 460 people, using the same growth rate.

Population Details									
Population '000									
Age	2011			2012			2013		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age: 0 - 4	6 792	6 569	13 361	7 035	6 804	13 840	7 287	7 048	14 335
Age: 5 - 9	7 014	6 569	13 583	7 266	6 804	14 070	7 526	7 048	14 574
Age: 10 - 19	13 583	12 136	25 720	14 070	12 571	26 641	14 574	13 021	27 595
Age: 20 - 29	7 682	7 126	14 808	7 958	7 381	15 339	8 243	7 645	15 888
Age: 30 - 39	4 565	4 788	9 353	4 729	4 959	9 688	4 898	5 137	10 035
Age: 40 - 49	3 563	5 678	9 241	3 691	5 882	9 572	3 823	6 092	9 915
Age: 50 - 59	4 008	6 012	10 021	4 152	6 228	10 380	4 301	6 451	10 751
Age: 60 - 69	3 006	4 231	7 237	3 114	4 383	7 496	3 225	4 539	7 765
Age: 70+	2 784	5 233	8 016	2 883	5 421	8 304	2 987	5 615	8 601
Source: Statistics SA (2001 Census) with an average 3.58% growth rate per annum applied									

TOTAL POPULATION BY PROVINCE – CENSUS 1996, 2001 AND COMMUNITY SURVEY 2007

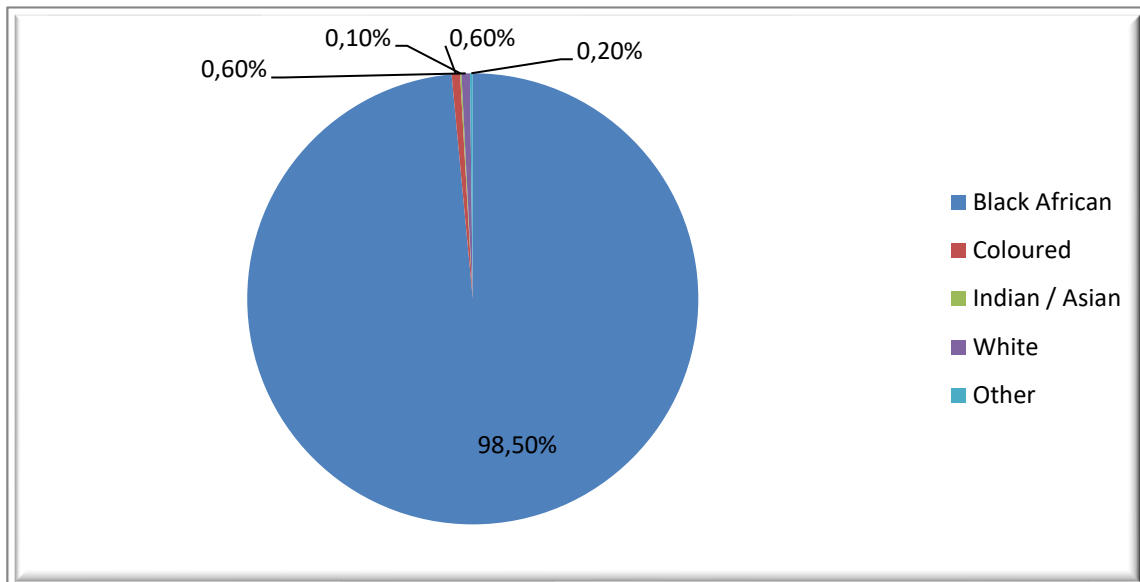
Provinces	Census 1996	Census 2001	% Change	CS 2007	Census 2011	CS 2016	% Change
Eastern Cape	6 302 525	6 278 651	2,1	6 527 747			4,0
Free State	2 633 504	2 706 775	2,8	2 773 059			2,4
Gauteng	7 348 423	9 178 873	20,4	10 451 713			13,9
KwaZulu-Natal	8 417 021	9 584 129	11,8	10 259 230			7,0
Limpopo	4 929 368	4 995 534	9,2	5 238 286			4,9
Mpumalanga	2 800 711	3 365 885	7,7	3 643 435			8,2
Northern Cape	840 321	991 919	-2,0	1 058 060			6,7
Northwest	3 354 825	3 193 676	8,8	3 271 948			2,5
Western Cape	3 956 875	4 524 335	14,3	5 278 585			16,7
South Africa	40 583 573	44 819 778	10,4	48 502 063			8,2

- The census results showed that the population increased from 40.5 million in 1996 to 44.8 million in 2001. The community survey has returned an estimated population of 48.5 million, showing an overall increase of 8.2% since 2001.
- The above figures are based on the new boundaries
- The largest percentage/rate of increase in population between 2001 and 2007 was in Western Cape with 16.7%, followed by Gauteng with 13.9%.
- Eastern Cape, Free State and Northwest experienced an increase of less than 5%.

Key Statistics	2001	2011
Total population	121,822	119,460
Young (0-14)	40,4%	35,1%
Working Age (15-64)	55%	55%
Elderly (65+)	8,4%	9,9
Dependency ratio	95,5%	81,8%
Sex ratio	85,8	90,1
Growth rate	-1,4% (2001-2011)	-0,2% (2001-2011)
Population density	N/A	35 persons/km2
Unemployment rate	68,3%	46,3%
Youth unemployment rate	79,1%	55,3%
No schooling aged 20+	41,5%	18,8%
Higher education aged 20+	4,5%	3,8%
Matric aged 20+	5,6%	11%
Number of households	27,280	31,681
Average household size	4,4	3,7
Female headed households	57,5%	53,8%
Formal dwellings	54,3%	56,1%
Housing owned/paying off	51,7%	61,3%
Flush toilet connected to sewerage	3,4%	11,8%
Weekly refuse removal	10,4%	8,3%
Piped water inside dwelling	2,9%	8,7%
Electricity for lighting	45%	78,5%
Source: Statistics SA (2011 Census) with an average 3.58% growth rate per annum applied		

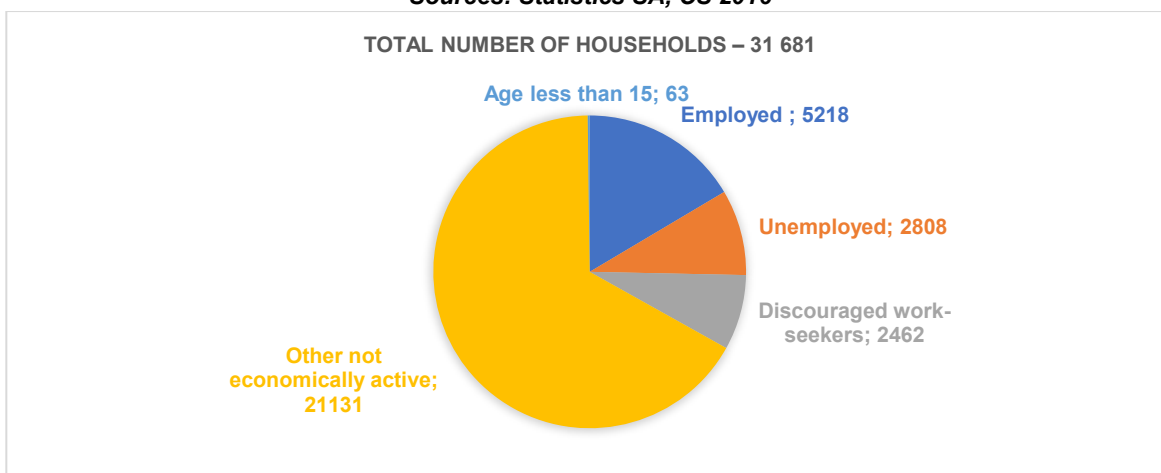
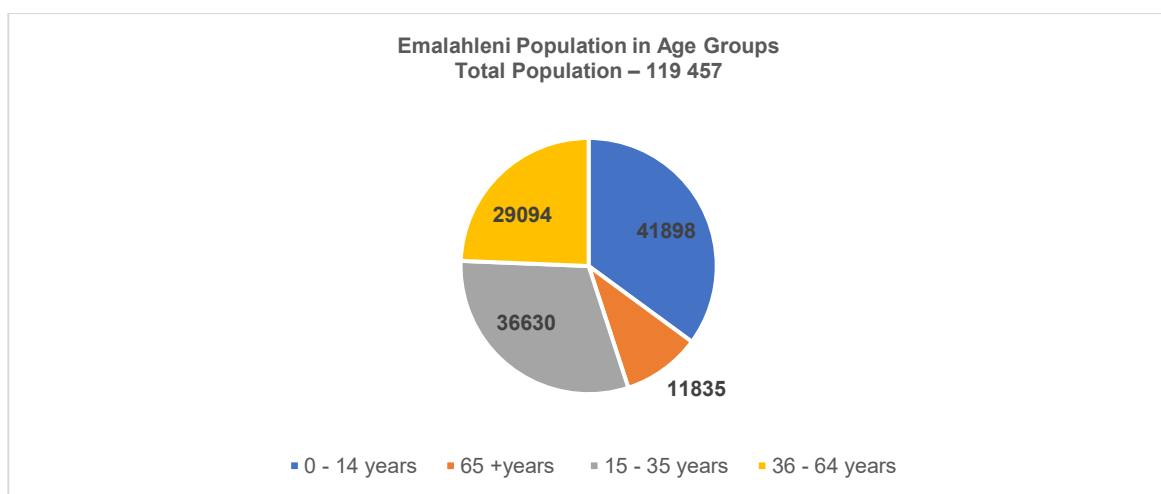
1.2.3 Population Groups

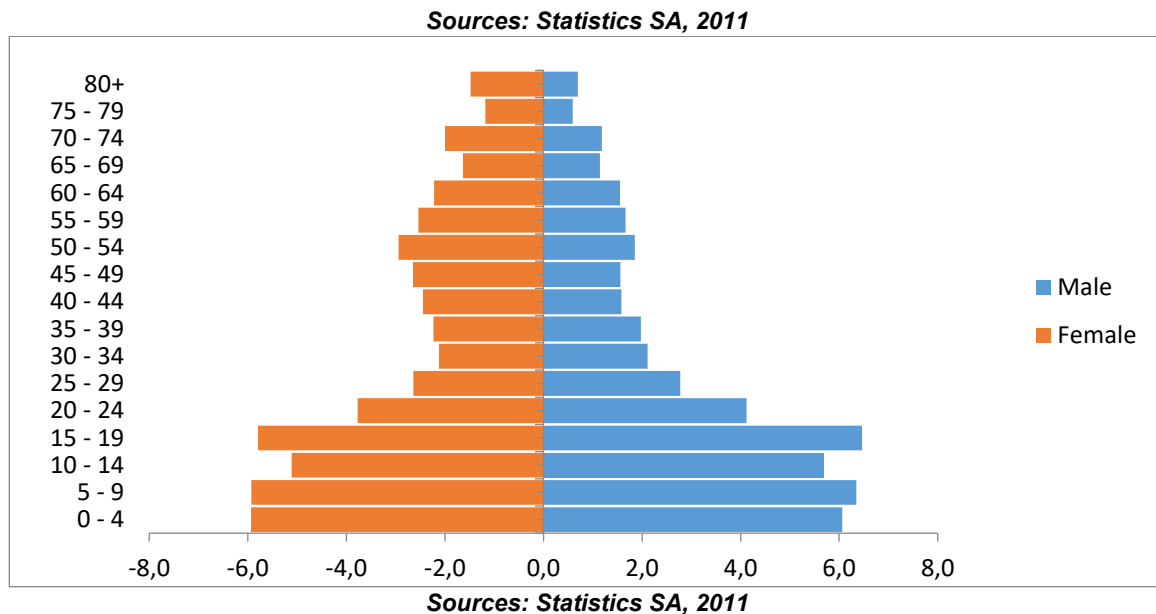
Group	Percentage
Black African	98.50%
Coloured	0.60%
Indian / Asian	0.10%
White	0.60%
Other	0.20%



1.2.4 Age and Gender Distribution

The graphs below reflect the 2016 Census statistics and provide an age-gender distribution analysis. This situation reflects the high levels of poverty and unemployment that are experienced throughout the municipal area with its concomitant effect on revenue generation and service delivery.





The age groups of 0 to 4; 5 to 14; 10 to 19 and 20 to 29 years old show a slant towards males being in the majority. However, this trend does not continue through into the economically active age groups, and it is widely accepted that this is caused by the tendency of the majority of males to seek better schooling or employment opportunities in developed urban centres outside the municipal jurisdiction.

Females form the greater portion of the economically active population in the 30-to-59-year bracket. This directs the strategic planning of the municipality to focus on increasing involvement opportunities within local economic development and local initiatives for this group.

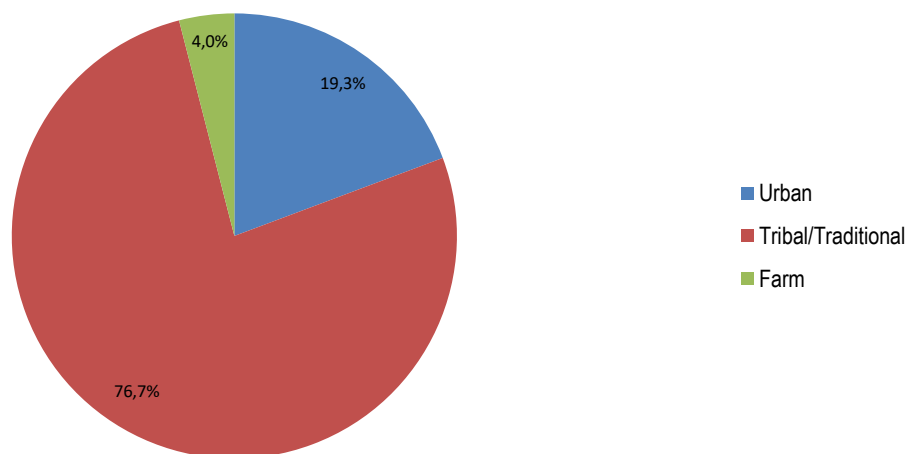
In support of the above trend, it can further be seen that within the elderly population age group (60 years and older), women dominate by 9% as compared with 5% for males. While women account for 15% of the age group 30 to 59 years, males only account for 11% of the population within the same age group. This impacts negatively on the local labour market and the potential workforce and needs to be considered as it deprives the local labour market of its potential workforce.

Efforts to encourage members of the economically active population and retired (but economically independent population) must be encouraged and built into the strategic objectives of the municipality for future growth and sustainability.

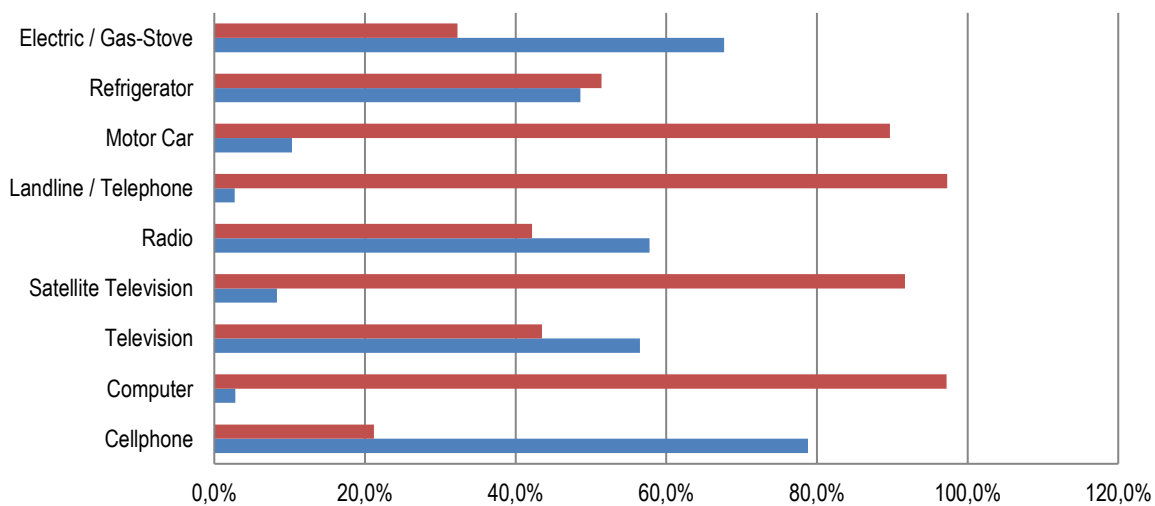
Living Conditions

There are 31 681 households in the municipality, with an average household size of 3.7 persons per household. 29.2% of households have access to piped water inside dwelling/institution or in their yard; most households (45.5%) access piped water on a community stands less than 200m from the dwelling. 7.4% of households do not have access to piped water.

Settlement Type

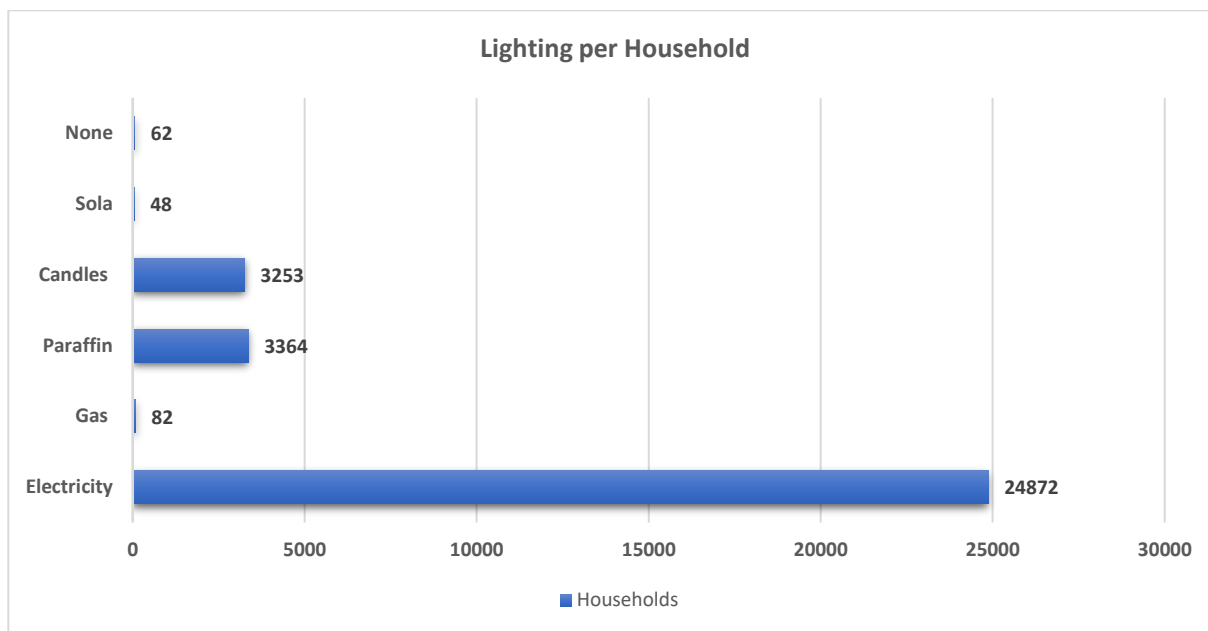


Household Goods

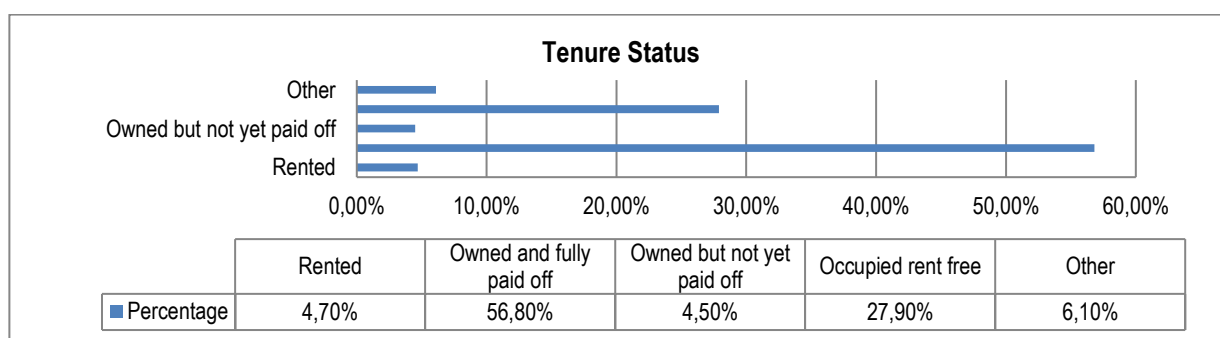
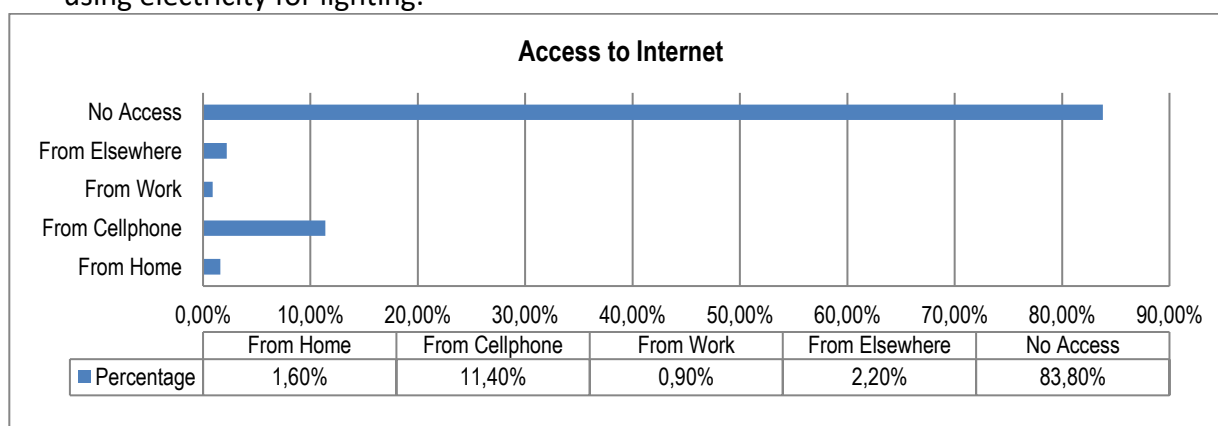


	Cellphone	Computer	Television	Satellite Television	Radio	Landline / Telephone	Motor Car	Refrigerator	Electric / Gas-Stove
No	21,2%	97,2%	43,5%	91,7%	42,2%	97,3%	89,7%	51,4%	32,3%
Yes	78,8%	2,8%	56,5%	8,3%	57,8%	2,7%	10,3%	48,6%	67,7%

**PERCENTAGE OF HOUSEHOLDS USING ELECTRICITY OF LIGHTING BY PROVINCE –
SA 2016 CVCOMMUNITY SURVEY**



- Electricity for lighting has increased in all provinces with 80.0% of households in South Africa using electricity for lighting.



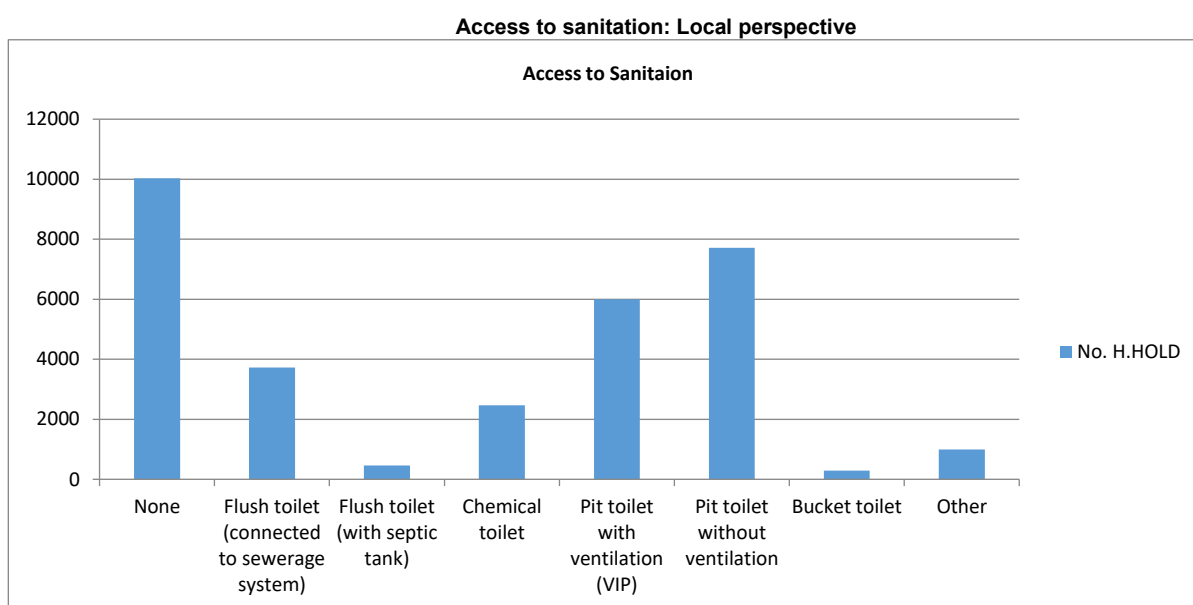
Households by type of water access - Chris Hani District Municipality, 2015

	Piped water inside dwelling	Piped water in yard	Communal piped water: less than 200m from dwelling (At RDP-level)	Communal piped water: more than 200m from dwelling (Below RDP)	No formal piped water	Total
Inxuba Yethemba	13,600	3,930	167	2	1,930	19,700
Intsika Yethu	954	2,460	13,800	6,760	17,200	41,200
Emalahleni	1,730	5,080	10,600	3,330	11,200	31,900
Engcobo	509	1,010	8,280	4,280	23,800	37,900
Sakhisizwe	2,490	3,780	4,480	1,080	4,760	16,600
Enoch Mgijima	25,300	17,600	16,100	2,850	9,200	71,000
Total Chris Hani	44,590	33,864	53,383	18,299	68,079	218,215

Source: IHS Global Insight Regional eXplorer version 1029

The regions within Chris Hani District Municipality with the highest number of households with piped water inside the dwelling is Enoch Mgijima local municipality with 25 300 or a share of 56.67% of the households with piped water inside the dwelling within Chris Hani District Municipality. The region with the lowest number of households with piped water inside the dwelling is Engcobo local municipality with a total of 509 or a share of 1.14% of the total households with piped water inside the dwelling within Chris Hani District Municipality.

When looking at the water backlog (number of households below RDP-level) over time, in 2005 the number of households below the RDP-level were 97 700 within Chris Hani District Municipality, this decreased annually at 1.22% per annum to 86 400 in 2015.



Sources: Statistics SA, 2011

This graph presents a picture of Emalahleni local municipality in as far as it relates to the provision of sanitation (Flush or chemical toilets; Pit latrine; and Bucket latrine).

Refuse removal for Household

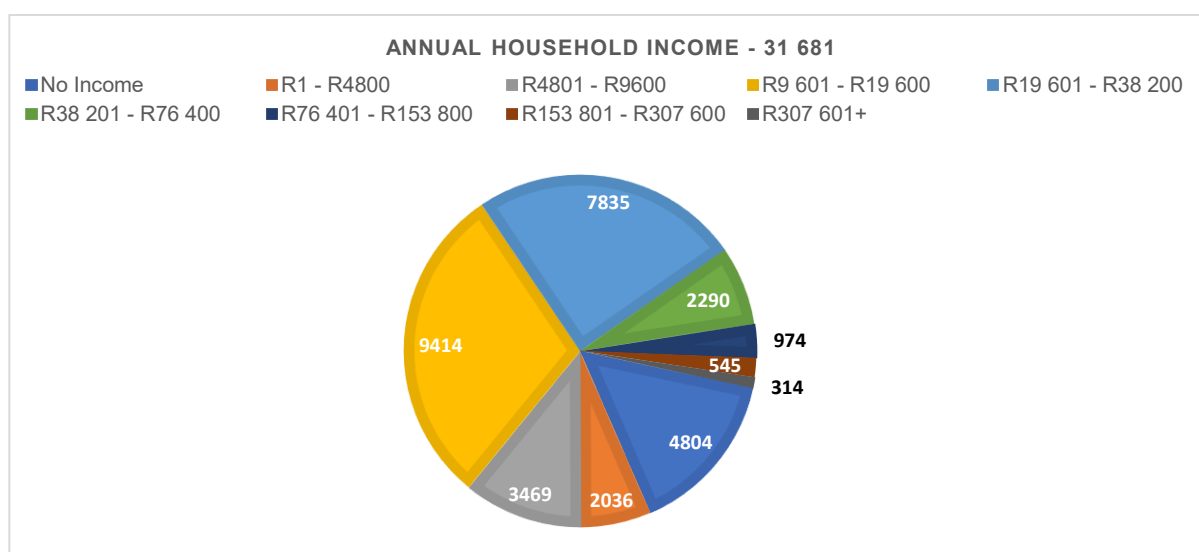
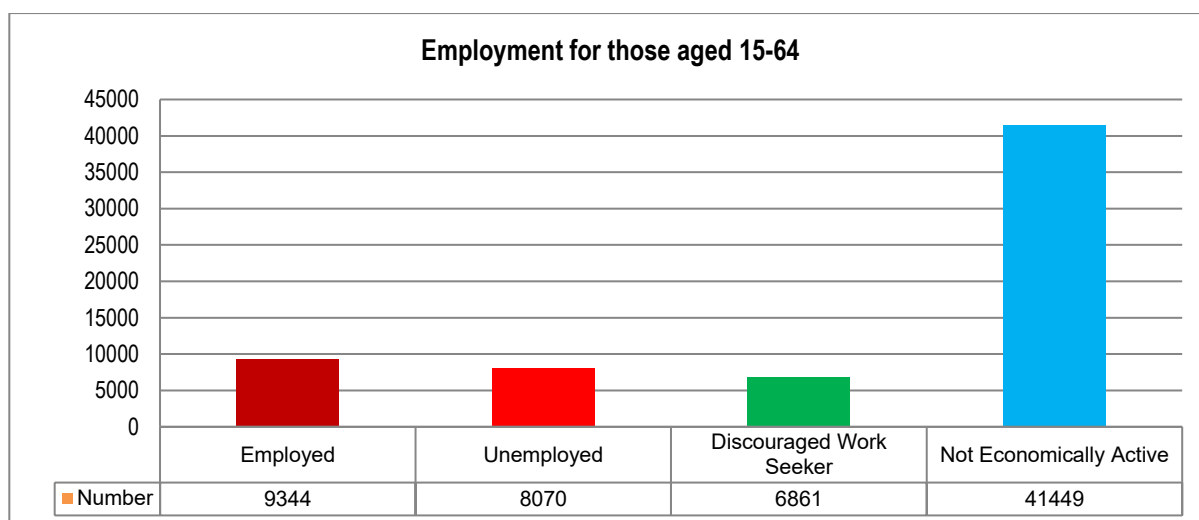
	2008	2009	2010	2011	2018
Unspecified / other	52	49	47	1303	1303
Removed by local authority at least once a week	3 026	3 085	3 144	2637	7 999
Removed by local authority less often	217	211	206	165	165
Communal refuse dump	562	587	612	528	528
Own refuse dump	13 363	13 518	13 674	20165	20165
No rubbish disposal	-	-	-	6883	6883

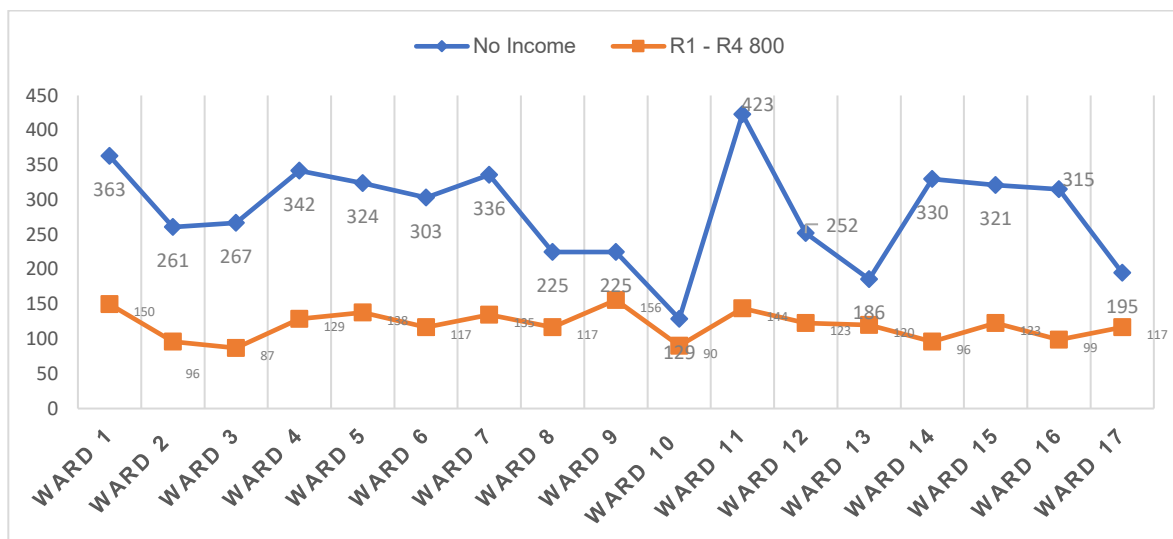
1.2.7 Refuse Removal

The data presented above was extracted from 2011 Stats SA Census report and the current strides in terms of service improvement relates reflects expansion of services to additional 1 131 households (KwaZakhele and Bhongolwethu Townships in Lady Frere)

1.2.8 Economy

46.3% of the 17 414 economically active (employed or unemployed but looking for work) people in the municipality are unemployed. The majority (55.3%) of economically active youth (aged 15 – 34 years) are unemployed.



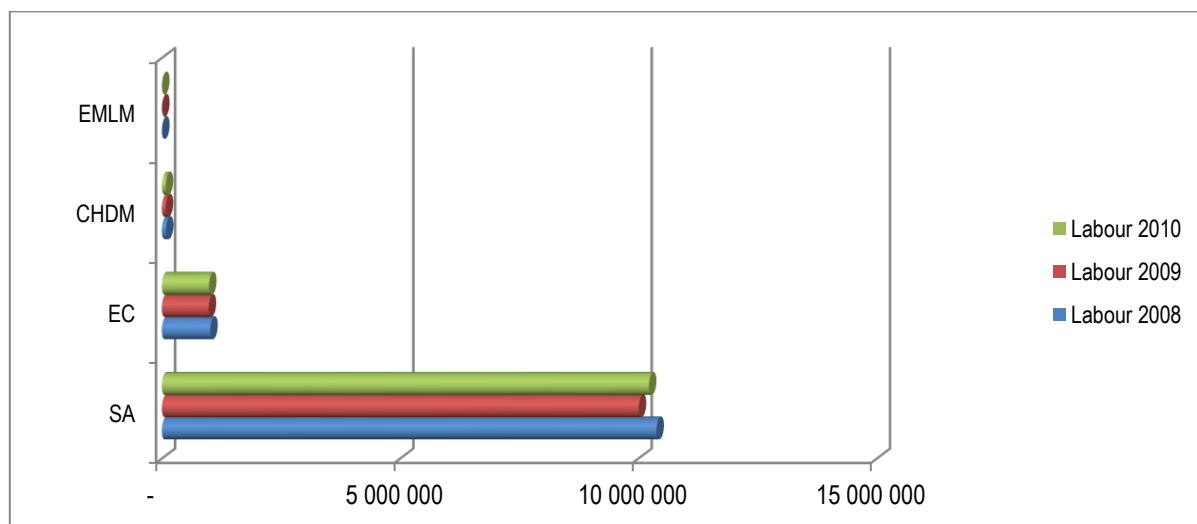


Notes:

- Unemployment, proportions of households with no income and illiterate people older than 14 years old - obtained from Census 2011, Community Survey 2016.

1.2.9 Labour

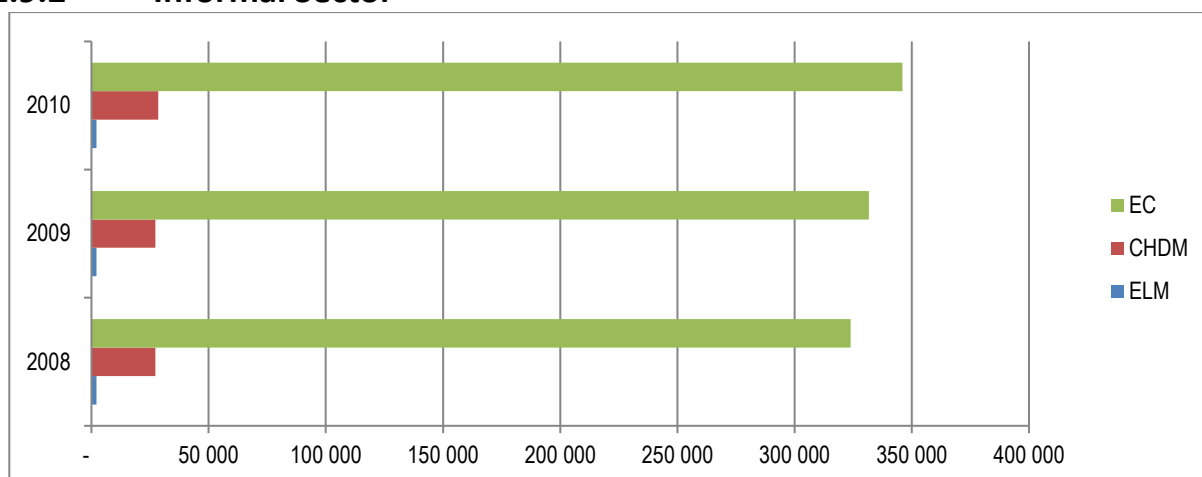
1.2.9.1 Formal Employment



The number of people in formal employment for Chris Hani District Municipality is very low and this has been the case for the past three (3) years. This situation means that people are either dependent on informal sector; have their own businesses and or coops or unemployed at all and that will have a knock-on effect on socio – economy of the area.

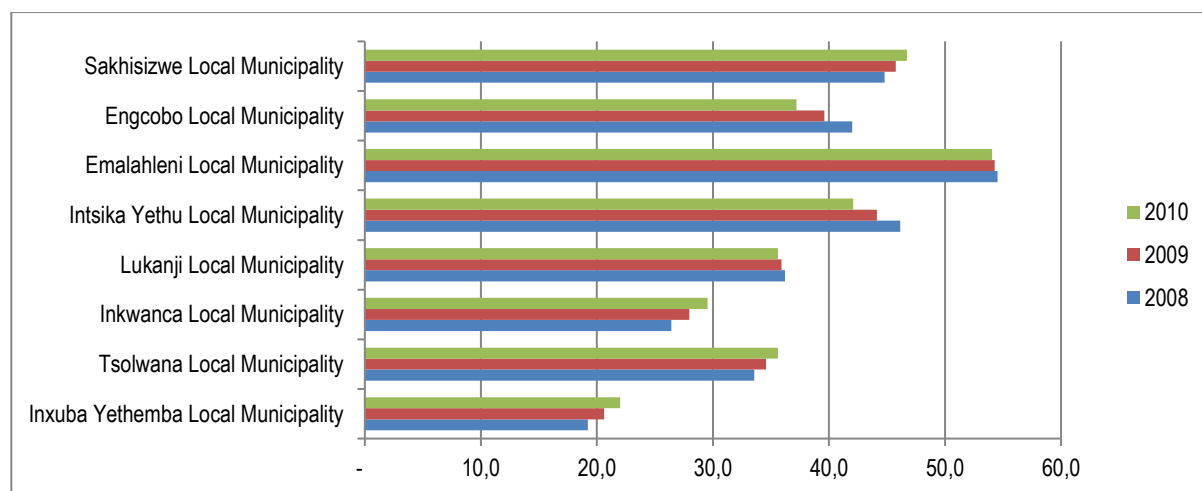
Bye-and-large, the GDP of Emalahleni has been anchored by the wholesale and retail sector which has contributed a higher percentage in terms of Real Money. The wholesale and retail sector has contributed about 80% to the Gross Domestic Product and has seen a steady growth for the past three financial years (2008, 2009 and 2010).

1.2.9.2 Informal Sector



In as far as it relates to the informal sector, Emalahleni is still making no progress for the past three years (2008 – 2010).

1.2.9.3 Unemployment rate



In the district, Emalahleni Local Municipality, is leading in as far as the unemployment rate is concerned and this has been the case since 2008 – 2010. There is a lot that needs to be done in terms of job creation.

According to data released by Statistics South Africa for the Year 2007, 2008 & 2009 indicates that the economy of Emalahleni has been shedding jobs except for the wholesale & retail sector which maintained a low but steady growth in terms of employment figures.

1.2.10Poverty

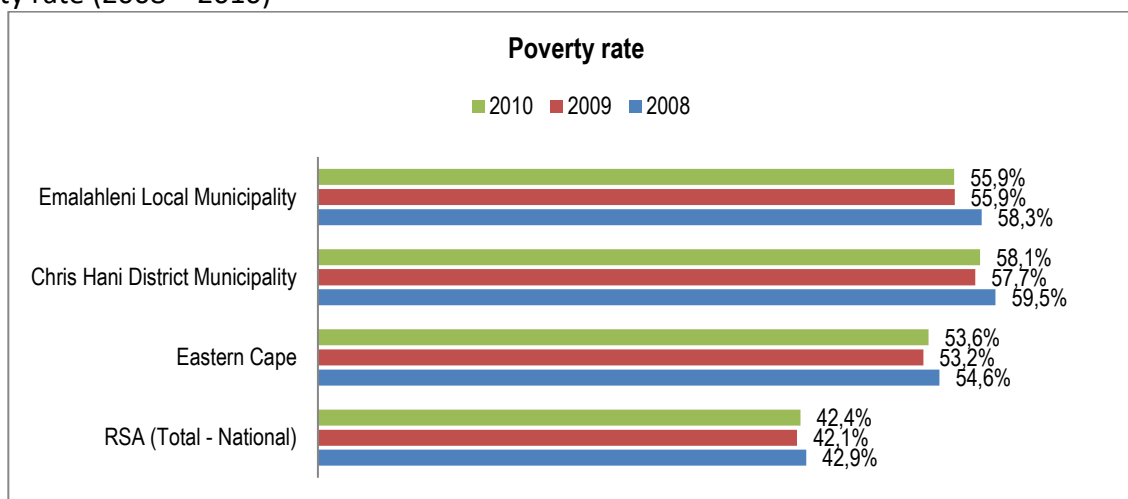
Poverty is a key development challenge in social, economic and political terms, not only in South Africa but throughout the developing world. In post-apartheid South Africa, fighting the legacy of poverty and under-development has always been a central theme of Government. This was cemented in the Reconstruction and Development Plan (RDP) of 1994 and reiterated in the National Development Plan (NDP) published in 2011.

The guiding objectives of the NDP are the elimination of poverty and the reduction in inequality and all the elements of the plan must demonstrate their effect on these two objectives. The Living

Conditions Survey (LCS) and the Income and Expenditure Survey (IES) conducted by Stats SA are the two primary contributors toward profiling and monitoring poverty and inequality over time. These two surveys are fundamental components to the survey programme of any statistical agency. They are the leading tools for the measurement of absolute poverty and inequality and they are an extremely important building block for the Consumer Price Index (CPI) to stay current with the changing spending and consumption patterns of the country.



Poverty rate (2008 – 2010)



Notes:

1. Unemployment, proportions of households with no income and Illiterate people older than 14 years old - obtained from Census 2011, Community Survey 2007, and Census 2001.
2. Proportion of population in Low-skilled Employment and HIV/AIDS Prevalence - no data for it yet.
3. Based upon the number of applicants on the municipal housing waiting list
4. Sourced from the District Health Information System.

Comment on Background Data

Emalahleni Municipality is regarded as one of the key economic hubs of the Chris Hani District (with Enoch Mgijima Local Municipality regarded as the top economic hub in the district). It is estimated to contribute about 20% to the total GDP of the district and provides 15% of the district's employment opportunities.

The rate of employment opportunities within the locality has increase over the last financial year due to the exploration of mineral resources, in the form of coal mining. This growth in employment opportunities is expected to grow steadily due to the impact it's likely to have to other businesses that provides goods and services to the coal mining operations.

The municipal leadership and management will continue to create a conducive environment for the small, medium, and large businesses to operate within the municipality. As stipulated in the S46 report below, we will do this by further strengthening the relations between the political authority of the municipality, the local administration and business through business and other forums.

1.3 Service Delivery Overview

1.3.1 Service delivery Introduction

The dawn of democracy in 1994 created a new dispensation in which access to basic services such as housing, water, sanitation, refuse removal, cleansing and electricity; was recognized as a fundamental human right. South Africa inherited high levels of poverty and it continues to be confronted with unequal and often inadequate access to resources, infrastructure, and social services. The Bill of Rights enshrined the right to basic services and commanded that the state must take reasonable measures to achieve the progressive realisation of these rights.

Key Statistics : South Africa as a whole	
Access to piped water	90,8%
Access to improved sanitation	76,9%
Access to mains electricity	85,3%
Use solid fuels for cooking	12,4%
Dwelling owned	65,6%
Living in formal dwellings	76,9%
Municipal refuse removal	64,0%

1.3.2 Water and Sanitation

Chris Hani District Municipality appointed Emalahleni Local Municipality as the Water Services Provider, however, the district municipality resolved to withdraw provision status from the local municipalities in the district. At the Emalahleni municipality, the resolution was due to be implemented in phases, with the transfer of the billing of water services back being the first phase.

Water and sanitation is therefore required to be provided to all rural and urban areas within this area, while taking into account the infrastructure limitations and challenges. It is acknowledged that service delivery and availability is more accessible in the urban areas, (18 769-yard connections in 3 towns vs 200m applicability for 105 948 residents in over 200 villages). Backlogs were addressed and reported accurately.

Shortfalls

- Within this region, periods of water shortages and drought are commonplace. For this reason, one of the greatest challenges has been to plan for these periods.
- Shortages in water have placed tremendous strain on the residents and on hospitals, clinics, schools, and hostels.
- Water sources remain a serious challenge

Several projects have been planned and conducted which include:

- Cluster 1 Water Back logs for Wards 7, 8, 10, 13 and 14 Cluster 2 Water Backlog

1.3.3 Sanitation

The municipality is appointed by Chris Hani District Municipality (WSA) as the Water Services Provider. This results in Emalahleni Local Municipality being required to serve as the sanitation service provider to the Emalahleni area. It is noted that Dordrecht, Lady Frere and Indwe are provided with a waterborne system of sanitation while VIP toilets and pit latrine systems are found in the villages.

General Comments and Challenges

As the standard and levels of sanitation are of concern, projects have been undertaken to resolve these challenges.

- Chris Hani District Municipality has funded a sanitation project to facilitate the upgrading of sanitation infrastructure, and this is progressing well.
- The Cluster 4 sanitation project for wards 2, 3, 4, 5, 15 and 16, Vukani Guba and Percy Villages is at the tender stage. The Baseline Survey has been completed, the ground water protocol is in place and the tender for a consortium closed. Construction is now underway.

- The Cluster 3 sanitation program for Wards 7, 8, 9, 10, 11, 12 and 14 is similarly at the construction phase.
- Reporting on sanitation monitoring is occurring as required.

Overall, it is to be noted that the greatest challenges relate to infrastructure. Backlogs (while in existence) are being eradicated and the achievement of 54% of households being exposed to a basic level of sanitation has been met. While it is recognized that not all backlog data is accurate, 170 participants /auxiliary workers have been appointed to collect /record information on backlogs of households with access to basic levels of service (relating to all basic services water, sanitation, roads, and electricity) the Technical Services Manager co - ordinate information relating to water, sanitation, roads, and electricity in relation to this project

General Comments and Challenges

When determining the appropriate activities to be undertaken to improve the standards of sanitation provision and backlogs, consideration is required to be made of the ageing infrastructure, the financial limitations, and the capacitation levels of staff.

In terms of the Mackay's Nek Sanitation project, progress has been well achieved during 2012/2013. The tender for Phase 2 has been awarded.

1.4 Financial Health Overview

- Emalahleni Municipality has received a qualified audit report for the 2020-2021 financial year.
- Financial assets and liabilities are offset.
- The municipality is acknowledged as paying its creditors within 30 days, as is stipulated by the MFMA.
- Strict credit control measures have been executed (as per Credit Control Policy and By-Laws) to ensure that the challenge of high levels of outstanding debt is addressed.
- Reporting to National Treasury in respect of performance reporting is being well achieved within the prescribed periods.
- Staff capacitation remains of critical importance and the development and implementation of the workplace skills plan would ensure this occurs in a planned manner.

Emalahleni Local Municipality is ardent about revenue collection and strives to ensure that municipal debt is reduced to accepted norms in the public sector. This is sought to be done through addressing the completeness and accuracies in the consumer database to ensure accurate consumer accounts. Further revenue enhancement strategies have been enacted to further improve the municipal revenue generation capacity.

1.5 Organisational Development Overview

1.5.1 Organisational Development Performance

During the year under review the municipality reviewed its macro-structure to align it to the municipality's IDP. This sets out the broad functional structure of the municipality; the political governance structure and Senior Management posts (section 56 posts), inclusive of the Municipal Manager and Heads of Departments.

The macro-structure was adopted by Council in 2017. This has paved the way for both the filling of the Heads of Department posts, as well as the finalisation of the micro-structure i.e., the organisational structure below S 56 level. The population of the structure is done annually, depending on the available and/or approved budget in the financial year.

Some Section 56 and 57 managers position remain filled with one remaining vacant (Director Corporate Services), and some managerial positions below the level of Section 56 and 57 managers were also filled with one remaining vacant (Manager SCM).

1.6 Auditor General Report

Emalahleni Municipality has received a Qualified Audit Opinion (detailed report in chapter 6)

1.7 Statutory Annual Report Process

Below is the process plan presented in several municipal structures for monitoring for purposes of developing the audited annual report.

Chapter	Required Content Material	Responsible Official	Due Date
1	1. Mayor's Foreword and Executive Summary to include: • Introduction • Overview of the Municipality • Political and Administrative Overview • Overview of functions • Geographic overview of the Municipality 2. Municipal Manager's Foreword. Inclusive in this foreword should be information pertaining to: • Functions and Powers of the municipality in relation to Section 155/156 of the Constitution and Chapter 3 of the MSA. • Sector departments and the sharing of functions between the municipality / entity and sector departments. • A statement on the previous financial year's audit opinion. • A short statement on the current financial health of the municipality / entity based on new budget formats as required by Treasury Regulations No 31804.	Municipal Manager	29 th July 2021

Chapter	Required Content Material	Responsible Official	Due Date
	- Information relating to the revenue trend by source including borrowings undertaken by the municipality. - The internal management changes in relation to Section 56/57 managers. - Risk assessment, including the development and implementation of measures to mitigate the top 5 risks. 3. Municipal Overview - This section provides an overview on how the municipality as separate legal entity function based on its relationship with other political structures, office bearers, administration, and the community. - Information on the demographics, economic growth, population, growth, and development structure of the municipality should be reported including the outcomes both success and not so successful initiatives embarked upon.	IDP and PMS Manager	
2	1. Governance Information to be included in this chapter is divided into four sections: - Component A: Governance Structures - Political Governance Structure - Administrative Governance Structure - Component B: Intergovernmental Relations - Intergovernmental Relations\ - Component C: Public Accountability and Participation - Public Meetings - IDP Participation and Alignment - Component D: Corporate Governance - Risk Management - Anti-corruption and fraud - Supply Chain Management - By-laws - Websites - Public Satisfaction on Municipal Services - All municipal oversight committees	IDP and PMS Manager Public Participation Practitioner Risk Management Practitioner SCM Manager Legal & Compliance ICT Manager Customer Care Senior Admin	02 nd August 201

Chapter	Required Content Material	Responsible Official	Due Date
	1. Service Delivery Performance Chapter 3 focuses on service delivery on a service-by-service basis. It considers • Municipal performance derived from IDP objectives, translated into the SDBIP, and presents data on Community needs and resource deployment. • Some indicators are offered for some services as a basic set of key comparative data to be amassed from all relevant municipalities and other services are left for municipalities to address entirely as they consider appropriate. • The service delivery issues must be structured, captured, and reflected under each priority as contained in the IDP to allow for easy comparisons on achievements against budget and SDBIP.	IDP and PMS Manager All Directors	03 rd August 2021
4	1. Organisational Development Performance This chapter addresses information pertaining to the implementation of an effective performance management system, organisational development, and performance of a municipality. Such information is required to identify skills gaps and plans for the development of such skills. To measure the outcome of effective organisational development the following is highlighted: • organisational structure enhancement. • increased accountability. • increased participation in problem solving, goal setting and new ideas; and In relation to the above, the content of this chapter include: • Component A: ○ Introduction to the municipal workforce (Total Employment, to include staff turnover. This could indicate a stable or unstable institution). • Component B: ○ Managing the municipal workforce Levels on reporting should be broken down to MM & Section 56, top management, assistant managers, supervisors, etc and not pay levels as there is no consistency among municipalities. • Component C: ○ Capacitating the municipal workforce. • Component D: ○ Managing the municipal workforce expenditure	Corporate Services Director	03 rd August 2021

Chapter	Required Content Material	Responsible Official	Due Date
5	1. Financial Performance The aim of this chapter is to provide an overview of the financial performance of the municipality through measuring of results. It further provides an opportunity for planning, to ensure that future budgetary allocations are brought in line with IDP and functional area activities and outputs. Information included in this chapter is divided into the following framework: • Component A: ○ Statement of Financial Performance • Component B: ○ Spending against Capital Budget • Component C: ○ Cash flow Management and Investment • Component D: ○ Other Financial Matters	Chief Financial Officer	17 August 2021
6	1. Auditor General's Findings Besides the Auditor-Generals Report, information pertaining to the following is to be included in the chapter on the Auditor-General report. This chapter provides an overview of the Auditor-General Report of the previous financial year. Specific topics that should receive attention include: • Detail on issues raised during the previous financial year. • Remedial action taken to address the above and preventative measures.	Chief Financial Officer	03 rd December 2021
	1. Appendices Appendices Descriptions The following information must be completed and added to the Annual Report to ensure that it complies with the requirements of various legislations. The content of these appendices is described below. • Appendix A: Councillors; Committee Allocation and Council Attendance. This Appendix relates to Chapter 1 of the Format and requires the compilation of a complete list of all Councillors, the party they belong to and the ward which they represent. Information pertaining to the number of Council meetings attended by each of the Councillors also needs to be provided. • Appendix B: Committee and Committee Purpose This Appendix also relates to information required to be included in Chapter 1 of the Format. A list	Corporate Services Director Corporate Services Director	06th August 2021 06th August 2021 06th August 2021

Chapter	Required Content Material	Responsible Official	Due Date
	of all Committees of Council, the purpose of each Committee and the names of Councillors serving on them. It also requires the inclusion of information related to the attendance of each Councillor. Appendix C: Third Tier Administrative structure The organogram of the administrative structure of the municipality / municipal entity is to be included under Appendix C. Appendix D: Functions of Municipality The appendix covers what constitutes the municipal functions, municipality to indicate which function is applicable to it. In case of a local municipality, it can also discuss functions performed by the district and vice versa. Appendix E: Ward Reporting Information on the functions of ward committees, the sector of community representation and reports submitted by each of these committees must be provided. The appendix can be expanded to include brief feedback of the operations and functions of individual wards, challenges experienced, and measures taken to address them. Appendix F: Ward Information This appendix relates to ward information, the following information is required; ward name (number), where under each ward the seven largest projects in the current year is listed together with their start date, end date, their total value and progress. Information on the top four delivery priorities per wards as these may differ in different wards. Appendix G: Recommendations of the Municipal Audit Committee This appendix relates to all meetings of the audit committee held together with its recommendations, those that have been adopted and those not. Appendix H: Long term Contracts and Public Private Partnership Information related to the largest projects, agreements, and contracts. Information related	Corporate Services Director Corporate Services Director Public Participation Officer Public Participation Officer Chief Internal Auditor	06th August 2021 06th August 2021 06th August 2021 13th Aug 2021 19th August 2021 06th August 2021 06th August 2021

Chapter	Required Content Material	Responsible Official	Due Date
	to Public Private Partnerships (PPP) in the municipality and its duration. Specific detail pertaining to the responsible departments for managing and implementing the roll-out of these projects is to be provided. The duration and monetary value of the projects, agreements or contracts should also be included. • : Service Provider Performance Schedule This statement should include no more than the top four priorities indicators as articulated in the IDP. Note that all must be funded within approved budget provision. • Appendix J: Disclosure of Financial Interest This Appendix relates to financial disclosures of senior managers and other section 56 officials. The financial interest disclosure is required even if posts were occupied for part of the year. • Appendix K: Revenue Collection Performance • Appendix K (i): Revenue Collection Performance by Vote This Appendix relates to information on revenue collected by votes, based on prior year and current year actual collections. • Appendix K (ii): Revenue Collection Performance by Source This Appendix relates to information on revenue collected by source, based on prior year and current year actual collections. Information by ward may also assist decision makers on the extent of indigent households and need for further support or policy changes. • Appendix L: Conditional Grants Received: Excluding MIG This Appendix relates to all conditional grants received in the current year, excluding the Infrastructure Grants, indicating adjustments budget and the actual, showing percentage variances of the two and indicating any major conditions applied by Donors on each grant, if applicable. • Appendix M: Capital Expenditure – New & Upgrade/ Renewal Programmes: Including MIG • Appendix M(i): Capital Expenditure – New Assets Programme	Chief Financial Officer All Directors Corporate Services Chief Financial Officer Chief Financial Officer Chief Financial Officer Chief Financial Officer	13th Aug 2021 13th Aug 2021 13th August 2021 13th Aug 2021 13th Aug 2021

Chapter	Required Content Material	Responsible Official	Due Date
	This Appendix relates to all capital expenditure relating to the new asset programme, showing the actual of the prior year, the adjusted budget and actual expenditure in the current year. Appendix M(ii): Capital Expenditure – Upgrade/Renewal Programme This Appendix relates to all capital expenditure relating to upgrade/renewal programme, showing the actual of the prior year, the adjusted budget and actual expenditure in the current year. Appendix N: Capital Programme by Project current year This Appendix relates to all capital projects in the current financial year, indicating the adjusted budget, actual in the current year and the variance between the two. Appendix O: Capital Programme by project by Ward current year. This Appendix relates to all capital projects per ward in the current financial year and indicates if work was completed or not. Appendix P: Service Connection Backlogs at Schools and Clinics. This Appendix relates to all backlogs in schools and clinics, the name and location of the schools and clinics is required, this information is provided to assist the national and provincial departments improve planning, budgeting, and implementation. Appendix Q: Service Backlogs Experienced by the Community where another Sphere of Government is Responsible for Service Provision. This Appendix relates to all service backlogs experienced by the community where another sphere of government is responsible for providing the service, this information is provided to assist the national and provincial departments improve planning, budgeting, and implementation. Appendix R: Declaration of Loans and Grants Made by the Municipality This Appendix relates to the list of all organization or person in receipt of loans and grants from the municipality, to state the nature of the projects funded and conditions attached to such projects together with the rand value.	Chief Financial Officer Infrastructure Development and Human Settlement Director Infrastructure Development and Human Settlement Director Infrastructure Development and Human Settlement Director Infrastructure Development and Human Settlement Director Chief Financial Officer	13th Aug 2021 13th Aug 2021 13th Aug 2021

Chapter	Required Content Material	Responsible Official	Due Date
	Appendix S: Declaration of Returns not Made in due Time under MFMA s71 This Appendix relates to all monthly budget statement not made in time as required by s71 of the MFMA. This information is critical for municipalities and oversight institutions so that early detection of problems can be made, and corrective action taken sooner. Appendix T: National and Provincial Outcome for local government This Appendix covers information not addressed in any of the other areas of the Annual Report, relating to municipal powers and functions that can be used by the National and Provincial Spheres to monitor and evaluate service delivery performance. This should indicate the progress to date, numbers and percentage achieved.	Chief Financial Officer IDP and PMS Manager	13 th Aug 2021
	1. Volume II: Annual Financial Statements Section 67(1)(a)(iv) states that audited financial statements for the financial year must be reported on. Financial statements to be displayed within the municipal/municipal entity Annual Report include - Summary of operating results presented by the CFO, including - Operating revenue - Operating expenditure - Operating results per service - Capital expenditure and financing - External loans, investments, and cash - Statement of financial position - Statement of financial performance - Statement of changes in net assets - Cash-flow statement - Accounting policies - Notes to financial statements	Chief Financial Officer	23 rd August 2021

1.7.1 Comment on the Annual Report Process

Unlike in 2019/2020 where the reporting process guided by Circular 104 of the MFMA which was extending timelines by a minimum of two months on compliance deadlines and the process was more aligned with the MFMA process as against Circular 63 that was published in 2012 that the municipality got accustomed to in previous financial year.

The 2020/2021 reporting process conducted in 2021/2022 financial year is guided by MFMA Circular 63 issued by National Treasury in the years 2012/2013, without replacing Circular 11, which regulated the content of the Annual Report and sets out a revised format. In addition, this circular prescribes new timeframes within which the Annual Reports shall be compiled and presented. The timeframes have been adjusted to coincide with the submission of the Annual Financial Statements in August each year. This has required the IDP and PMS unit, which is responsible for the collation of the Annual Report, and the Budget and Treasury Office, responsible for the Annual Financial Statements, to work closely together.

Despite the challenges experienced during the compilation of this report, among which is the preparation of Annual Financial statements inhouse, the municipality succeeded in compiling a Draft Annual Report which is expected to meet the requirements of the Auditor General.

Chapter 3 – Governance

Component A: Political and Administrative Governance

2.1 Introduction to Governance

Corporate governance is comprised of Risk Management and Fraud Mitigation, Internal Audit / Audit Committee, Compliance Services, Legal Services, Communication and Development Cooperation, Public Participation and Special Programmes, Knowledge Management, Research and Policy.

The preamble to the Local Government: Municipal Systems Act provides inter alia for the “core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities; to define the legal nature of a municipality as including the local community working in partnership with the municipality’s political and administrative structures; to provide for the manner in which municipal powers and functions are exercised and performed; to provide for community participation; to establish an enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government; to provide a framework for local public administration and human resource development; to put in place service tariffs and credit control policies by providing a framework for the provision of services, service delivery agreements; to provide for credit control and debt collection; and to provide for matters incidental thereto”.

The importance of good governance is widely recognised. Good corporate governance generates the goodwill necessary to enable sustainable value creation. Other pieces of the legislative framework impact on the activities of the Municipality and for the purpose of this cluster the King III Report is considered important. The introduction of the King III Report on Corporate Governance necessitates increased attention being paid to compliance issues. This covers

activities such as Internal Audit, Fraud and Risk Management as well as Information Technology. Within this overall framework fall activities such as risk and fraud management, internal audit, legal and compliance, knowledge management as well as public participation.

2.1 Political Governance

2.1.1 Introduction to Political Governance

The Municipal Council is the ultimate political decision-making body of the municipality. The Mayor, Councillor Nontombizanele Koni, together with the Executive Committee of Council, takes overall strategic and political responsibility for the municipality. Ward Councillors links the community with the municipal council and administration through functional ward committees. Below are political governance structures in the municipality:

Council

The section 12 notice published by the Member of the Executive Council for Cooperative Government and Traditional Affairs, Eastern Cape determined that Emalahleni Local Municipal Council, in terms of section 9(d) of the Municipal Structures Act 1998, would have an Executive Mayoral System combined with a Ward Participatory System.

Audit Committee

The municipality has its own committee which reports directly to Council, providing opinions and recommendations on internal controls, financial management and performance.

Municipal Public Accounts Committee (MPAC)

The Municipal Public Accounts Committee is in place to strengthen the oversight arrangements in the municipality and to ensure the efficient and effective use of municipal resources. Its key role is to consider and evaluate the content of the annual report and make recommendations to Council when adopting an oversight report on the annual report as required in terms of section 121 of the Local Government: Municipal Finance management Act and Circular no 32 issued by the Minister of Finance.

2.1.2 Political Structure



MAYOR

Chairperson: EXECUTIVE COMMITTEE
Cllr N. Koni

Presides at meetings of the executive committee
Performs duties, including any ceremonial functions and exercise the powers delegated to the Mayor by Municipal Council or the executive committee



SPEAKER

Cllr DS Kalolo

Presides at the meeting of the Council
Ensures that the council meets at least quarterly
Must ensure that the council meetings are conducted in accordance with the rules and orders of the council



**CHIEF WHIP
Cllr N Lali**

Performs duties that are delegated to him by Council

**Portfolio Head:
INFRASTRUCTURE DEVELOPMENT AND HUMAN
SETTLEMENT STANDING COMMITTEE**



EXECUTIVE COMMITTEE

Portfolio Head: Cllr Liwani

COMMUNITY SERVICES STANDING COMMITTEE



**ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE
STANDING COMMITTEE**

Portfolio Head: Cllr N Mtyhobile



CORPORATE SERVICES STANDING COMMITTEE

Portfolio Head: Cllr T Kulashe



BUDGET AND TREASURY OFFICE STANDING COMMITTEE

Portfolio Head: Cllr M Limba



MPAC COMMITTEE

Chairperson: Cllr L Mapete

2.1.3 Councillors

The municipality has Thirty-Four Councillors (34): Seventeen (17) Councillors were elected in terms of the system of proportional representation and Seventeen (17) Councillors represent wards. The first Council Meeting elected the Mayor, Council Speaker and Chief Whip. The mayor has an Executive Committee of five members.

2.1.4 Political Decision- Making

The political decision making is supported by the Executive Management Committee. All recommendations from the Executive Management Committee are put forward to the relevant Portfolio Committees, who then make recommendations to the Executive Committee.

On acceptance of the recommendation by the Executive Committee, such recommendations are made to the Council. Council then takes a final decision on the matter. In the few cases where there was no consensus on a matter within Council, in such instance, the issue will go to vote. Once the Minutes of the Council meeting have been adopted, the responsibility lies with the Accounting Officer to ensure that actions are taken to implement such resolutions through appropriate directorates.

2.2 Administrative Governance

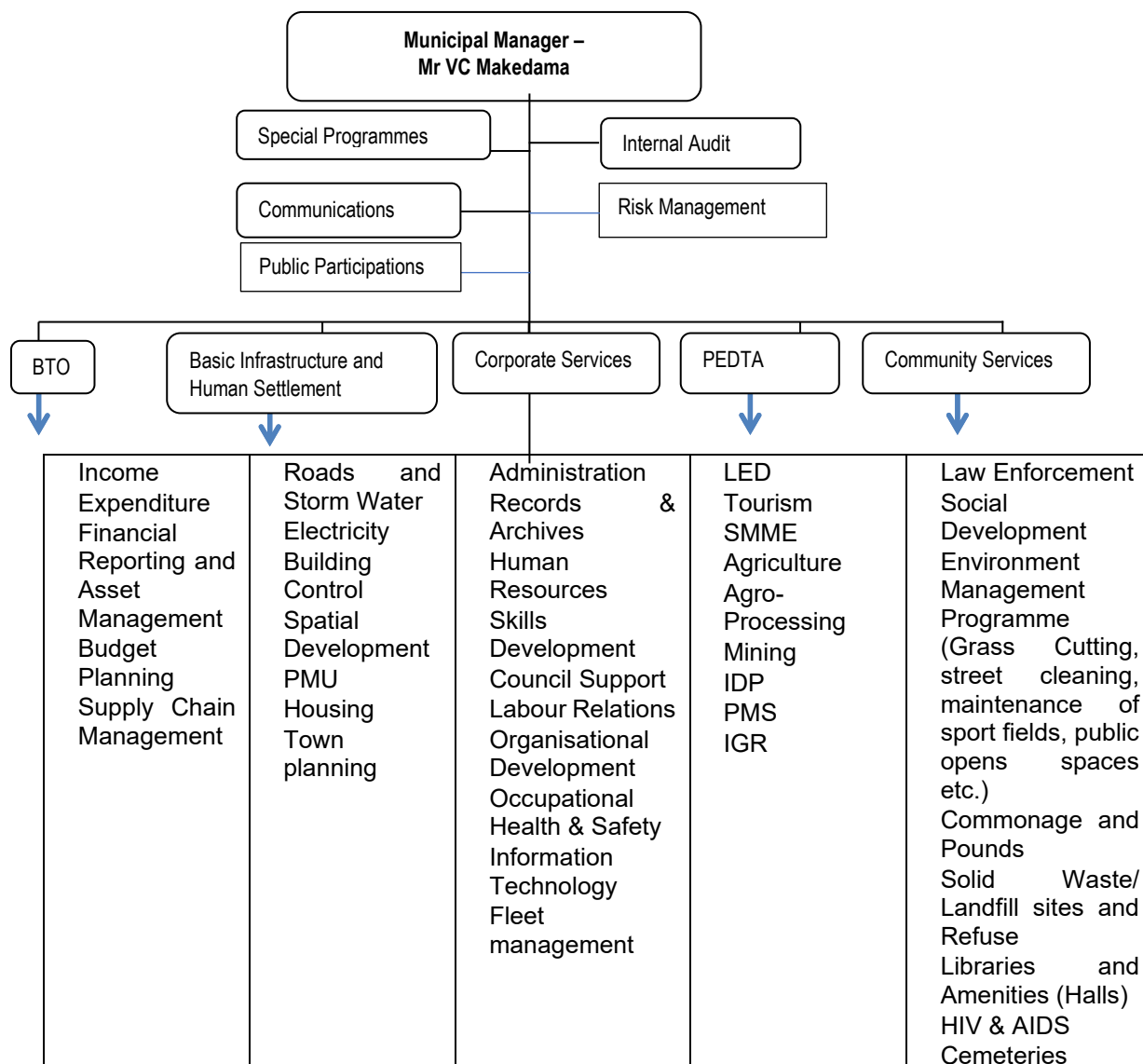
2.2.1 Introduction to Administrative Governance

Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

The 2019/2020 financial year marks the fourth year of the current term of the administration. The following structure shows the macro-organisational structure which was effective in the 2019/20 financial year.

Accounting Officer	Mr VC Makedama
Chief Financial Officer	Mr X Sikobi
Director: Corporate Services	Mr TT Javu
Director: Economic Development, Tourism and Agriculture	Mr N Mntuyedwa
Director Infrastructure Development and Human Settlement:	Mr D Njilo
Director: Community Services	Mrs N Nyezi

In the year under consideration, the organisational structure had also undergone a review and the following macro structure was adopted by Council for implementation in the 2018/19 financial year.



In addition to the above, the Municipality has a functional Internal Audit Unit, which conducts regular reviews of systems of control as well as compliance with legislated provisions and policies.

2.2.2 Top Administrative Structure



TIER ONE
Municipal Manager
Mr VC Makedama



TIER TWO
Chief Financial Officer
Mr X Sikobi



Director Planning, Economic Development, Tourism and Agriculture
Mr N. Mntuyedwa



Director Infrastructure Development and Human Settlement
Mr D Njilo



Director Community Services
Ms N Nyezi



Director Corporate Services
Mr TT Javu

Middle Managers

Manager: IDP and PMS

Mrs N Ncede

Chief Audit Executive

Mr A Pika

Acting Unit Manager: Dordrecht

Mr Z Mbotyi

Unit Manager: Indwe

Mr M. Nziweni

Manager: Community Services

Mr Z Mzileni

Manager: Public Safety

Mr O. Ndyumbu

Acting Manager: Supply Chain Management

Ms N Mzwana

Manager: Income and Expenditure

Mr A Zindlu

Manager: Financial Reporting and Asset Management

Mr M Madikizela

Manager: Project Management Unit

Ms Onke Ngacu

Manager: Electricity

Mrs Y Casa-Maselana

Manager: Information and Communication Technology

Mr P Matinisi

Manager: Local Economic Development

Mr. M. Tikana

Manager: Human Resources

Mrs M Swayena

Manager: Legal Services and Administration

Ms N Sehoshe

Manager Operations

Mr L Teka

Component B : Inter-Governmental Relations

2.3 Inter-governmental Relations

2.3.1 Municipal Inter-Governmental Relations

The municipality has its own IGR structure which composes of the municipal representatives (Members of the Executive Committee of Council and Officials) as well as representatives from sector departments within the Emalahleni jurisdiction including those outside the jurisdiction.

The municipality has had 4 local IGR meetings (coordinated by the IDP and PMS Division in the Planning, Economic Development, Tourism and Agriculture Directorate) that were well attended by representatives of sector departments; to discuss issues of mutual interest on the side of the municipality and sector departments, development planning and performance management related issues. The division has as well received support from the IGR unit in the Provincial Department of Cooperative Governance and Traditional Affairs.

Key to the issues discussed in the last financial year were issues relating to the maintenance of access roads by the department of roads and public works; disaster housing, implementation of human settlement projects as well integration of issues raised in war rooms into the municipal systems.

2.3.2 Development Cooperation and International Relations

The role of local government in International Relations has moved significantly from the symbolism of the past to meaningful interaction of mutual benefit with far reaching implications for the image of South Africa and the development agenda at a local government level i.e., attainable economic benefits.

In this regard it has been determined that the growing demands and complexity of South African municipal service- delivery imperatives have impacted significantly on the range and depth of skills and competencies required from within the municipal economy, thereby necessitating serious consideration of municipal intergovernmental relations as an increasingly viable conduit for scarce skills and resources.

District IGR coordinated by the Chris Hani District municipality is in place and functioning effectively.

2.3.3 Provincial Inter-Governmental Structure

IGR continues despite many challenges that were experienced in the past. IGR cluster meetings were held although the “then” and “current challenges” relate to the ability to facilitate adequate attendance from all departments from within the IGR Forum. Additional efforts are being made to encourage support and attendance. Meeting dates are circulated, and meetings held as required. The municipality is involved in the following IGR programmes and structures:

2.3.4 National Inter-Governmental Structure

The national department of Communications has identified the municipality as one of areas where broad band communications will be piloted. As part of this project an implementing agent, namely USAASA (Universal Service Access Agency of South Africa), has already set up computer laboratories in three schools, 2 additional network poles have been erected to increase network coverage.

Component C: Public Accountability and Participation

2.4 Overview of Public Accountability and Participation

The goal of the Municipality on Good Governance and Public Participation is to realize a viable and caring institution that will promote and support a consultative and participatory local government. This is in keeping with the current municipal vision:

“A municipality that delivers appropriate, sustainable and affordable services towards socio-economic growth for the development of its community”

The Municipal Manager’s Office covers the following support units focusing on the inter-face of administration and political leadership:

- Offices of the Mayor and Speaker.
- Communication and Development Cooperation.
- Public Participation and Special Programmes

The activities of this office are primarily focused on support for politically driven programmes – in the context of services delivery – and administrative compliance issues that are driven by or delegated through political principles of the municipality.

The following section outlines how this has been carried out in the municipality.

2.4.2 Public Participation

The municipality has a designated office responsible for:

- Enhancing public participation in order to ensure participative local government, by engaging in municipal outreach programmes, Council meetings and Mayoral Imbizo’s.
- Maintaining effective contact and interaction with all spheres of government (sector departments, NGO’s, FBO’s, CBO’s as well as public private partnerships);
- Ensuring that all aspects of compliance and legal responsibilities as they relate to public participation are attended to.

2.4.2.1 Functional Responsibilities

- Public Participation.
- Ward Committee functioning.
- Community Development Worker (through CDW functioning).
- Twinning relations between Emalahleni Local Municipality and Dordrecht Municipality (Netherlands);
- Communications (Internal and external).

2.4.2.2 Focus Areas 2020/2021

- Improved Public Participation initiatives.
- Improving interaction with CDW’s.
- Establishing functional war rooms
- Moral regeneration
- Contributing to Intergovernmental Relations.
- Improved Communication (Internally and externally).
- Facilitation and coordination of the IDP roadshows.

2.4.2.3 Response to Covid-19 pandemic

- The municipality has functional joint operational committee (JOC) chaired by Mayor which seats weekly.
- The JOC meeting consists of all sector departments.

2.4.3 Performance Reporting and Challenges

2.4.4 Performance Reporting and Challenges

2.4.4.1 Public Participation

Council is committed to the promotion of local democracy through the involvement of communities in its planning and decision-making processes. Consultative forums such as: the IDP Representatives Forum, Mayoral Imbizo's Lekgotlas', EXCO Outreaches, Ward Committee meetings, Traditional Leaders, CDW operations and the like were held and took place.

Communities were encouraged to take part in project implementation exercises via their locally based organizations, such as co-operatives, trusts, NGOs, and Project Steering Committee meetings. Every effort was made to develop and improve relations with stakeholders and customers.

The Presidential Fraud Prevention Hotline was also used to ascertain customer feedback and meetings are regularly, to address issues raised. During the year under review, several effective public participation interventions were held. These include:

IDP Outreaches

As per the IDP/PMS and Budget Development Process Plan adopted by Council, IDP and Budget roadshows were held throughout the municipality and according to a scheduled program to solicit, consolidate and as well confirm ward priorities. Each ward was visited by a team comprising politicians and management and led by an executive committee member. Participation outreaches were held in 17 wards and at least three visits per ward.

2.4.4.2 Ward Committees

Ward Committees are an appropriate channel through which communities can lodge their complaints. In a broader sense a Ward Committee is a communication channel for the entire community residing in each ward.

In August 2016 as the new Council came into office, 17 Ward Committees were elected, and the 170 elected members were suitably inducted and trained to ensure that they function effectively. Training efforts were held during the second quarter of the financial year and focused on the areas that will ensure that committee's function appropriately. Monthly meetings occur as scheduled and Ward Committee quarterly meetings are held with all ward committee members, CDW's and Ward Councillors (coordinated by the Office of the Speaker).

Major Issues Dealt with by the Ward Committee System

The following key issues were addressed through the ward committee and public meetings:

2.4.4.3 Reports to Council

These remain public documents and the Speaker reports on the activities of the Ward Committees to Council on a quarterly basis. In the year under review, quarterly reports were submitted to Council on the functioning of Ward Committees.

2.4.4.4 Business Forum Meetings

To facilitate stakeholder consultation, business forum meetings have been established. In the year under review, quarterly meetings were held.

2.4.4.5 Community Development Workers

CDW's are employed by the Department of Local Government and Traditional Affairs and placed in each ward; to assist communities to link with their municipalities and government departments. The effectiveness of these CDW's is compromised by the fact that they report directly to the Department rather than to the municipality and this affects reporting and the provision of instruction. Accountability to the communities is to be facilitated and improved.

While great improvements have been experienced within the field of public participation ongoing focused efforts and the involvement of all stakeholders is required.

2.4.5 Comments on the Effectiveness of the Public Meetings held:

The Municipality makes more appropriate decisions based on the priority needs of the community.

2.5 IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T 2.5.1

Component D: Corporate Governance

2.6 Risk Management

Risk Management is a statutory imperative which must be complied with. The municipality is therefore required by law to develop proper systems of risk management for purposes of mitigating further risk and to encourage and promote a risk management culture in the institution.

Management of Legal Risk

The Municipal Manager's role within risk management is to:

- Engage proactively in the development of a risk management framework.
- Develop and promote strategies that assist in the achievement of the broader risk management objectives of the municipality.
- Flag areas of potential risk and engage other stakeholders to introduce best practice models; and
- Engage meaningfully in the review processes relating to risk management.

Below, are the strategic risks identified across the institution:

Priority Area	Risk No.	Risk Description	Root causes to the risk	Current business processes / controls in place to manage identified risks	Risk owner	Residual risk exposure	Mitigating action plans to further address the residual risk exposure	Target date for completion	Action owner	Action status	Progress and status.
KPA 1 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT											
Law enforcement	1.1	Non-implementation of By Laws	1. Staff shortage (Peace officers , EMI) 2. Uninformed community. 3.Unclear roles and responsibilities by law enforcement agencies.(DOJ, SAPS, DEDEAT ect). 4. Lack of skills capacity. 5.Fines and penalties not determined buy the municipality.	1.Two traffic officers trained as peace officers with identification cards. 2.Community Awareness Programs. 2.Community Fora. 2.Public Participation Programs. 3.Effective Inter-governmental relations forum. 4.Qualified personnel in each sector. 5.Gazzeted By-Laws	Director Community Services, Corporate Services	Priority 1	1.Engagement with the Stakeholders to assist in law enforcement. 2.Public Safety Awareness Sessions. 3. Meeting with Law enforcement agencies. 4.Training the staff personnel as peace officers.	1.31 Dec 2020 . 2. Quartely 3.Quartely 4.31 March 2021	1.Director Community Services. 2.Community Services Manager 3.Community Services Manager	In progress	1 & 2 Joint venture road block Home affairs, Health , SAPS , Provincial Traffic on the 01 April 2021. 2,Joint venture road block Home affairs, Health , SAPS , Provincial Traffic on the 01 April 2021. 3. Quarterly Community Safety Forum Meetings 03 June 2021 4. Traffic Training Colleges are all temporarily closed due to COVID-19
Building/ Facilities/ Amenities and Recreational facilities	1.2	Inadequate maintenance and management of Municipal facilities	1.Inadequate budget allocation 2 Insufficient personnel 3.Inadequate implementation of the maintenance plan. 4.Poor workmanship on newly constructed facilities.	1. Budget allocation. 2.Approved Organogram. 2. Facility Practitioner sent on training. 2.Appointment Facilities Management Practitioner and handy man. 3.Developed facilities maintenace plan (SOPs,Prevententative maintenance system and nternal maintenace response system) in place. 4.No control.	Director Community Services;IDHS	Priority 1	2.Capacitate the facilities maintainance unit. '3.Develop maintenance monthly plans 3.Submit progress report quartely to Directorate meeting.	2.28 Feb 2021 '3.30 Sept 2020. 3.Quartely	2.Director Community Services 3. Facilities Management Practitioner 3.Facilities Management Practitioner.	Final tests and maintain	3. Quartely Reports on Maintenance of Facilities.

Provision of Electricity	1.3	Electricity losses is not being controlled in line with NERSA standards	1. Tempering of electricity prepaid meters and illegal connections. 2. Ageing infrastructure. 3. Inadequate network maintenance 4. Outdated metering. 5. Community resistance.	1. Prepaid meter inspections. 1. Customer consumption report. 1. Engagement with ESKOM. 1. Installation of bulk meter. '1. Electricity BY-LAWS implemented. 2. maintenance of the electricity network. 3. Implementation of electricity maintenance plan in place (Insufficient budget to only perform preventative maintenance) 4. Prepaid meter inspections. 4, Transformer loading. 4. Customer Complaints process. 5. Issue letters to the customers and disconnection of supply. 5. Community awareness campaign.	Director : IDHS	Priority 1	1. Implementation and monitoring of electricity by-Laws. 2. Implementation of the maintenance plan.	1. Quarterly. 2. Quarterly.	Electrical Manager	Final tests and maintenance	1. Implementation of Electricity By-Law in progress. 2. Implementation of Maintenance Plan currently in progress as planned on the SDBIP. 2. Prepaid and conventional Electricity meters procured. Installation in progress. 2. Analysis on the purchase history of consumers and repairs on defects identified in progress.
Spatial Development	1.4	Ineffective implementation of the spatial development framework (SDF)	1. Promulgation of the new legislation (SPLUMA) 2. Lack of knowledge of the town planning processes by communities. 3. Inappropriate use of land (	1. Approved SPLUMA BY-LAWS. 1..Approved SDF compliant 2. Awareness campaign conducted to the community. 3. Implementation of the SPLUMA act 3. Land use surveys. 3. Land audit report	Director : IDHS	Priority 4	1. Enforcement of SPLUMA BY-LAWS. 2. Education and awareness campaigns. 3. Lobby for budget for the Integrated town planning scheme	1. Quarterly 2. 31 Dec 2020 3. 31 Dec 2020 3. 31 Dec 2020 3. 31 March 2021	Town planner	Final tests and maintenance	1. Enforcement of Spluma by-law currently in implementation. 2. Information pamphlets have been made available for community members who visit the municipal offices. 3, Provisions have been made for the land

			encroachment of municipal owned land) 4. Insufficient Personnel.	issued. 4. Only one Town Planner.			next financial year.				scheme. development in the next FY budget to then be implemented.
Project Management	1.5	Inability to implement projects adequately.	1. Inadequate budgeting. 2. Delays with Supply Chain Management Processes. 3. Poor planning. 4. Lack of integration within business units in the municipality for implementation of projects.	1. IDP and budget process and IDP and budget committee, DORA bill. 2. Procurement plan. 3. Adherence to DORA bill. 3. Procurement Plan.	Director : IDHS	Priority 3	2. Bid Committees to sit as scheduled 3. For each project a feasibility study should be conducted before budgeting. 4. Establish a Project Forum.	2. Quarterly 3. On all new projects 4. 31 Dec 2020	PMU Manager Roads Superintendent SCM Manager	Final tests and maintain	2. Bid Committees have been sitting as scheduled as we have a schedule. 3. The municipality had thus appointed A panel of consultants to provide the feasibility study and designs for pipeline projects to ensure that the Business Plans submitted to Sector Departments for funding are a realistic estimate of project costs. 4. Project forum established and sit when necessary.

KPA 2: LOCAL ECONOMIC DEVELOPMENT

SMM E Supp ort	2.1	Lack of capacity to sustainably run their businesses.	1. Lack of capacity by SMMEs to sustain their businesses. 2. Insufficient funding to support SMME development. 3. Lack of cooperation with government development agencies.	1.LED strategy. 1.SMME Support Plan (Facilitate procurement of production inputs, Trainings and advisory sessions). 1 & 3.Improved relations with DEDEAT and CHDM. 2.Budget allocated yearly for SMME. 3. One on One sessions held with Government agencies. 3. Attending IGR for as for development of SMMEs. 3. Established relation with CIDB and NHBRC.	Director PEDTA	Priority 3	1.'Facilitate capacity-building programmes to SMME's. 1.Facilitate a training and registration with NHBRC to SMME's in construction. 2.Source funding Department of Small Business Development, COGTA, DEDEAT and CHDM. 1 -3.Lobby strategic partnerships with government development agencies (SEDA,NYDA,SEF A)	1.Bi-annually 1.31 Dec 2020 2.Bi-annually 1-3. Bi-annually	SMME Practitione r	Final tests and maintain	1, Road show conducted with Small Business Development; DEDEAT and SEDA on the 12 Nov 2020. 1. Business Management Training that was offered to SMME's. 2.110+ SMMEs were assisted to date with the applications and subsequently approved for the Small Business Development relief funds. 2, SMME's in the informal sector have been identified for funding by the SALGA in partnership with United Nations Development Programme. 1-3. Its ongoing as the projects above have been done in partnerships with these Agencies.
	2.2	Illegal mining.	1.Beurocraticy in the application process of mining permits by Dept of Mineral Resources. 2. Unemployment. 3. Lack of Awareness.	1-3.LED strategy' 1. SMME Support Plan (facilitate the acquisition of small-scale mining permits). 2-3. Conducting awareness campaigns on self-employment. 3.Engagements with Department of Mining and Mineral Resources	Director PEDTA	Priority 3	1-3. Information and advisory sessions to the mining co-operatives. 1. Engage affected stakeholders to assist mining co-operative of the	1 -3 Bi-annually. 1.31 June 2021	SMME Practitione r	Final tests and maintain	1, Corporate Governance training conducted for brick making corporative on the 14 Dec 2020.

				and SEDA (Provision of mining permits and awareness workshops). 1-3 Database of small scale mining applicants in place.			compliance requirements.				
Tourism Development and Heritage Management	2.3	Lack of tourism development.	1.'Insufficient funding to support tourism development initiatives. 2. Disintegrated marketing for tourism development initiatives. 3. Lack of Awareness by the tourism establishment owners about the importance of grading.	1.Budget allocated yearly. 2. Tourism Brochure 2. Facilitate grading sessions. 2. NDT has provided the municipality with data collectors. 2. Established relations with DSRAC and assist Emalahleni Crafters and cultural group to market their products. 1-3. Marketing Plan Implementation. 3. Awareness workshops conducted. 1-3. Tourism Sector Plan. 1-3. LED Strategy.	Director PEDTA	Priority 3	1.Solicit funding to support tourism development initiatives. (CHDM, ECPACC DEDEAT). 2. Implementation of Marketing Plan.	1.31 Dec 2020 2. 31 March 2020	Tourism Practitioner	In progress	1.Due to the process and budget constraints all government institutions the funding has not yet materialized. 2. Physical Market Plans have not been implemented but due to the COVID challenges some events could not be conducted . The marketing of the art Center on social media platforms. Vukani Radio Station. 4Ps of marketing mix addressed by buying production inputs for Art Centre.

Agricultural Development & Agro-processing	2.4	Lack of agricultural development.	1. Unfavourable climatic conditions. 2. Lack of capacity amongst the farmers. 3. 'Insufficient funding to support agriculture development initiatives. 4. Lack of Awareness by Farmers on agricultural developments.	1. Custom feedlot. 1. Livestock genetic improvement program. 1. Dam scooping. 1. Sorghum production. 1. Nguni Bulls purchased and provided to 12 wards to assist in genetic improvement. 1. Borehole and fencing program by DRDAR in Bengu and Zingxondo. 2-4 LED Strategy 2-4 Irrigation scheme management plan. 2-4. Training provided to farmers in conjunction with relevant Stakeholder. (CDC, ECDRA) 2-4. Information dissemination sessions (Product diversification, livestock improvement).	Director PEDTA	Priority 3	1. Rotation of the Nguni Bulls within the wards. 1.5* Dam scooping (desilting) program to be facilitated by the municipality on behalf of the DRDAR. 1, 2 & 4. RAFI to assist the Municipality through CHCDC with tillage and planting of 40 000 hectares within the Emalahleni Local Municipality and also assist with fencing and training of farmers. 2-4 Facilitate improvement of agricultural initiatives, (Technical meetings, workshops, trainings, Project steering committee meetings)	1.31 Dec 2020 1.31 March 2021 1.31 March 2021 1.2-4. Bi-annually 2-4. Quarterly.	Agricultural Development Practitioner	Final tests and maintenance	1. Rotation is seasonal and is ongoing. 1. Department of Agriculture have completed a dam in Glen Gray Hospital ward 5. 1, 2 & 4. Social facilitation was done at Xonxa for RAFI preparations, workshop and stakeholder engagements for implementation of RAFI programme. 2-4. Meeting with Dida was conducted 25 Aug 2020. Another meeting was held at Thabo Mbeki during the month of May 2021 to discuss preparations for stakeholders workshop. Initiative have been done to plant 40 hectares at ejojweni directly funded by the municipality.
Forestry Management	2.5	Inadequate implementation of forestry management	1. Lack of funding. 2. Lack of awareness from the communities about forestry. 3. Negligence by the community	2. No Control. '2. Approved Forestry Management Plan 2. LED Strategy. 2. Established Forestry management committees. (through	Director PEDTA	Priority 1	1. Funding to be provided by CHDM for fencing of forest plantations.' 2. Conduct awareness	1.31 Dec 2020 2.31 Dec 2020 2.31 March 2021	Agricultural Development Practitioner	Final tests and maintenance	1, Funding did not provide their reason is that their budget was cut for the current financial year. 2. The awareness session was done on

		ment plan.	vandalism, theft for personal enrichment)	War Rooms). 2.No Control 3.NO control			programmes on forestry management initiatives. 2.Implementation of forestry management plan. 2& 3.To facilitate training to forestry management committees. 2& 3. Training to be conducted by CHDM to the Forestry management committees.	2.31 March 2021			the 23 Nov 2020 in ward 3 for forestry committees. Another awareness session was conducted on 29 March 2021 at ward 12 and another session on the 21 June 2021 at Cacadu, 2, The plan is implemented and reported on a quarterly basis. 3. Due to the process and budget constraints all government institutions the training has not yet materialised.
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KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Internal Audit	3.1	Ineffective audit committee and internal audit unit	1.Lack of sufficient capacity within internal audit unit.	1.Fully fledged functional Audit Committee. 1.Approved Internal Audit Organogram(not fully complemented). 1.Approved Internal Audit Plans and Charters. 1.Ongoing professional development.	Municipal Manager.	Priority 4	1.Staff members will enhance their capacity through continuous professional development. 1. Progress on the Internal Audit Plan	1. 31 Dec 2020 1. Quarterly	Chief Audit Executive.	Final tests and maintenance	1. Staff attended the Boarder Kie Conference on the 19- 20 Sept 2020 1. Progress on the 20/21 Internal audit plan has been tabled to the Audit Committee on the 21 May 2021.
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Compliance Management	3.2	Non - Compliance with relevant legislation.	1.No formal process to monitor compliance.	1.MFMA compliance register 1. Risk Management Practitioner has been assigned the Compliance function. 1. SCM compliance verified on all tenders.	Municipal Manager.	Priority 1	1 Monitor risk management plans on a quarterly basis	1. 30 July 2020 1.31 Dec 2020 1. Quarterly	Risk Management Practitioner	Final tests and maintain	1,Register monitored and reported to the Risk Management Committee quarterly.
Community Participation -To improve community participation in the affairs of the municipality.	3.3	Ineffective implementation of the Public Participation Strategy and Policy.	1. Budget constraints 2. Inadequate staffing 3. lack of support from internal Stakeholders. 4.Unorganised stakeholders at ward level.	1.Increased budget allocation. '2. Source contract workers for specific programs. 2.Chris Hani provided interns. 2.Community Development workers in place. 2.Ward committees in place. 3.Awareness workshop conducted on the roles of all stakeholders with regards to public participation. 4. Woman ,Youth and ward AIDS councils have been elected at ward level. 4. Develop terms of reference for the establishment of forums for interest groups at ward level. 4.Established remaining interest groups.	Municipal Manager.	Priority 3	1. Sourcing funding from the Office of the Premier as they are the custodians of the war rooms.	1.30 June 2021 1.30 June 2021	Public Participation Practitioner	Final tests and maintain	1. Funding for the implementation of the Ward War rooms have been received from Chris Hani District Municipality in a form of donation of school Uniform to needy schools from Ward 1,5 & as the letters were sent both to CHDM and Office of the Premier. We have not yet received any response from the Office of the Premier.

Com muni cation -To ensur e fully functi onal syste ms of inter nal and exter nal com muni cation	3.4	Ineffecti ve implem entation of the Commu nication Strategy and Policy.	1.Budget constraints 2. Inadequate staffing 3.Lack of understanding of the communication function by the internal stakeholders. 4.Lack of support from internal stakeholders.	1. Develop Communication Plan to influence resource allocation. 1 National Communication Policy. 2. Interns with two year contract x2 3. No control in place 4. Lobby support from internal stakeholders.	Municip al Manage r.	Priority 1	4. Contineuos engagement with the internal stakeholders (Internal memos. emails)	4.Quartely	Communic ation Practitione r	Final tests and maintai n	4. Employee assembly was conducted, Local Communicators Forum in the form of CDW roundtable and information sharing on internal social network platforms.
Cust omer Care-To Impr ove Cust omer Care Mana gem ent	3.5	Ineffecti ve Custom er care Manage ment	1. lack of understanding of customer care by Internal stakeholders. 2. Inadequate electronic communication systems for Customer Care.	1.There is Customer Care Policy and Strategy in place. 2. Customer Complaints Register at all the municipal units and suggestion Boxes at all the municipal units. 3.Standard Operating Procedure for Customer Care services are in place. 4.Customer Complaints reporting system in place and reports that are updated regulary. 5.Customer care committee in place.	Municip al Manage r.	Priority 3	1. Internal Customer Care workshop to be undertaken.	1. 31 March 2021	Customer Care Practitione r	Final tests and maintai n	Workshop undertaken on the 15 Feb 2021.

Com muni ty Partic ipatio n -To impr ove com muni ty partic ipatio n in the affair s of the muni cipali ty.	3.6	Dissacti sfaction of Commu nity Members (Leading to commu nity unrest)	1.Missinterpretati on of Government legislation. 2. Inadequate public participation. 3.. Ineffective communication 4.Political Environment. 5.Social Media	1. Municipality has an open door policy to community members in seeking clarity on Municipal legislation. 2.Customer Care unit is fully functional within the municipality 2.Public Participation functioning within the municipality. 2.Public Participation strategy and Policy 2.Other than the statutory stakeholder engagements wr also have Mayaral Ibizo, Sectoral egagements (rate payers association, youth council, woman forum , disability forum, elderly forum, farmers association) , Ward Committee quartely meetings, Public/Civic education, Ward War room. 2. Ward Committee Policy. 3. Crisis Communication included in the Communication strategy 3. Communication Strategy and Communication Policy. 4. Political Education.	Municip al Manage r.	Priority 1	2.Continuos Sectoral engagements 4. No Control by Management	2.Quartely 3.31 Dec 2020 5.30 June 2021	1.Public Participatio n Practitione r / Polititians. 2.Public Participatio n Practitione r 3.Communi cations Practitione r	In progres s	2.Rate payers , Business Forum , Youth Forum and Woman Forum are sectoral engagements that sitting continuously. 4, No control by Management, however management and the council are committed to transparent leadership. Sectoral engagements are prioritised to ensure the cummmunity stakeholder are informed and have an opportunity and a platform to express their concerns.
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KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Human Resource Development	4.1	Failure to skill the work force.	1.Unplanned Training programmes / spontaneous submissions. 2. Late submissions of training needs.	1. Human Resource Development Strategy in place. 1 Skills development plan.	Director Corporate services	Priority 4	1. Utilize the skills audit outcomes to link with current skills/training plan. 2. Development of the new training plan.	1.30 September 2020 2. 30 Sept 2020	Skills Development Practitioner.	Final tests and maintenance	The Training Plan for the current financial year is derived from the outcomes of the Business Process Re-engineering. The following are the actual training programmes planned for 2019/2020 FY: • Public Participation for 34 Cllrs. • Effective Communication Skills for 34 Cllrs • Managing Service Delivery for 34 Cllrs • Certificate Programme in Municipal Finance Development 4 employees • Supervisory Management Course for 7 employees • Occupational Health and Safety, First Aid level 2 • TLB operator • Grader Operator Occupational Health and Safety, First Aid level 2 ,CPMD, Supervisory Management have been procured in Quarter 2.
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Fleet Management	4.2	Inadequate implementation with the Fleet Management Policy.	1 Insufficient Capacity of available personnel 2. No Strategy in place.	1.Training of employees. 2.Fleet Management Policy approved.	Director Corporate services	Priority 1	2. Implementation of the Fleet Management Policy.	2. Quartely	Fleet Management Practitioner.	Final tests and maintain	2. Reviewed Fleet Management policy was approved by Council in a Special Council meeting held on Thursday, 27 June 2020. Monitoring reports are provided by the Qhapela for the monitoring of the fleet vehicles on a montly basis.
Legal Compliance	4.3	Inadequate implementation of Institutional Litigation Mitigation Strategy	1.Insufficient personnel 2. Budget constrains 3.No Legal representative.	1. Secondment of staff to the Unit. 2. Budget Provision has been allocated for the 2020/2021 financial year but not sufficient.. 3.Panel of law firms with a contract of three years that deals with municipality litigations expired in June 2020. Cases taht are ongoing are covered but at a Risk of new cases having not legal representative.	Director Corporate services	Priority 1	3. The bid is at evaluation stage the appointmen will be expedited.	3. 01 Oct 2020	Legal Services and Administration	Final tests and maintain	1, A legal firm has been appointed , however the municipality is in a quest to appoint a panel of legal firms the appointment of the other members of the panel is at evaluation stage.
Employment Equity	4.4	Inability to meet employment equity targets.	1.Incorrect setting of the employment equity targets(non consideration of the area demographics).	1. EE Targets specified in all Recruitment Advertisements. '1. Reviewed employment equity plan.	Director Corporate services	Priority 1	1.Implementation of the EE Plan. 1. Annual EE Report to department of Labour.	1. Quartely. 1.15 Jan 2020	Skills Development Practitioner.	Final tests and maintain	1. The EE Plan is reported to the Standing committees and council on a quartely basis with challenges and achievements.
Occupational Health	4.5	Inadequate implementation	1. Budget Constraints 2.Slow implementation of	1.Budget Provision has been allocated for the 2017/2018 financial year.	Director Corporate	Priority 1	1.Conduct medical examination to affected	1.31 Dec 2020 131 Dec 2020	Occupational Health and Safety	Final tests and	1.Medical Examinations procurement process was conducted. 1. Appointment has

h and Safety- health and safe working environment for councillors and officials.		of OHS Strategy	OHS recommendations	'1. Medical examination to affected employees. 2. Reports tabled to the OHS Committee.	services		employees.20/21. 1. Facilitate the appointment of a service provider that will provide Fire extinguishers and their maintenance (existing building). 1. Purchase of first aid kits and replenish used items. existing buildings).	1. Existing building (30 Sept 2020). 1. Existing Building (30 Sept 2020)	Practitioner.	maintain	been facilitated for the Fire Extinguishers. 1. First aid lists have been replenished.
Integrated Development Planning.	4.6	non-compliance with IDP/Budget Process Guidelines.	1. Ineffective administration processes.	1. IDP/Budget Process Plan. 2. IDP assessment (COGTA). 3. Implementation of MEC comments from IDP assessments.	Director PEDTA	Priority 3	1. Adherence to IDP/Budget Process Plan.	1 Quarterly	IDP and PMS Manager	Final tests and maintain	1. IDP, PMS and budget process plan was tabled and adopted to council.
ICT .To provide an integrated ICT System that will ensure safety of	4.7	Lack of disaster recovery plan and site.	1. Budget constraints.	1. Currently utilizing Cebics as back up tool for work stations. 1. Cloud back up for the financial Management System.	Director Corporate services	Priority 1	1. Facilitate the cloud storage of information	1. 31 Sept 2020	Systems administrator.	Final tests and maintain	The appointment of a service provider for cloud storage has been facilitated.

infor matio n.											
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT											
Suppl y Chain Mana gem ent.	5.1	Ineffecti ve implem entation of SCM process es	1 High frequency of adhoc procurement purchases for similar goods and services items across user departments as they do not identify good and services needed. 2. Poor planning from user departments for procurement of goods and services needed or required. 3. None adherence to the demand management plan timelines. 4.COVID 19 delays in the turn around time the procument process.	1-3. Approved budget and SDBIP. 1-3. Approved Supply Chain Policy 2 & 3 Approved demand management plan 1 -3 Centralized SCM Processses. 4.Approved procurement plan 4.Continously updated bid committe schedule.	CFO	Priority 4	1&2. Annually review SCM Policy. 1&2. Implementation of SCM Policy. 1&2.Develop a departmental procurement register and align it to projects and programs(adhoc projects). 1&2.Capacity building for Bid Committee members and new staff on Supply Chain Management processes. 4. Utilize virtual meetings for bid committees to ensure to social distancing were possible (BSC and BAC) 4. Procurements will be done on best available pool of suppliers.	1&2.31 May 2020 1&2. Quartely 1 & 2.01 Dec 2020 1& 2.30 Dec 2020 4.01 July 2020 4.Covid period	Manager : SCM	Final tests and maintain n	1&2. SCM monthly reports are prepared as well as quarterly reports. Tabled at the standing committees and audit committee as welll as council. Bid Committees sit as prescribed by the bid schedule as far as possible. 1&2. Operational Procedures were reviewed and are being Implemented. 1&2. Departmental Procurement developed and updated with new adhoc projects when they arise. 1&2. Training was conducted on bid commitees. 4.Facilitated as far as possible to ensure safety. 4.Response from suppliers for half of the year has improved.

Budget Reporting.	5.2	Non compliance to budget and reporting regulations	1.Overspending on budgeted votes 2.Spending on project that are not budgeted for. 3. Non-reliable power supply leading to system failure.	1. Approved IDP and budget process plan 1. PM13 and Section 71 report. 1.Monitoring and strict adherence to the approved budget through PM13 monthly reports. 1.Confirmation of budget before expenditure 2. Auto block over expenditure function on EMS. 3. UPS. 1&2. Review and approved policies as listed below. Property Rates policy • Budget Policy • Virements policy • Supply Chain Management policy	CFO	Priority 1	1.All transactions to be processed through the system from requisitions to payments(systems will not allow for over expenditure). 1. Provide the Budget consumption report on over expenditure and directorates to provide corrective actions. The challenges experienced with the new mSCOA financial system have been overcome, we are now able to generate a report out of the system that shows the budget consumption for both Revenue and Expenditure items so as to give an early indicator of over/underbudgeting in the case of revenue and to avoid over-expenditure. We will be able to provide directorates with budget	1. Daily 1.Monthly.	Manager: BTO	Final tests and maintenance	1.Procurement is as far as possible done on the system. 1.Budget consumption reports are sent to all directorates on a monthly basis in the 4th quarter.
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							consumption report . In the mean time no expenditure is processed with out the confirmation of the budget print out from the budget office this is to ensure that we dont incur over expenditure.				
Revenue Management	5.3	Low revenue base impacting on financial sustainability of the municipality.	1. Inefficient implementation of the Credit Control Policy. 2. Inadequate implementation of Revenue Enhancement and Cash Management Strategy. 3. Unwillingness of qualifying consumers to register for indigent support . 4. COVID 19 Decrease in own revenue e.g. rates, electricity, traffic fines, town planning fees, Motor licensing, business licences, rentals, hall hire, etc. will not be collected.	1. Approved Credit Control Policy. 1. Debt collector appointed to assist the municipality in debt collection 2. Approved Revenue Enhancement and Cash Management Strategy. 2. Standard Operating Procedures for Revenue Collection in place. 2. Established Revenue Enhancement and cash management committee. 3. Approved Indigent Policy 3. Annual indigent registration.	CFO	Priority 1	1. Enhance own revenue collection initiative - Monitor and report 2. Revenue Enhancement and cash management committee resolutions implemented.	1. Monthly. 2. Quarterly	Manager: Income and Expenditure	In progress	1. Current collection rate has improved and the year to date collection rate is 122% (@30 May 2021). 2. No meeting was scheduled for the fourth quarter due to the abnormal working situation. Unfortunately the situation has not changed. Regardless of the situation the resolutions are being executed (Collection from the government institutions have shown an improvement and the municipality collection rate has improved because of the implementation of the resolutions.

2.7 Anti-Corruption and Fraud

Anti-corruption and fraud strategies are in place and applied although it is recognized that controls need to be tightened as a matter of course. To manage risk and fraud prevention, strategies and implementation plans for risk have been developed. The presidential hotline is used to report fraudulent and irregular activities and issues that are raised are dealt with regularly and efficiently.

The strategy sets out an aggressive and firm attitude towards fraud and corruption; undertaking to aggressively seek it out, investigate allegations, prosecute offenders, and encourage staff to report any incidences. The document is worded in such a way as to achieve “buy-in”. It seeks to create a level of fraud awareness among staff and encourage them to report suspected fraud in the workplace. It highlights that the primary means of detecting fraud is a sound system of internal control. Other measures include highlighting red flags, setting out details of fraud assessment questioning, mandatory vacations, surprise audits, investigative techniques, training, etc.

It also sets out details of the “who, what, where, when why and how” of responding to fraud or allegations of fraud. The plan defines “damage control” processes, sets the action plan in motion, and controls the investigation and recovery procedures. Implicit in this is the institution of disciplinary action when required and improved internal control procedures. It is the overall “game plan”.

The Fraud Prevention Plan was rolled out in the 2016/2017. This will be followed up with Fraud Risk assessments in Directorates. This fraud susceptibility assessment is intended to highlight any “fraud friendliness” in the control environment. The work in this area is the subject of the implementation plan.

The Municipality has been reluctant to introduce the mechanism of operating a Fraud Hotline without the capacity to handle the investigations that would follow its introduction. Notwithstanding, tips and reports are followed up. Aligned therewith, the Municipality established an Audit Committee several years ago. The membership of the Committee is from outside the Municipality (i.e., no Councillors or officials form part of this Committee) and it is considered independent. This Committee reports directly to Council.

The Municipality has had to institute criminal matters in the Magistrate’s Court from time to time. To this end close collaboration is maintained with the Office of the Public Prosecutor. No criminal action was instituted in the year under review. As a general principle, segregation of duties is of common application to reduce the likelihood of irregularities. This process is under constant review.

2.8 Supply Chain Management

The municipality reviewed its Supply Chain Management Policy during 2020/2021 financial year to be in line with applicable legislation. The system of Supply Chain Management Unit consists of the following sections:

- Demand Management
- Acquisitions Management
- Risk Management
- Logistics Management
- SCM Performance and monitoring

Supply Chain Management practices and policies are improving continuously, and all aspects of the Supply Chain Management Framework are strictly applied. All required aspects of Demand and Acquisition Management are incorporated, a Supplier Database is maintained and utilized in conjunction with the Central Supplier Database (CSD). The Bid Committee System is in place and operate effectively. All three Supply Chain Management Committees (the BSC, BEC and BAC) were appointed, all with proper written and signed delegations.

Training of the Supply Chain Staff and Bid Committees has been conducted to ensure effective implementation of supply chain processes.

SCM reporting is complied with as per the Supply Chain Management Regulations. Control measures are being implemented to ensure that supply chain practices are fair, equitable, transparent, cost effective and competitive as per Section 217 of the Constitution.

2.9 By-Laws

After the by-laws were gazetted in February 2016, the following processes were undertaken to ensure that they were implemented:

- identification of officials to be designated as peace officers.
- community engagements

No	Name of the By-laws	Date	Status
1	Child Care Services	Feb 2016	Adopted by Council, gazetted
2	Community Fire Safety	Feb 2016	Adopted by Council, gazetted
3	Local Tourism	Feb 2016	Adopted by Council, gazetted
4	Keeping of Animals	Feb 2016	Adopted by Council, gazetted
5	Liquor Trading	Feb 2016	Adopted by Council, gazetted
6	Outdoor advertising and Signage	Feb 2016	Adopted by Council, gazetted
7	Parking	Feb 2016	Adopted by Council, gazetted
8	Public Amenities	Feb 2016	Adopted by Council, gazetted
9	Street Trading	Feb 2016	Adopted by Council, gazetted
10	Encroachment on Property	Feb 2016	Adopted by Council, gazetted
11	Heritage Resources	Feb 2016	Adopted by Council, gazetted
12	Waste Management	Feb 2016	Adopted by Council, gazetted
13	Commonage	Feb 2016	Adopted by Council, gazetted
14	Tariffs	March 2007	Adopted by Council, gazetted

N o	Name of the By-laws	Date	Status
15	Credit Control	March 2007	Adopted by Council, gazetted
16	Indigent Support	March 2007	Adopted by Council, gazetted
17	Taxi Rank	Feb 2016	Adopted by Council, gazetted
18	Rates	Feb 2016	Adopted by Council, gazetted
19	Buildings	Feb 2016	Adopted by Council, gazetted

2.10 Knowledge Management

The municipality identified information technology as one of the most powerful tools used to achieve the objectives of knowledge management. Amongst other things, this can only be achieved by having a fully functioning and up to date municipal website. The website was developed, it is being hosted offsite by a service provider through an annual hosting license. The website is active and currently fully functional, with all municipal documents as per the requirements of the MFMA uploaded and updated. The municipal website was fully maintained in-house

The municipality owes the achievements mentioned above, to the dedicated ICT personnel and other resources it invested in the unit during the year under review even at a time the municipality was operating with the skeleton ICT staff due to the loss of the Technician and Systems Administrator who had left the municipality.

2.10.1Municipal Website

Municipal Website: Content and Currency of Material		
Documents published on the Municipal's/ Entity's Website	Yes/No	Publishing Date
Current annual and adjustments budgets and all budgets-related documents	Yes / No	
All budget-related policies	Yes / No	
The previous annual report	Yes / No	
The annual report (2020/2021) published/to be published	Yes / No	
All current performance required in terms of section 57(1)(b) of the municipal systems act and resulting scorecards	Yes / No	
All service delivery agreements	Yes / No	
All long term borrowing contracts	Yes / No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the year	Yes / No	
Contracts agreed in 2020/2021 to which subsection (1) of section 33 apply, subject to subsection (3) of the section	Yes / No	
Public-private partnership agreements referred to section 120	Yes / No	
All quarterly reports tabled in council in terms of section 52(d) during Year	Yes / No	

2.10.2 Comment on Municipal Website Content and Access

Uploading of information in the municipal website has been constantly maintained to ensure that information is published for public consumption this last financial year, with the assistance of the web developer to host the website. There has been constant management of the website as there was a dedicated official dealing with the management of the website.

The website has been upgraded and redesigned to be more user friendly and easily accessible.

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

3.1 Introduction

The primary role of a municipality is to provide and facilitate the delivery of services to its communities. It is therefore imperative for the municipality to understand the extent to which households in its areas of jurisdiction have access to the various services that are essential for their livelihood.

ELM has made a decision to develop an inclusive Infrastructure Investment Plan. ELM currently utilizes various sector plans to plan for infrastructure planning and investment. These plans are Housing Sector Plan and Water Service Delivery Plan. The municipality has managed to develop instead the Infrastructure Master Plan through the support of Municipal Infrastructure Support Agency (MISA). The Investment plan is still on the development stage.

Notwithstanding the current challenges, ELM is quite advanced in providing the prescribed basic service per household, as it relates to water, sanitation, solid waste management and electricity. This has included making the necessary provision for informal settlements in the interest of increasing access for all citizens of the municipality. Emalahleni is one of the municipalities in Chris Hani District and in the Eastern Cape that is earmarked to completely eradicate the electricity backlog.

The rapid growth of urban centres is putting pressure on the municipality to increase its capacity in order to respond to the service calls timeously. Provision of water, sanitation and electricity services is dispensed by using internal capacity within the municipality, as well as contractors which are procured through the supply-chain management process.

There are no contracts with state entities for execution of powers and functions assigned to the municipality at this stage, for the above-mentioned services. All indigent consumers are provided free basic services through this model of operations and service provision.

Component A: Basic Services

3.2 Introduction to Basic Services

The municipality provides basic services according to the acceptable standards for settlements within the urban edge and those outside the urban edge. The following provisions are made:

3.2.1 Water Provision

Chris Hani District Municipality is the water services authority and provider.

3.2.2 Sanitation

Chris Hani District Municipality is the sanitation services authority and provider.

3.3 Waste Management (this section to include refuse collections, waste disposal, street cleaning and recycling)

3.3.1 Introduction to Waste Management Services

Waste Management is the collective processes and actions of dealing with different waste streams from production, collection, transportation up to the final stages which include recycling, reuse, or landfilling. It has various wings that deal with education and awareness raising, job creation, law enforcement and environmental protection as set out in section 24 of the constitution. The Municipality has an Integrated Waste Management that was developed and adopted in 2016 and received provincial endorsement in the same year. The IWMP is currently being reviewed

Cleansing

The Municipality conducts street cleaning daily concentrating on the CBD and adjoining streets in all three towns. The main specific attention is given to street litter bins along the main street. Shift Hours have been agreed to with the Cleansing Teams to improve cleanliness in the area and maximise operations before the towns are crowded with Vehicles and People.

Dedicated teams have managed to eradicate more than 90 Illegal Dumping Sites and conducted clean ups in townships and the urban edges.

Refuse Collection

Refuse Collection is rendered to 7 992 Households once per week across the three towns including Main Town Houses and Townships. Approximately 100 % of the urban households receive refuse collection in Lady Frere, Dordrecht and Indwe. The service has also been extended to accommodate two townships of Lady Frere which were previously not serviced (Bhongolwethu and Zakhele Townships). Households in rural areas improvise by utilizing on site disposal as stipulated in the National Policy for basic refuse collection standards.

The Waste Section also services 25 Drop off centres across the Municipal Area on a weekly basis. These were constructed in 2016/2017 and they were refurbished and increased to 27 Drop centres in 2019/2020.

The Service Delivery Improvement approaches utilised in waste collection included the use of One-Man Contractor Programme in two units (Cacadu and Indwe) wherein local SMME's utilise their own transport to collect refuse in the townships.

Landfill Site Management

The Municipality has 3 Waste Disposal Facilities, one in each town. The Dordrecht and Indwe sites have been registered as Transfer Stations while the Lady Frere Site is licensed for Closure. The Municipality is also in the process of identifying an alternative site for the development of a new landfill site at Cacadu. The attempts to develop the site on Erf 1 near Ngcuka Village were fruitless and the Municipality is left with no choice but to restart the process of identification of a new site. There are dedicated staff that have been attached to each site for daily operations.

Due to technical breakdowns of the available TLB, the efforts to conduct daily covering have been hampered and the cost of repairs for the plant are increasing.

Waste Minimization

The Municipality has identified 6 Recyclers in the area and assisted by linking them with Markets and Recycling Companies. Memorandum of Understanding has been signed for the leasing of a Storage Facility in Dordrecht to a Recycling SMME. One of our Recycler at Indwe has been named as an Entrepreneur of the Year in the PETCO National Awards for 2018. Somewhere Recyclers were assisted with the lease of the Bailer Machine to encourage their participation in the green economy. The municipality has also supported 5 other recyclers with the provision of 10 recycling bags (1-ton bags) per recycler to assist with collection and storage of their materials. The Municipality has established a Partnership with PETCO to ensure ongoing support to Recycling Initiatives. These recyclers recover the material from local shops, dust bins, landfill sites in an unstructured manner and the municipality is currently doing all the efforts to formalise them as entities to enable sourcing of funding. Recovered material include inter alia, cans, paper, glass, and plastic

Awareness and Education

The Municipality has conducted 8 Waste Awareness campaigns across the Municipal Area targeting Communities and Schools. Our Main Topics are on Environmental Pollution, Safe Disposal, Reduction of Waste, Recycling and Change of Outlook on Environmental Protection and Preservation. We have also conducted 16 Environmental Management programmes which were focusing on waste management and other aspects of the environment.

The municipality has observed Environmental Calendar Days like Arbor Days, Wetlands Day, and World Environmental Day.

Waste Management Projects

1. Thuma Mina Good Green Deeds

The Municipality has benefitted from the Presidential Project Good Green Deeds which was initiated in May 2019 and ended in May 2021. The project employed 22 Beneficiaries for a period of 24 months and aided the Municipality through provision of Skip Loading Trailer and Skip Bins.

2. Project Hlasela

Project Hlasela is an internally funded project that focuses on eradication of Illegal Dumping Sites in the three towns. It had 11 Beneficiaries which were placed at Indwe and Dordrecht.

3. EPWP Incentive Grant: Landfill Site Management Project

The Project was funded through the EPWP Incentive grant with a budget of R500 000.00 and the focus was management of Landfill Sites in the three towns.

3.4 Human Settlement

3.5.1 Introduction to Human Settlement

Emalahleni Human Settlements/ Housing & Estates is responsible for the facilitation of progressive access to housing by the residents or citizens of Emalahleni Local Municipal area. We are mainly using NHNR, National Housing Needs Register and HSS to register Housing Applicants.

Our projects are packaged in the Housing Sector Plan and after approval by the Council are submitted to the Department of Human Settlements for enrolment for budget purpose. The sector plan is the component if the IDP (Housing chapter).

The municipality is not an accredited Housing Provider/Developer but merely facilitates the process of housing provision (through the provision of administrative support). Emalahleni Local Municipality has within its structure a Housing Unit Management whose main function is to assist in the:

- Coordination of Housing Delivery (private and public developers and other parties).
- Provision of support in managing housing provision.
- Assisting in the identification of suitable land parcels for Housing projects.
- Monitoring the development of slum conditions in existing settlements.
- Assessment and capturing of housing needs.
- Assisting with land administration in relation to encroachment by implementing land invasion policy.
- Allocation of beneficiaries unto plots and newly built houses.
- Facilitate of transfer of property ownership (Title Deeds Registration).

3.4.1 Building Control

This unit remains responsible for the development of the local built environment, through the following activities:

- Public education, promoting compliance with National Building Regulations and Agreement Certificates (Rural Areas), as well as effecting compliance with the Housing Consumer Protection Measures Act (All houses are built by NHBRC registered Contractors).
- Development of Appropriate Building Technology suitable for areas where the national Building Regulations are not applicable.
- Quality control of House construction in Housing Projects.
- Municipal assets maintenance including municipal buildings, dipping tanks, disaster houses etc.
- Quality Control of all other private and public building developments.
- Manages demolishing and building permit system throughout Emalahleni **Local Municipality area**.
- Monitoring and encroachment control in the Emalahleni Local Municipality urban area:
- Monitoring and signage control on the Emalahleni Local Municipality urban area.

TOWNS	NUMBER OF BUILDING PLANS APPROVED	NUMBER OF SIGNAGES APPROVED
Lady Frere	0	0
Indwe	0	0
Dordrecht	0	0
Total	0	0

3.4.2 Housing and Town Planning Services Delivery Strategy and Main Role Players

This Housing Sector Plan has been reviewed and revised in accordance with the prescripts of the Blue Book for Municipal Housing Planning and the related National Treasury Planning dispensation.

The methodology used to review the HSP consisted of the review of the current IDP, HSP, SDF and other relevant chapters of the IDP and sectoral plans. In addition to this, a desktop analysis was undertaken to better understand the demand for housing.

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3.4.4 Housing

(1) Dordrecht Phase 1 and 2

Dordrecht phase 1 & 2 is made up of 2000 units. Phase 1 was completed in the year 2000 and phase 2 in 2002. On phase 1 we transferred 985 units and on phase 2 we transferred 886. The outstanding transfers are held up by land issues administration issues. Dordrecht phase 1 & 2 is under rectification. Contractor is on site-and there are 663 units completed to date and 16 at various stages.

(2) Sinako Zwelethemba 289

A feasibility study was done. 269 beneficiary applications have been approved. Formalisation of a small section of the old Sinakho township, erf 879 completed and the project is under construction. Department is busy with Planning process for phase 2 of 139 units which will include destitute cases. And busy with evaluation of application from the municipality to be a developer. This will be procured during 2021.22 financial year for confirmed destitute & Vulnerable groups

(3) Mavuya 462

- This project is under construction.
- 326 beneficiaries have been approved. Contractor on site-units completed 269 and 67 at various stages of completion
- This is an INSITU project.
- We are busy with the survey of individual plots to assess space.

(4) Lady Frere 700

- Lady Frere 700 is under rectification.
- 17 units refurbished completely and handed over to their owners as show houses.
- All units had been transferred to owners.
- STATUS- Contractor terminated & on procurement process for reinstatement of contract (BEC) for appointment of Professionals, Tender briefing was conducted on the 12 August 2021, thereafter contractor be procured once scope is finalised – Units completed 17 and 0 units at various stages of completion.

(5) Lady Frere 564

- 521 units were completed.
- This project is blocked due to administrative challenges.
- The office of the Town Planner is considering surveying of extra land to accommodate surplus beneficiaries in order to sort out land administrative challenges.

(6) Zwaartwater 1000

- This project is under construction. units have been completed and are occupied by the rightful owners. Zwaartwater is a pilot rural project and is an Ephp made up of

1000 units. Contractor on site-units completed 782 and 116 at various stages of completion.

3.7.4.1 Legislative and Policy Background to Housing Chapter

The Integrated Human Settlement Strategy is the primary policy focus to influence the approach to the development of municipal housing strategies. It emphasises a movement away from the concept of housing as mere shelter to housing as part of an overall strategy to achieve human settlements that provide good quality homes with proper access to the necessary socio-economic opportunities for their residents. It also highlights the importance of social, economic, and racial integration in the settlements, linked to the objectives of densification and integrated mixed land use in South African urban areas.

It is given more detailed focus and forms of delivery through a range of housing and planning legislation, policy, and mechanisms. The most important housing legislation and policies include the Housing Act, the Social Housing Act 2009, the Rental Housing Act, and the National Housing Code. From a planning perspective the following legislation and policy initiatives are important: the Municipal Systems Act 2000, Municipal Structures Act 1998; the Municipal Finance Management Act, the Provincial Financial Management Act, the National Spatial Development Perspective, the government's Urban and Rural Strategies, the Development Facilitation Act, the land reform and land restitution legislation and the Land Use Management Bill.

While these all provide the details that populate the framework for the planning and delivery of housing it is important that the municipality uses the Integrated Human Settlement approach in planning its response to housing need and demand. In doing this, it must work in close alignment with the province on joint planning as well as the allocation of the financial resources. The municipality can also structure co-operative action and even partnerships with other key stakeholders that can positively assist it in developing its housing plan and supporting the delivery.

3.7.4.2 Strategic Framework Review

A large proportion of people in the district live in rural communal areas in traditional housing. However, the major housing planning emphasis is on the urban areas. This therefore indicates that there is urban bias in housing prioritisation in the municipal area. There is furthermore little information in the main report that defines the need and demand in neither the rural areas nor the context of delivering housing in these areas where tenure is unclear. The apparent lack of housing delivery in the rural areas results in increased pressure on the urban housing demand.

The report is unclear on any linkage with the government's land reform programme. If the housing programme is to reach a large proportion of the population in the municipality, and probably those households with the lowest incomes, it is important that there is a specific rural analysis and rural housing strategy.

It is therefore suggested that a housing waiting list system (specifically targeted in rural areas) need to be set up whereby a database of potential beneficiaries and residents of informal settlements is established and kept up to date. These databases are important management tools for managing housing development and the eradication of backlogs. This necessitates an in-depth analysis of the exact housing demand in these areas.

The Emalahleni Municipality has not been granted developer status with respect to the delivery of housing in its area of jurisdiction. It relies on the province to carry out a significant part of the responsibilities related to housing development. The Municipality does not have a Housing Department and The Directorate for Land and Housing is responsible for managing Housing within Emalahleni Municipality. It is important that there is clarity on the respective roles and responsibilities between the province and the municipality.

This will require a clear joint plan of action involving the local municipality, district municipality and province that is regulated through an MOU. To the extent that it is considered important for the municipality to play a role in parts of the housing process, it is critical that a plan is put in place to build the necessary capacity in the municipality and to enlist the assistance of the District Municipality to assist the Municipality effectively to undertake these responsibilities. Given the very limited capacity in the municipality for planning and implementing housing it is crucial that the municipality engages in partnerships with other relevant agents who can assist it in its planning and delivery.

Priority should focus on strengthening the relationship between the internal sections within the municipality and with the provincial DoHS, the regional Department of Rural development & Land Reform as well as agencies and NGOs working in the rural parts of the municipality. Another issue that hampers the development process is the current ownership pattern. At present, ownership of land in the urban areas and former RSA areas is held by freehold Title Deeds but in the rural areas the most common form of tenure is the communal land tenure system.

The Emalahleni municipality has no clear housing vision or set objectives with regards to housing delivery. To harness all stakeholders towards a common goal, it is imperative that the vision and objectives are clearly defined. Development strategies provide the most practical way of providing solutions to the identified problems. Such strategies are a link between problems and the desired housing development objectives. Housing development strategies are preceded by guiding principles enshrined in the housing policy and legislation. They are also preceded by a housing vision and objectives. It is therefore suggested that an action plan be drafted that clearly defines the vision and objectives of the municipalities.

The Municipality with the involvement of the province plans housing projects. All layouts are submitted to sector Departments for comment regarding the adequate provision for social, community and educational facilities. It has not been possible to determine how the Sector Departments integrate their plans with housing delivery. The issue of cross-sectoral alignment needs to be addressed. It is therefore critical that the sector departments and housing sector plans should be aligned with the IDP for the municipal area.

The present planning is badly inhibited by the lack of a properly developed and maintained database on the demand and the linkage to projects that are planned and or implemented to tackle this. Often the information is sparse, or it is held in different formats in different locations both within the municipality and outside of it. A more integrated system is required.

Arising from the above, several projects are proposed. These will be discussed in the subsequent section.

3.7.4.3 Review of Housing Vision

The overall vision of Emalahleni Municipality states as follows: “A municipality that delivers sustainable and affordable services towards socio-economic growth and development”

Strategic housing goals

The vision of this HSP is to create integrated and sustainable communities. To make this vision a reality, the Municipality must support the notion of productivity, inclusivity, good governance and sustainability. Given the demand profile, the provision of a suitable Rural Housing programme is core to this plan.

The strategic priorities are:

- (1) To determine expressed demand and to declare such demand
 - o To undertake housing consumer education / awareness and the housing voice
- (2) To implement the housing needs register and to ensure on-going management thereof
- (3) To engage the social welfare department and Special Programs Unit to cater for the child headed households and orphans.
- (4) Scale up of the delivery of subsidised housing to meet the demand
- (5) Strategic planning for housing delivery
 - o Conduct an annual environment analysis to review and revise annual housing sector plan
 - o To develop localized policies to create a more enabling environment and to manage the mushrooming of inadequate housing
 - o Regular maintenance and updating of the existing Housing Demand Register
- (6) Project pipeline
 - o To integrate the existing information on delivered, planned, in implementation and blocked projects into a single project pipeline database with system for regular updating.
 - o To plan projects that are aligned with the provincial housing sustainability criteria
 - o To submit new projects to the province for funding approval and technical support
- (7) Land and land packaging
 - o To undertake a land identification and land packaging programme
 - o To understand the land reform programme and to create a linkage with such a programme
 - o To undertake feasibility studies on the identified state land on offer from the Department of Public Works, to prepare a business plan for each parcel of land

- required to affect the transfer of such land.
- (8) Infrastructure
 - To engage with the infrastructure officials and plans to seek prioritisation and alignment with housing programme
 - (9) Integrated Sustainable Rural Housing Delivery Programme
 - Define a specific ISRHDP strategy that contains an analysis of the rural demand (including farm worker housing demand) and status quo and links it to a strategy that defines the needs and demands in terms of basic infrastructure, top structure and tenure and further links these to the mechanisms available to tackle the priority needs.
 - (10) Project development and management
 - To package projects in terms of top structure, undertake procurement of contractors and to initiate project construction
 - To undertake project management of all current running projects to ensure good quality and timely completion
 - Continue to roll out existing projects and ensure that financing and systems are in place to initiate new priority projects including those within the ISRHDP strategy.
 - To have a dedicated programme to close out blocked projects.
 - To programme the rectification needs of the current projects
 - (11) To build a suitably structured housing unit to meet the housing mandate
 - (12) To undertake a capacity assessment with the view of preparing a business plan to source funding from the Department's Capacitation Grant for improving staff and skills capacity within the Municipality. To also ensure that those officials within the Municipality that have received training through the Department's Capacity Building programme are committed to / engaged in the municipality's housing section.
 - (13) To develop the internal organisation to meet the municipal housing mandate and level 1 accreditation. The proposed structure must include a housing manager to undertake strategic planning and performance management and a technical resource to ensure the projects are managed and administrative staff to undertake beneficiary administration.
 - (14) Procurement of required office infrastructure and resources to fulfil housing mandate, this must include the installation and implementation of the project tracking tool.
 - (15) To formalise the required institutional structures to support the Municipality in meeting its housing delivery targets
 - (16) Strengthen internal and external partnerships required by the municipality to plan, facilitate, and where relevant implement, the necessary housing development to meet the demand in the area.

3.7.4.4 Integration

Cross-sector alignment issues

Very little cross sectoral integration within IDP and other sector plans. There is a need focus on integration in future review of all sector plan within the Municipality.

Housing planning and delivery risk management matters

3.7.4.5 GAP ANALYSIS

RISK	RISK MITIGATION
Poor information and analysis on need and demand for proper planning	Undertake Housing Demand Survey / Housing Voice Ensure project pipeline is applied identify aspects of existing and planned projects that need to be covered
Poor capacity within the municipality	Ensure clear allocation of responsibilities Identify areas requiring capacity Identify strategic partners Review organogram and skills plan based on in-house responsibilities
Lack of properly structured co-operation between the municipality and the province	Submit formal requests for partnering / training / mentoring Establish SLA for on-going support
Difficulty of resolving the secure tenure issues in the communal areas.	Follow provisions of IPILRA Establish partnership between DRDLR
Lack of proper control and management of the 12 started projects	Obtain PRT information Integrate with Project Pipeline Ensure PRT/DHS officials communicate with LM

GAPS REQUIRED FILLING

The following Table outlines the key gaps that require filling to substantially strengthen the possibility of an implementable strategy for this housing chapter

GAPS TO ADDRESS	MODE
Establishment of the real nature of need and demand including better analysis of the interaction and separation of tenure security, basic infrastructure, and top structure.	Research on the baseline documents including Provincial MTEF, land reform stats and basic infrastructure information + discussion with municipalities on summarised information
Development of rural housing strategy that does not just use global guesstimates.	Using the information from above and then linking this to specific priority geographical areas that can have more intensive information gathering. Closer planning linkage with ECDHS and Department of Land Affairs to develop responses.
Proper listing of completed existing and future projects with necessary baseline and tracking information	Use of supplied template to co-ordinate information from different sources and then updating and completing this in contact with key local and provincial stakeholders. Possibly a provincial project.
Analysis of proposed infrastructure expenditure including water, sanitation, roads and storm water drainage and linkage of this to housing priority areas.	Source from provincial government documents and use local municipality to link with existing priority areas of housing need. Important to link this back to the housing project pipeline to identify where there are direct linkages.
Financing available for housing and infrastructure in from the provincial MTEF and land the area. Analysis of the existing financing allocated to the area for infrastructure, land reform and housing and the linkage to established priorities	Reform MTEF + linkage back to defined housing priorities in the area.

Housing demand in the context of the IDP and District, Provincial and national priorities\

3.7.4.6 OUTCOME AIM HOUSING DEMAND TARGETS

	RURAL	SOCIAL AND RENTAL	INFORMAL SETTLEMENT STRUCTURES	CHILD HEADED HOUSE HOLDS
	20 711	157	100 (0 – dot count)	249
RURAL HOUSING				
SOCIAL AND RENTAL				
INCREMENTAL				
FINANCIAL				

A land audit exercise was undertaken by the Municipality in 2010 and it was clear that the majority of the Emalahleni area is under tribal authority when looking at a broader scale. In the urban centres most erven are privately owned. The municipality has seen a need to review the land audit, the land audit report was reviewed and approved by Council in 2017

The new planning legislation Spatial Planning and Land Use Management Act 16 of 2013 brought about changes on how to deal with land use applications that are submitted to the municipality. SPLUMA requires land use applications be categorized, Category 1 applications should be considered by the CHDM planning Tribunal and Category 2 to be considered and determined by the Authorised Official appointed. A new land use by law has been adopted by council which stipulates the types of applications and procedures to be followed in the municipality of which the municipality should customize and further submit to council for approval. Council also took a decision to appoint its Executive Committee to become the appeal Municipal Tribunal.

3.7.4.7 Land Requirements for Future Developmeny

The total areas required for future development will be approximately 255Ha over the three main urban nodes. It is not clear whether or not the potential increase in housing demand as a result of mining operations taking place in Emalahleni but it is assumed that the mine will increase the need for housing development and other facilities in the area. The Elitheni mine is 14kms out of Indwe and it is expected that the bulk would prefer to settle there.

3.7.4.8 Land Requirements and Availability in Lady Frere

The Emalahleni SDF 2012-2017 that was reviewed in 2018 identifies approximately 152Ha of land to the south of the R396 to Queenstown to accommodate the extension to Cacadu Extension upgrading of existing informal settlement and future residential expansion as shown on Figure 10 below. The area has since been full of residential properties and is has been formalised through a township establishment exercise that was done and is in the process of being registered with the Deeds office in order to have erf numbers for all erven

Land Requirements and Availability in Indwe

The Emalahleni SDF has identified approximately 58Hectares for possible future growth as an extension to Mzamomhle Township. The amount of land is limited by gradient and fact that part of the land falls away from the catchment area for the existing treatment works as shown on Figure below.

3.7.4.9 Land Requirements and Availability in Dordrecht

The SDF has identified approximately 45Ha of land required for housing development on both sides of the R56 with good visibility and access, close to the CBD and adjacent to the existing township of Munnikville as set out on Figure below

The following figure shows the land reform and settlement plan for the municipality
Land Reform and Settlement Plan

3.7.4.10 Land Ownership and Supply

(1) General

The Municipality is faced with a high demand for housing and the efforts of keeping up with the perpetual increase in demand are hampered by the challenge that the land identified for housing development does not have bulk infrastructure.

The Municipality on the other hand does not have the housing development status and it becomes a challenge to justify the establishment of a fully-fledged housing unit in order to ensure efficient housing delivery.

A land audit exercise was undertaken by the Municipality, and it was clear that the majority of the Emalahleni area is under tribal authority when looking at a broader scale. In the urban centres most even are privately owned.

(2) Spatial Proposals

The municipality has developed Local Spatial Development Frameworks for Dordrecht, Lady Frere which are still in draft form and Indwe done as part of the Master Plan for Indwe. The spatial proposals are proposed as per the urban edge of each development node. The proposals have various activities as per the needs of residents per town. The Spatial Proposals are as below:

NODE	NAME	ROLE	SPATIAL DEVELOPMENT PRIORITIES
PRIMARY URBAN DEVELOPMENT NODE (Sub-District Service Centre)	CACADU TOWN	• Main Retail, Commercial, Industrial & Administration (Govern. Services) Node • Main Centre for Social Services • Residential Function for permanent and temporary residents • Potential for agro-industrial processes • Promote diversity of tourism: leisure, heritage • Key linkage to Komani (Queenstown) – Main regional centre in the district.	• Managed urban expansion and Public Funded Housing Expansion • Urban – Rural interface design and management • Infrastructure development and maintenance to support businesses and residential property • Business Centre Management and focus on Urban Aesthetics • Improved pedestrian and vehicular linkages between suburbs in town and between towns (key economic towns/nodes). Prioritise linkage to higher order nodes. • Social facilities: Focus on Education/Health and ECDC's, cemeteries.

			Environmental management and conservation
SECONDARY URBAN DEVELOPMENT NODES (Local Service Centres)	DORDRECHT & INDWE	- Local-scale retail, industrial and administration nodes - Service centres to rural areas - Cater for permanent and temporary residents - Potential for value-adding agro-industrial mining processes - Potential for tourism services and facilities	- Managed urban expansion and Public Funded Housing Expansion - Infrastructure development to support business, tourism, and residential expansion potential - Business Centre Management and focus on Urban Aesthetics - Improved pedestrian and vehicular linkages between suburbs in town - Social facilities: Focus on Education/Health and ECDC's, cemeteries/agricultural schools. - Environmental management and conservation
RURAL NODES (Sub-Local Service Centres)	VAALBANKS, XONXA, NDONGA, MACHUBENI, CUMAKALA	Commercial and Social Facilities serving surrounding rural areas	- Basic level of service provision and extension - Augmentation and upgrade of existing commercial / agricultural infrastructure - Local planning to maximise use of resources - Appropriate land use management and Administration: Local land use schemes to be negotiated. - Environmental Management is critical - Community engagement: participatory planning and project programmes
Rural Settlements	ALL OTHER RURAL SETTLEMENTS	Providing residents with necessary infrastructure and services	- Ensure proper access to higher order nodes to access higher order services and facilities - Ensure necessary basic services, infrastructure, and social facilities. - Planned settlement edges for expansion - Environmental Management is critical

(3) Land Potential and Constraints

The major constraint is that the land suitable for housing development has no bulk infrastructure in place.

(4) Town Planning

The town planning section is functional, the office deals with development applications which are processed and approved either by Authorized Official or by the Chris Hani District Planning Tribunal of which the Emalahleni LM is part of. The tribunal and the Authorized Official are guided by the Spatial Planning and land Use Management Act 16 of 2013, however, the two legislations still apply in the municipal area, the Township Ordinance 33 of 1934 in Lady Frere and the Land Use Planning Ordinance 15 of 1985 in Indwe and Dordrecht. Land uses are dominated by residential land uses of which some are informal.

The number of development applications received by the municipality is minimal. Subdivisions, Spatial Consent and Rezoning applications are dominating development applications in the municipality. The section is also trying to have a functional GIS system with the help from the Department of Local Government and Traditional Affairs. Forward Planning is being done successfully as the broad SDF has been currently reviewed and LSDFs in the three towns were done and the municipality has started planning for rural nodes and the rural nodes that were done were Xonxa which was funded by CHDM and Vaalbank, Machubeni and Ndonga, the only outstanding LSDF that has not been done yet is for the Cumakala area.

3.7.4.11 Major Challenges in Housing and Town Planning Services and Remedial Actions

The following challenges and opportunities present themselves:

- Most of the existing housing stock within the urban centres are now falling due to the lack of maintenance.
- Public housing stock and private rented houses are in a state of disrepair due to neglect by non-resident landlords, especially within Lady Frere.
- Housing Rectification Inventories have been developed and related housing repairs successfully undertaken according to business plans.
- The informal and formalized informal settlements are characterized with poor conditions.
- Accurate statistics to reflecting housing demand, backlogs, service delivery and forward planning are not freely available.
- There is inadequate housing to cater for the needs for the youth who are not ready to own houses but in need of secure accommodation.
- The non-existence of a land disposal policy is still a challenge.
- Communities not understanding or realizing the benefits of an effective land development process and management.
- The number of development applications received is low.
- There is a lack of affordable housing for the middle-income groups within the area.
- Lack of housing delivery in the rural areas has put pressure on the urban housing demand; and
- The level of houses produced by contractors is not up to standard.

- Awareness campaigns were conducted for building and town planning; however, the community still choose to neglect on still do not understand the Town Planning and Building Processes
- No available land that can be sold/leased to public for an individual who wishes to develop.

3.7.4.12 Comment on the Performance of the Housing Service Overall

Housing remains a core competency of the Department of Human Settlements. ELM performs a monitoring and facilitation role and is required to monitor and report on progress and to facilitate the operations of all such housing projects. Traditionally it is acknowledged that the demand for housing remains extremely high (high levels of unemployment and poverty) and housing is in extremely short supply. Additionally, the housing supplied has often been allowed to fall into a state of disrepair due to a lack of maintenance. Efforts to repair these houses have been undertaken and achieved as per the project plans. After the review of the Sector Plan, it was ensured that all housing projects were conducted in line with the sector plan and project progress was reported on as required.

3.8 Free Basic Services and Indigent Support

In line with Section 74 of the Municipal Systems Act, Emalahleni Municipality adopted and implemented a tariff policy. The municipality's tariff policy complies with the Section 74 (2) (c) of the Municipal Systems Act which requires the municipalities to ensure that poor households have access to at least basic services through any other direct or indirect methods of subsidisation of tariffs for the poor households.

The Emalahleni Municipality had in line with the requirement as per Section 74 of the Municipal Systems Act, adopted and implemented a tariff policy. Section 74 (2) (c) of the said Act further requires municipalities to ensure that poor households have access to at least basic services through any other direct or indirect method of subsidisation of tariffs for poor households.

To comply with the provisions of the above Act and other pieces of legislation, the Emalahleni Municipal Council adopted an Indigent Policy to enact the said requirements through set standards and requirements as approved by Council that seeks to ensure that all poor households receive basic services as a minimum service standard.

This Indigent Support Policy is reviewed annually with all the other budget related policies during the annual budget preparation process.

Indigent registrations are done annually between the months of February and April. An indigent register is then compiled annually after each registration and undergoes intense review by the respective Ward Councillors assisted by their Ward Committees and CDW's and finally by the Chief Financial Officer.

The amount spends for free basic services funded from the equitable share amounted to R 3.636 million for the 2019/20 and R 5.977 million for the 2020/21 financial years

respectively. This subsidy encompasses subsidisation of full refuse charge, property rates and 50 kWh of electricity. Water and sanitation are provided by the district municipality.

The table below reflects the numbers of indigents subsidised for the 2019/20 and 2020/21 financial years

Service Type subsidised	2019/2020	2020/2021	Increase
Refuse collection	728	602	-126
Property Rates	0	332	332
Electricity - Municipality	971	1007	36
Electricity - Eskom	2 799	3651	852

The municipality also give free basic waste disposal collection to all the RDP houses that have not been transferred to the owner's names yet. This costs the municipality around R1.371 million for the 2020/21 financial year.

The number of subsidised households increased from the 2019/20 to the 2020/21 financial year for those households who receive electricity from the Municipality.

Major challenges still experienced in the implementation are:

- Delays in the signing of application forms by the Ward Councillors and CDW's in some wards.
- Delays in returning the signed forms to the FBS section for capturing on the financial system
These delays further delay the capturing of applications on the financial system for subsidisation and thus delays the benefitting or issuing of subsidy to the approved applicant.
- The number of applicants is still low in some wards when compared to the total outstanding debt. It appears some households are still not coming forward to do applications even after awareness campaigns are conducted.

Most customers of the municipality are unemployed and cannot afford to pay for services. Despite the latter, very few customers apply for indigent subsidy.

Component B: Road Transport

3.9 Roads

3.9.1 Introduction to Roads

To eliminate the road network backlog an amount of R6 billion is required for a period of three years in the capital budget.

During financial 2019/20 financial year, ELM continued to implement the Bridge and Pavement Management System which outline the Conditional Assessment of the ELM Road Network.

3.9.2 Roads and Stormwater

The municipality is responsible for the construction, maintenance and upgrading of local access roads and storm-water infrastructure. Other roads are a responsibility of the District, Province, and National department of Transport and SANRAL. ELM has been identified for the assistance by the Municipal Integrated Support Agency to develop an extensive Master plan inclusive of the Roads master plan. Construction of ACCESS roads is done through the MIG Funding and roads maintenance is funded through own revenue.

The entire road network of mainly gravel roads is generally in poor conditions and need upgrading and maintenance. The municipality has established Transport and Roads forums. These forums meet on quarterly basis.

Projects of SANRAL in the Emalahleni area included inter alia:

- The upgrading of the main road linking Cala to Lady Frere
- The maintenance and rehabilitation of R410 from Lady Frere to McKay's Neck
- The upgrading of R56 from Indwe to Elliot

The routine maintenance of R 392 from Queenstown to Dordrecht

(1) Road Network and Corridor Development

The various categories of roads are summarized as follows:

- | | |
|----------------------|-------|
| ▪ Trunk roads | 65km |
| ▪ Main roads | 90km |
| ▪ District roads | 658km |
| ▪ Access/minor roads | 313km |

The trunk and main road network consist mainly of the R56 which runs through Dordrecht and Indwe towards Elliot in an east / west direction, and the main roads between Strekstroom / Dordrecht (R344) as well as the Queenstown / Dordrecht (R392) link road.

The entire road network of paved and unpaved / gravel roads is in general in a relatively poor condition although some interventions are planned, as indicated in the physical infrastructure project lists included elsewhere in this report. Most of the gravel road surfaces are below standard and should be upgraded to allow for all weather road conditions.

Access across streams and watercourses is generally poor during rainstorms. There is a municipality-wide need for the construction of appropriate causeways and bridges. Apart from the significant tourism route between Dordrecht and Maclear / Mount Fletcher, consideration should also be given to improve the integration of, and link roads between Queenstown, Glen Grey, Cala and Elliot to strengthen corridor development and accessibility. Services along this corridor should further be developed to facilitate densification, focused delivery, planning, and funding. This will serve to sustain the economies of the towns and develop stronger linkages and integration between rural and urban areas.

(2) Rail Network

The light density railway line between Strekstroom - Dordrecht - Indwe - Maclear is no longer being utilized for transportation of general freight commodities and timber. Limitations exist regarding axle load carrying capacity of heavy freight and consideration is being given to reroute products such as timber to the East London - Umtata railway line which may further impact the utilization of the line. Strategies could include that railway line between Indwe and Molteno town to be rehabilitated for coal, timber, and passenger transportation.

3.9.3 Roads Maintenance

Road Maintenance Service Delivery Strategy and Main Role-Players

3.9.3.1 Roads and Storm water

This municipality is required to take responsibility for the construction, maintenance and upgrading of the local roads and storm water infrastructure. All the other roads remain the responsibility of the District, Province, National Department of Transport. Projects relating to the upgrade of the main road linking Cala to Lady Frere and new access roads as listed under projects are to receive attention.

The Department of Transport have made an undertaking to support route maintenance – and funding has been set aside in these instances (for access roads construction and maintenance). Budgetary constraints remain an on-going challenge. To facilitate progress, it is recommended that funding for both gravel and access roads be combined and funded as one and that every effort be made to continue to source additional funding.

Annual Performance as per Key Performance Indicators in Roads and Storm water Services for 2016/17 are reflected as follows:

Project	Status	Comment
3,5 km of roads constructed with paving (Indwe 1km, Lady Frere 1 km and Dordrecht 1,5km)	Complete	Project completed as planned
15km of gravel road maintained at ward 11, 13, 14 and 15	Complete	Project completed as planned
Boqo to Marhwayibeni Access Road	Completed	7,5 km Bhoqo to Marhwayibeni access road completed. Project completed and practical certificate issued
Paving of Lady Frere, Indwe and Dordrecht internal roads through EPWP	Completed	750m of internal streets paved (350m in Lady Frere, 200m in Indwe and 200m in Dordrecht.

Annual Performance as per Key Performance Indicators in Roads and Storm water Services for 2017/18 are reflected as follows:

Project	Status	Comment
3,5 km of roads constructed with paving (Indwe 1km, Lady Frere 1km and Dordrecht 1,5km)	Complete	Project completed as planned
15km of gravel road maintained at ward 5, 6, 7, 8 and 9	Complete	Project completed as planned
Cacadu access road	Completed	6 km access road completed. Project completed and practical certificate issued
Paving of Lady Frere, Indwe and Dordrecht internal roads through EPWP	Completed	415m of internal streets paved (210m in Lady Frere, 205m in Indwe.

Annual Performance as per Key Performance Indicators in Roads and Storm water Services for 2018/19 are reflected as follows:

Project	Status	Comment
3,5 km of roads constructed with paving (Indwe 1km, Lady Frere 1km and Dordrecht 1,5km)	Complete	Project completed as planned
9km of gravel road maintained at ward 5, 1, 7 and 13. Box culvert construction in Ward 17	Not Completed	4km maintained in ward 5, 5km maintained in ward 1, construction of Box culvert not completed.
Cacadu access road	Completed	6 km access road completed. Project completed and practical certificate issued
Paving of Cacadu, Indwe and Dordrecht internal roads through EPWP	Completed	629m of internal streets paved (413m in Cacadu, 216m in Indwe.

Annual Performance as per Key Performance Indicators in Roads and Storm water Services for 2019/20 are reflected as follows:

Project	Status	Comment
roads constructed with paving (Indwe 1k m, Lady Frere 1km and Dordrecht 1,5k m)	Complete	2,556 km - Project completed as planned
gravel road maintained at ward 5, 1, 7 and 13. Box culvert construction in Ward 17	Not Completed	5km maintained
Cacadu access road	Completed	5km access road from Emaqwathini - Thembelihle completed. Project completed and practical certificate issued
Paving of Cacadu, Indwe and Dordrecht internal roads through EPWP	Completed	400m of internal streets paved (200m in Cacadu, 200m in Indwe).

Annual Performance as per Key Performance Indicators in Roads and Storm water Services for 2020/2021 are reflected as follows:

Project	Status	Comment
8 km of access road gravelled in Ward 17 (Jinginja)	completed	8 km of access road gravelled in Ward 17 (Jinginja)
6.5 km of access road gravelled in ward 1 (Tsolkazi access road)	Completed	6.5 km of access road gravelled in ward 1 (Tsolkazi access road)
9 km qof gravel road,9,10 in ward 3	Not completed	Challenge with yellow plant – 6 km road constructed
100 m paved in ward 4	completed	a total length of 125m paved
100 m paved in Tilney Street	completed	100 m paved
2.24 km road paved in Zakhele cacadu	completed	2.24 km road paved in Zakhele cacadu
400 m of road preparation at mavuya	completed	1.4 km of road preparation at Mavuya
1.9km of roads paved in Sinako Location	Not completed	1.7km of roads paved in Sinako Location
6 km of paving in DR 08563 in Ward 12 and 13	Not completed	1.9 km has been paved in DR 08563

3.9.4 Comment on the Performance of Roads Overall

The road network of ELM is rapidly deteriorating due to aging and adverse weather conditions (Bridges and Pavement Management System: 2012). ELM is currently not able to address the matter promptly due to funding challenges. Currently ELM is receiving about 5% of the required funding for rehabilitation and upgrading of its road network. This does not assist the institution in performing at its peak when addressing roads challenges.

3.10 Transport (Including Vehicle Licensing & Public Bus Operation)

3.10.1 Introduction to Transport

The ELM transport system must provide all citizens with the opportunity to access work, school, community services and recreational activities in a safe and secure environment. This means that the integrated transport system should consist of viable choices ranging from affordable public transport services, private transport and safe walking and cycling opportunities.

The provision of the transport system and services must consider the location of residential, business, and industrial areas, institutions of learning and services. An integrated approach is important to ensure that the land use structure supports an efficient system. The special needs of the young, the elderly and disabled persons must also be provided for, so that the public transport system is accessible to all people.

Top 3 Priorities include:

- **Accessibility** – The design and implementation of the transport and roads infrastructure must provide access for residents to economic, educational, and social opportunities in all areas. It must also provide access to the local schools, cemeteries, and other local community centre.
- **Mobility** - The design and implementation of the widening of main roads and the provision of a sidewalks should be standard in order to improve mobility during peak hours.
- **Safety** – The installation of traffic signals at busy intersections like pedestrian crossings next to schools, hospitals, etc. should reduce the number of vehicle and pedestrian conflicts.

3.10.2 Public Transport

(1) Taxi and Bus ranks

Public transport is an assigned function of Emalahleni Municipality as a result there is a functional Transport Forum. Interventions are mainly limited to infrastructure development such as erection of bus / taxi shelters along public transport routes. These too are often of poor condition and quality.

(2) Status Quo

- Taxi operators are complaining about over-subscription on routes and a decrease in income.
- Bus operators are unhappy about what they see as extremely low subsidies and about the fact that they see themselves as being forced out by government.
- The general condition of buses and taxis is very poor and often not in roadworthy state.
- Commuters are generally unhappy with the services being provided by both taxis and buses.
- Rail services for commuters have been decreased over the years.

- There are taxi ranks in Lady Frere and Dordrecht. The taxi ranks in Lady Frere are being upgraded. The taxi ranks in Dordrecht are not being used at all.
- The role of Bakkies in rural areas is very significant and the approval and /or upgrading of these special category vehicles needs urgent attention. Appropriate road infrastructure and public transport facilities including taxi ranks and bus transport facilities are lacking.

(3) Development Corridors of Importance

Development Corridors are defined as roads of significance at Municipal or Local Level that:

- Facilitate movement of people and goods to and from an area
- Link places in the Municipal area to other places of significance (i.e., markets, places of work or social/economic opportunity)
- Create a focus for activity (e.g., Tourism)

The following Corridors are defined for Emalahleni: -

TYPE	AREA/DESCRIPTION OF LOCALITY	FUNCTION
Mobility Routes	R393 (Queenstown –Lady Frere – Cala) R392 (Dordrecht – Queenstown) R56 (N6 – Dordrecht –Indwe – Elliot)	These routes carry passing traffic and provide access between local areas in Emalahleni and centres further afield. <i>Spatial Planning Priority is to manage settlement development along the Primary and Secondary Movement corridors to mitigate impacts of settlement on road</i>
Municipal Activity/ Link Corridor	Vaal Banks –Lady Frere Lady Frere –Xonxa –R61 Lady Frere – Machubeni –Indwe Lady Frere –Zingqolweni	Linking areas of development potential to Movement Corridors and Urban centres
Development Corridor	North -East Corridor	Corridor of district and municipal-level economic importance
<i>Special Routes (Tourism)</i>	Farm-stay Route (Queenstown – Dordrecht- Indwe – Lady Frere – Queenstown) Liberation Route (R393)	These routes are of importance at Local Municipal and District scale in respect of the need to formulate a product-unique marketing campaign to encourage local and foreign tourism in the area.

(4) Major Successes

The following are considered major successes for the municipality to ensure law and order in our towns:

- Upgrading of Lady Frere Sport field by 2016
- Development of four (4) community halls by 2015 to date
- Development of Municipal Council Chambers
- Establishment of the Registration and Licensing Authority for Cacadu
- Establish Driving and License Testing Station and Law enforcement Unit
- Functional Roads and Transport Forum for prioritisation of Road Maintenance
- Functional Community Safety Forum

- The completion of the detailed design and favourable outcome of the Environmental Impact Assessment for the implementation of access roads.
- Tenders for the construction of these have been awarded and some are in the process of being awarded.
- Development of Municipal Offices has commenced
- Dordrecht Pound is functional
- Maintenance of facilities done
- Cacadu Park

(5) Challenges

Taxi and bus facilities in Emalahleni Local Municipality are generally in a very poor condition and are often merely informal areas (embankments on roads, open fields etc.), in rare cases there have been attempts to formalize the ranks, which are characterized by:

- Lack of basic services such as water, sanitation, electricity, telecommunications
- Passenger shelters and seats are rarely available
- Parking surfaces are generally not marked
- It is difficult to tell the difference between holding, loading, and parking areas
- There are no wash bays
- Entrance/exits are not clearly marked
- Destination boards and general signage is non-existent.

3.10.3 Comment on Performance of Transport Overall

- **Lady Frere Main Road widening** – The widening of the Lady Frere Main Road will increase the capacity of the road thereby making access more favourable and allowing the municipality to grow as required.
- **Public Transport Facilities** – Public Transport facilities within the municipality are out-dated, lack facilities for users and operators alike and are generally not well located for commuters.
- **Integrated Transport Plan Implementation** - It is the responsibility of the municipality to ensure that commuters on all modes of transport can access the various opportunities the municipality has to offer in a secure, safe and reliable manner.

3.11 Storm Water Drainage

This municipality is required to take responsibility for the construction, maintenance and upgrading of the local roads and storm water infrastructure. All the other roads remain the responsibility of the District, Province and National Department of Roads and Public Works. In particular projects relating to the upgrade of the main road linking Cala to Lady Frere and new access roads as listed under projects are to receive attention.

The Department of Roads and Public Works have made an undertaking to support route maintenance – and funding has been set aside in these instances (for access roads construction and maintenance). Budgetary constraints remain an on-going challenge. To facilitate progress it is recommended that funding for both gravel and access roads be combined and funded as one and that every effort be made to continue to source addition

al funding.

Component C: Planning and Development

3.12 Planning

In line with the requirements of the Local Government: Municipal Systems Act, municipalities are required to develop a strategic plan to be implemented over a period of five years, in line with each term of Council. That strategic plan is referred to as the integrated development plan.

As per the requirement mentioned above; in 2016, the municipality developed and approved an IDP for the 2017 – 2022 which is in line with the current term of Council. The plan gets to be reviewed on an annual basis to ensure that the plan remains relevant to the needs of the municipal community. This was the second review of the 2017 / 2022 strategic plan. Legislatively, the development and implementation of the IDP is assigned to the Mayor and ultimately the Accounting Officer. Operationally, according to the institutional arrangements, the municipality established a unit in the Planning, Economic Development, Tourism and Agriculture directorate to coordinate the development and review of the municipality's IDP, manage and monitor its implementation, as well as reporting.

The municipality developed a framework, containing information and guidance on the how the processes of the IDP reviews would be conducted, identification of stakeholders and their role in the review process.

During the second review of the IDP, a series of meetings were held, in the form of representative forums and roadshows to review and confirm community needs. Sector departments were also awarded an opportunity to present programmes and projects to be implemented in the municipal area. Participation of Sector Departments in the form of representation in IDP meetings and platforms has remarkable improved. This was done to ensure community involvement in the municipal affairs, even more so in the development planning area.

3.13 Local Economic Development

3.13.1 Introduction to Local Economic Development

The focus of the Department has been to support and promote entrepreneurship, facilitate trade, and attract investment and market Emalahleni Local Municipality as a tourism destination. In delivering this mandate of Local Economic Development, ELM has partnered with institutions involved economic development e.g. Chris Hani District Municipality, ELM farming community, SMME's operating in ELM, Eastern Cape Development Corporation, Eastern Cape Rural Development Agency, Chris Hani Development Agency, Department of Economic Development and Environmental Affairs and Tourism, Chris Hani Cooperative Development Centre, Department of Rural Development and Agrarian Reform, Department of Social Development, Small Enterprise Development Agency, Department of Sports Recreation Arts and Culture, National Department of Tourism, Department of Small

Business Development and Rhodes University (GEF5 Sustainable Land Management Project).

The Department has placed increased emphasis on the following programmatic activities: Agriculture and Rural Development; Tourism Development and Promotion; SMME Development; and Trade and Investment.

The department has reviewed and implemented various sector plans to inform its strategic planning process. The plans are to ensure that the municipality's approach to key sectors is strategic, with clear, well-defined interventions.

In terms of both medium- and long-term planning, the municipality is implementing the LED Strategy. This process will assist the municipality with its long-term planning and visioning. Industry stakeholders remain an integral part of driving economic development, thus the municipality has implemented various programmes in partnership with industry. In the year under review various forums have been established and are functioning i.e., Business Forum, Local Tourism Organization, Wool Growers Forum, Agricultural Stakeholders Forum and Rural Agro-Finance Industry. These forums meet from time to time to discuss and input in Council initiatives and they are a strong linkage between the municipality and industry.

The Planning and Economic Development Director is coordinating a high-level engagement between SMME's and established business and the municipality. These forums are an Economic Advisory Forum and made up of the representatives from ELM, Small and Medium Enterprises from Cacadu (Lady Frere), Dordrecht and Indwe. The forum focuses on economic development priorities in all the three major centres and the surrounding rural communities.

ELM offers business support and tourism centres in the nodal areas where there is poverty and underdevelopment. The municipality further assist by marketing Emalahleni tourism products and facilities within ELM.

3.13.2 Overview of the Local Economy

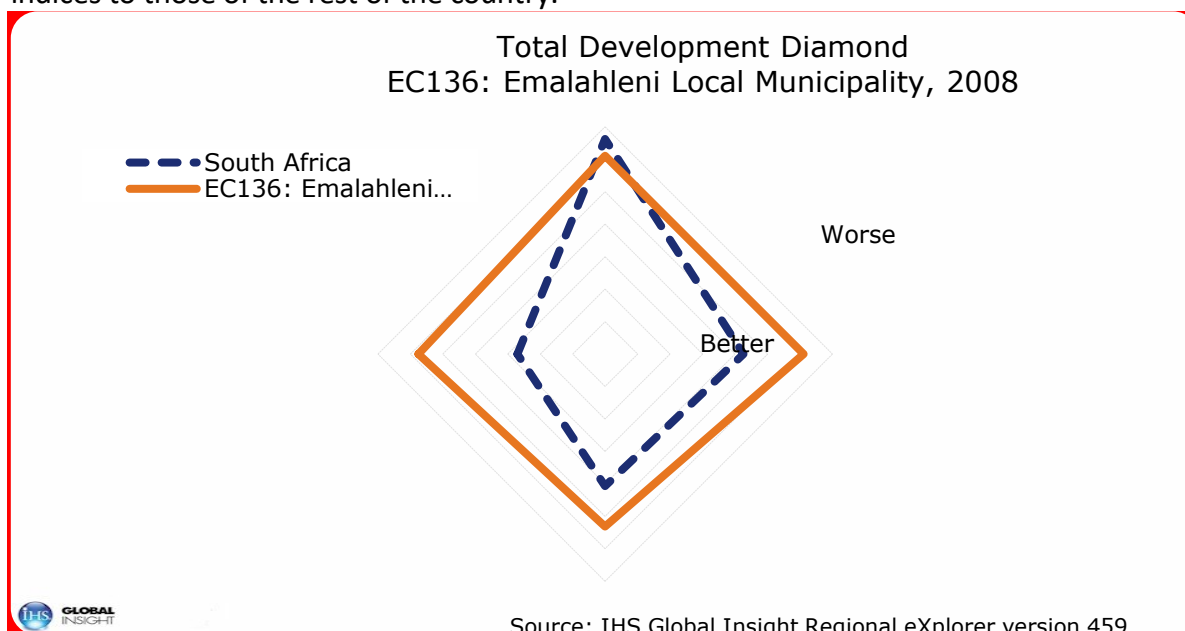
Emalahleni Economy has not grown exponentially over the last decade, but it has experienced a growth of just below 2% between 1996 and 2008. The GDP was estimated by Global Insight to be around R439 million (2000 constant prices) by 2008. The buying power (ability of the market to absorb products) was around R405 million while the gross value-add was estimated to be about R608 million for the same period.

The average levels of payment for services remained low at 23% by early 2010 in contrast to the growing trend of affordability when considering that 55% and more of households earning above R2500 per month. A vigilant revenue collection strategy must be developed and implemented to address and improve the situation.

The LED strategy identifies community services, retail, agriculture, mining, and tourism as strategic sectors with potential for growth in line with National, Provincial and Regional Economic Growth Strategy (NSDP, PGDS and REGS, respectively). However, the contribution

by these strategic sectors to the economy is incongruent to their perceived potential. The review of the LED strategy will have to investigate the underlying causes for this problem and suggest creative ways of turning the situation around.

Emalahleni generally appears to be worse off when comparing the levels of development indices to that of the rest of South Africa. Emalahleni however enjoys better levels of GAPs between rich and poor compared to the rest of South Africa with a gini co-efficient of 0.61. The table below illustrates this point by comparing the poverty, HDI and Gini-Coefficient indices to those of the rest of the country.



Increase employment and stimulate economic growth through the Economic Development & Empowerment Strategies by:

- Promotion and development of Small, Medium and Micro Enterprises. (SMME's) with focus on PDI's. ELM targets to ensure up-skilling and training of 50% of all SMMEs (in its database) by 2019
- Regulations, by-laws, and Council policies should promote and encourage business investment and local labour incentives
- Promote and stimulate the opportunities for Public \ Private Partnerships (PPP's) for infrastructure and service delivery.
- Stimulate economic growth and business development through incentives for business retention, expansion, and attraction
- Encourage human resource development through existing and future projects and community organisations
- Promote and market the local area through tourism organisations, customer services and establishment of on-going linkages with other regional economic development)
- Promote local business support and spending
- Promote beneficiation of local products and raw materials
- Allocate responsibility to various role players within Council

- Investigate and identify all relevant role-players to add value, assistance, and funding
- Participate in national programmes – ensure that the community is exposed to all initiatives and encourage them to participate. Assist communities with access to programmes and funds
- Co-ordinate employment initiatives through Expanded Public Works Programme and Supply chain processes
- Strive to access all forms of funding and support
- Facilitating and encouraging the registration of informal businesses to formal SMMEs
- Maintain and provide tourism facilities and support
- Engage in active marketing on a local and regional level in tourism
- Facilitate formalization of Tourism structures (Local Tourism Organisations)
- Encourage capacity building, development, and training of LTOs
- Conducting of heritage awareness, event, and support heritage programme with DSRAC
- Funding of wool production infrastructure
- Facilitate funding for large livestock marketing infrastructure
- Implementation of stock theft prevention programme
- Conduct awareness programme for livestock marketing
- Prevention of livestock poisoning by alien invasive plants
- Rehabilitation of arable and grazing land
- Introduction of new affordable technique for massive quality crop production

3.13.3 Economic Development Indicators

1. Income Distribution

Household income distribution provides a useful indicator for levels of economic development and exposure to poverty. Many households in Emalahleni can be deemed as indigent with gross monthly incomes of less than R1500 or an equivalent of 2 state pensions (R1600). 28% of households earn between R1000 and R1500 per month while another 18% earns between R1500 and R2500. A positive aspect of the comparison shows that since 2008 an estimated 55% of households earn above R2500 per month

2. Employment

Employment and unemployment levels are useful indicators for effective growth in the economy. Current estimates by Global Insight reflect that the unemployment (official definition) of Emalahleni is approximately 50.3%. This must be considered a problem as the high unemployment figure has a direct impact on the ability of people to service their debt and contribute meaningfully to the economy. It is also a major cause for concern as it has a direct impact to the improved human development index.

Community services account for 57% of employment opportunities, followed by Agriculture at 19% and Households (domestic work) at 17% respectively. Except for trade (boosted largely by retail sub-sector) at 2.7%, all other major sectors contribute just under 2% each. This situation is unsustainable and cannot be relied upon to drive the critical growth required in the economy. Underperforming sectors like agriculture, mining, tourism and manufacturing need to be rejuvenated in order to yield qualitative and quantitative growth benefits in our local economy.

3.13.4 SECTORS CONTRIBUTING TO EMPLOYMENT

(1) Agriculture

(a) Livestock Production and Marketing

- Cattle (livestock) production in the entire ELM jurisdiction
- There are nine (9) functioning stock sales' pens for stock auction. ELM is actively involved by facilitating markets for livestock
- Construction of animal dipping tanks for animal health improvement
- On-going branding programme by ELM to prevent stock theft
- Sheep production areas – the entire ELM jurisdiction
- There are twenty-two (22) Shearing sheds for wool production. These shearing sheds have been built by Emalahleni LM, DRDAR, CHDM and Community Members involved in wool production.

(b) Crop Production

- Sorghum production in the entire ELM jurisdiction but in the year under review there was no production due to severe drought
- There is a secondary Co-operative which made up of six (6) primary co-operatives (primary and Secondary Production- Agro-processing).
- Irrigation potential of a further 5500 hectares at the Xonxa and Guba Farm

(2) Mining

The Municipality has over the past decade been investigating ways and means to extract the benefit and maximum value from the coal resources found within its jurisdiction. Coal mining has largely been an untapped resource with the potential to contribute to the economic growth and job creation within the area, if developed. The Municipality together with the Provincial Department of Economic Affairs and the National Department of Minerals and Energy have set in motion a process to develop this resource which is finally yielding results.

Elitheni Coal Mining Company from Port Elizabeth has been granted mining rights to mine coal in the area for a period of more than thirty years. Already some results have been the development of road construction in the area to be mined and the development and construction of infrastructure required for the mining development. In order for the mine to operate at bigger scale 13 kilometres of roads from Indwe town to the mining area and 14 kilometres from mining area to Mhlanga siding needs to be surfaced with tar. The railway line between Indwe and Molteno town needs to be rehabilitated.

The roads that are connecting Indwe via Machubeni, the road between Indwe Port and Indwe via Cegceyana need to be surfaced with tar for the purpose transport mobility that will result increase of economic activities. The road between Lady Frere and Dordrecht via Qoqodala, Vaalbank and Bankies needs maximum attention in terms of maintenance in order to accommodate the anticipated traffic volume that will increase due to mining existence. Elitheni Coal Mine is on temporary closure due in fighting between the directors of the Mining Company. The Municipality is engaging the Premier's Office for intervention in the Mine.

A Master Plan has been developed by the Municipality to cover the integration of the development and linking the mine development to the entire economic growth of this area. The LED strategy provides guidance on how to address and develop this sector.

Small-scale excavation mining is occurring near local rivers with ad hoc mining of sand for building and brick making purposes by individuals and/or operators without permit. The lack of regulation of this activity poses an environmental threat. There is a great need for the Municipality, with the assistance of DEAT and DME, to develop a functional by-law to regulate and manage this activity to protect the environment from damage.

(3) Tourism

The scope for the development of the Local tourism sector within the Municipal area is vast. The areas that have been identified with potential for tourism development include but are not limited to:

- Aqua sport linked to existing Dams (Xonxa & Lubisi)
- Cultural tourism linked to the Liberation and Heritage Route
- Craft produce
- Rock art promotion and beneficiation
- Museum – Dordrecht
- Accommodation and fast-food outlets
- Waterfalls in Bhozwana
- Mountains
- Resorts and Cultural Villages

Currently there are a limited number of existing tourist attractions within the area such as the Indwe Resort with accommodation facilities and the Kloof (A viewing point) in Dordrecht which was extensively damaged and destroyed by the dam wall collapsing.

There are areas where Bushmen paintings exist which have the potential to be developed into tourist attractions. Trout fishing trails and mountain bike races have also become recent tourist attractions. The Dordrecht Festival and the Lady Frere Annual Cultural games have the potential to be developed into a tourism attraction. Occupancy rate in accommodation facilities Indwe, Dordrecht and Lady Frere is more than 90%.

(4) Heritage Resources

Emalahleni municipality is in the process of declaring heritage sites. A list of heritage resources within Emalahleni Local Municipality is as follows:

Site Name	Significance	Conservation Status	Management
Macubeni Coal Mine near Indwe	Washed out old coal mine showing early mining methods	It is in bad condition except the area which is under Elitheni Coal Mine.	Machubeni Traditional Council, National Department of Rural Development and Land Reform and Department of Mineral Resources.

Site Name	Significance	Conservation Status	Management
Dams: Machubeni, Xonxa and Lubisi	Water Resources for Emalahleni municipality residents	In good conditions	Department of Water and Sanitation
Fallen Heroes	Luvuyo Lerome 1960 to 1986 Qonda Hoho 1956 to 1988 Tsotsi Queens Nonesi	In good conditions	Emalahleni Local Municipality
Glen Grey Falls near Lady Frere	A beautiful natural site	In good conditions	Traditional Council
The Kloof near Dordrecht	Natural site with some unique flora	Degraded due to plundering for firewood	Emalahleni Local Municipality
Cacadu River at Lady Frere	Links most Ward	In good condition	Various Traditional Councils
Churches in Lady Frere	Two examples of 19 th Century Churches	Well looked after	Church
Anderson Museum at Dordrecht	Oldest museum	In good condition	Anderson Family Trust
Victorian Buildings at Dordrecht	Architectural example	In good condition	Municipality / Private
Burgher Statue at Dordrecht	Tourist attraction	In good condition	Municipality
San Rock Art at Dordrecht	Ancient art	Well kept	Private
Methodist Church at Dordrecht	Architectural example	In good condition	Church
Doring river Dam at Indwe	Leisure area	Could be better utilized	DWAF
Emalahleni Arts & Craft Centre	Production of arts and craft	Being utilized by Crafters	Crafters & Emalahleni LM

Source: Chris Hani State of Environment Report

(5) Manufacturing

Manufacturing within our local economy is almost non-existent despite the existing potential for agro-processing and farming related opportunities in Sorghum production and processing that is still at infancy stage, and a dairy processing in a form of Cheese Factory failed efforts are in place to revive it. To access and release this potential and convert it into economic benefits a dedicated investment framework must be developed to deal with

issues of skills development, attraction of investments, concessions, and partnership development.

The Municipality can initially, in close collaboration with partners such as ECDC, IDT and Trade and Industry department, identify and target small scale manufacturing initiatives such as recycling, brick making, wool processing and fruit juice production to develop this sector in the area. The upliftment and improvement of this sector would ensure a positive impact in terms of its contribution to the GDP and employment. The impact on the economy would be marked with the resultant benefit impacting on and accruing to large numbers of families. The Municipality has initiated the first steps to develop this area by identifying Ibuyambo Sorghum Cooperative as a partner.

An application for funding from Thina Sinakho was submitted and R3 4 000 000.00 was approved to develop and establish a Grain Mill that will be a mechanism to develop grain production in the form of sorghum. Emalahleni Local Municipality, Chris Hani District Municipality and Department of Agriculture currently known as Department of Rural Development and Agrarian Reform and Department of Economic Development and Environmental Affairs, and Tourism also funded Ibuyambo. The funding from all these stakeholders has been exhausted. In 2014 Eastern Cape Rural Development Agency presented a funding of R 46 million for 3 years (70%, 20% and 10% in the last quarter) for Emalahleni RED Hub Project which is a pilot initiative in the Emalahleni Area with the intentions of mobilizing the Emalahleni communities in linking primary agricultural production to agro processing.

3.13.5 HUMAN DEVELOPMENT INDEX (HDI)

The Human development index is a useful indicator of the levels of development, vulnerability to poverty and lifestyles in an economy. It provides a composite assessment of development factors such as levels of literacy combined with incomes and poverty. It is often measured as a number ranging between 0 and 1 with 1 representing a high level of development with people enjoying good education, better health, and lifestyles choices.

Emalahleni has an HDI of 0.39 which is lower than that of the district which is at 0.44. The local populace does not enjoy high lifestyles and lag in terms of levels of literacy. It is estimated that a mere 43% of our population is functionally literate (i.e., Age 20+ who have attained a grade 7 education or higher). Poverty is widespread, especially in the rural areas with an estimated 1939 (Global Insight) people living below the threshold of 1\$ per day. To avert this situation, the partnerships for poverty alleviation with other government agencies like Social Development, SASSA and the District Municipality must be developed and strengthened to address this aspect and ensure the upliftment of the populace.

3.13.6 ACHIEVEMENTS OF 2020/2021

Key achievements during the **2020/2021** financial year include the following:

In the year under review Emalahleni Local Municipality has implemented the following programmes:

Tourism Development and Heritage Management

(1) Tourism

Arts Center Marketing plan was developed and implemented through marketing on facebook, local radio station and procurement of production inputs in the form of machinery & material in quest of enhancing the product as one of the four (4) Ps of Marketing Mix.

Eastern Cape Parks and Tourism Agency (ECPTA) contracted a company called Tourism Shine to conduct skills programme in quest of training communities of culture site guide. The programme was held at Inkwenkwezi B&B and Conference Centre in Queenstown. Fifteen (15) candidates that have been trained are from Nonesi Community Trust at ward 6 of Emalahleni. The purpose of the programme was to enable candidates to know broadly about different types of tourism sites or resources available in the municipal area, namely, cultural, natural, and adventurous resources. The programme further enables candidates to interact with tourists in a professional manner, taking into consideration of the Tourist Guide Code of Conducts as well as Health and Safety guidelines to curb the tendency of crime against tourists. The candidates upon completion of the programme will receive NQF level 2, 40 credits certificate as the programme is accredited with Culture, Arts, Tourism, Hospitality, Sport Sector Education and Training Authority (CATHSSETA).

(2) Heritage

As part of heritage the municipality collaborated with the Department of Sports, Recreational Arts and Culture (Museum and Heritage Sub-Directorate), Department of Education and other stakeholders to successfully implement International Museum Day Event in Cacadu with the theme “CELEBRATING THE YEAR OF CHARLOTTE MAXEKE AND BULLHOEK MASSACRE CENTENARY”. As part of the event grade 12 learners were afforded an opportunity to enter ESSAY COMPETITION WRITING under ESSAY COMPETITION CELEBRATING THE YEAR OF CHARLOTTE MAXEKE AND THE BULLHOEK MASSACRE CENTENARY. Grade 12 learners from each of the following schools which were all from Emalahleni Local Municipality:

- Masikhanye High School
- KwaMhlonto High School
- Cacadu High School
- Mount Arthur Girls High School
- Lukhanyo High School
- Freemantle High School
- Bengu Agricultural High School.

The winners of the essay competition were announced as follows:

- The top essay learner achiever: A learner from KwaMhlontlonto High School got a laptop and laptop bag
- A second achiever from Bengu Agricultural High School got a tablet with a pouch
- A third achiever from Masikhanye High School got a tablet.

The top essay learner achiever also qualified to compete with other grade 12 learners from various districts at a Provincial International Museum Day Celebrations held on the 21st of September 2021 at Ntabelanga in Enoch Mgijima Local Municipality. The municipality supported the event through procuring PA System.

3. SMME Development-

a) Business licenses

The SMME Development Unit for the financial of 2020/2021 issued 40 business licences in all the three towns of the municipality (Cacadu 26, Indwe 8 and Dordrecht 6).

b) Sub-contracting initiatives

The municipality through LED has on the preceding financial year of 2020/21 initiated sub-contracting initiatives upon its all key MIG projects. The rationale behind these initiatives is overall support, growth, and development of local SMME's within construction sector so that they are able to move to an upper grade in terms of CIBD gradings. Therefore, the following local SMME's were supported on key MIG projects:

Mavuya Paving Project at Ward 16 Indwe (3 local SMME's)

- NV Business Pty Ltd
- Zhumindo Trading Pty Ltd
- Unako Fencing and Projects Pty Ltd

Zakhele Paving Project at Ward 4 Cacadu (3 local SMME's)

- AK Paving Pty Ltd
- Phandulwazi Construction Pty Ltd
- Sakhikamva Construction Pty Ltd

c) Informal traders

South African Local Government Association (SALGA) in partnership with United Nations Development Programme (UNDP) funded 20 Informal Traders (hawkers) who are dealing fresh produce and sewing from Emalahleni Local Municipality. Each individual out of the 20 received a voucher of R5 000.00 for the purpose of recapitalizing their businesses that have been gravely affected by Covid-19.

Fresh Produce Beneficiaries				
No.	Name	Surname	Town	Ward
1.	Allen	Duda	Indwe	Ward 15
2.	Nomthandazo Margaret	Mfundisi	Cacadu	Ward 3
3.	Phumla	Qutsu	Cacadu	Ward 5
4.	Lulama	Ngqeme	Cacadu	Ward 4
5.	Nondumiso	Msuthu	Cacadu	Ward 4
6.	Nomboniso Mirriam	Muteni	Cacadu	Ward 4

7.	Thembisile	Rengqe	Cacadu	Ward 4
8.	Nokwanda Bobangani	Maqolo	Cacadu	Ward 3
9.	Busiswa Patricia	Nqiwa	Cacadu	Ward 4
Sewing Beneficiaries				
No.	Name	Surname	Town	Ward
1.	Nomalungelo Hillary	Twalo	Cacadu	Ward 4
2.	Nolhise	Hanisi	Dordrecht	Ward 11
3.	Thandokazi	Dyongo	Cacadu	Ward 3
4.	Nolupho	Tom	Cacadu	Ward 4
5.	Thandazwa	Mguzulwa	Cacadu	Ward 3
6.	Bongeka Beauty	Ngongoshe	Cacadu	Ward 3
7.	Nombulelo	Sono	Cacadu	Ward 4
8.	Aviwe	Duba	Cacadu	Ward 4
9.	Maria	Mgululi	Indwe	Ward 16
10.	Nomakorinte	Thebekwana	Cacadu	Ward 3
11.	Nontombazana	Siyoni	Cacadu	Ward 4

d) Cooperative Support

The municipality further provided support to 3 local SMME's under its SMME support programme. Each of the three (3) local SMME's were supported with production inputs related to their business operations. The local SMME's are as follows:

- **Mpothulo Youth Project at ward 1** – supported with production inputs valued at R80 000.00
- **5 Indwe Brickmaking Cooperatives** – supported with production inputs valued at R40 000.00 and the cooperatives are as follows:
 - Cathula Mama Primary Cooperatives
 - Khanya Mama Primary Cooperatives
 - Phambili Bafazi Primary Cooperative
 - Masizakhe Primary Cooperative
 - Litha Lethu Primary Cooperative
- **Cacadu Waste Recyclers at ward 4**– supported with waste baler machine valued at R185 000.00

e) Outreach programmes for SMME Development

- 4 information dissemination advisory sessions were facilitated with the aim to keep the SMMEs updated of the funding opportunities and business dynamics.

f) Municipal Procurement

In terms of procurement of the municipality for the year under review, the average of the bids below R200 000 awarded to SMMEs from Emalahleni Local Municipality is 40% and few that were awarded in bids above R200 000. This indicated on the table below:

**BIDS AWARDED FOR AN AMOUNT ABOVE R0- R2000 FOR THE 1st QUARTER OF
2020/2021 FINANCIAL YEAR**

NO	Supplier Name	Description	Amount	Locality	Ward
1	Mamshengu Trading	Water for the memorial Service Cllr Feni	R 900.00	Cacadu	Ward 4
2	The Reporters	Laptop Bag for community Service Secretary	R 1 127.00	Barkley East	
3	The Reporters	Manual Order Books	R 1 127.00	Barkley East	
4	Mpira and Wabos Trading Enterprise	Catering for Revenue meeting	R 1 800.00	DDX	Ward 11

**BIDS AWARDED FOR AN AMOUNT BETWEEN R30 000-R200 000.00 FOR THE 1st QUARTER OF
THE 2020/2021 FINANCIAL YEAR**

NO	BID NO	PROJECT NAME	BIDDERS NAME	AWARDED AMOUNT	LOCALITY	WARD
1.	ELM/1/8/2020Q	Installation of Fencing at Cacadu Animal Holding Facility & gated entrance	Mzileni Construction	R77 500.00	Idutywa (Eastern Cape)	
2.	ELM/2/8/2020Q	Supply, Delivery and Installation of windowpanes, window buglars at Harry Gwala Community Hall	NSQ Investments	R63 599.00	Lady Frere (Eastern Cape)	Ward 4
3.	ELM/4/8/2020Q	Supply and Delivery of Cleaning Material	Maphasa B Trading	R93 846.22	Hala (Eastern Cape)	Ward 3
4.	ELM/5/8/2020Q	Supply and Delivery of Refuse Bags	Sibalam Group	R34 868.00	East London (Eastern Cape)	
5.	ELM6/8/2020Q	Supply and Delivery of Construction Working Tools for Road and Plant Maintenance.	Lillian Dennis Creatives (Pty) Ltd	R84 905.00	Lady Frere (Eastern Cape)	Ward 4
6.	ELM/8/8/2020Q	Supply delivery of Concreate Kerbs to deliver in Cacadu and Indwe.	Ebusha General Trading	R77999.99	East London (Eastern Cape)	
7.	ELM/3/6/2020Q	Supply and delivery of Personal Protective Equipment.	Odwa And Solie Trading	R110693.25	Indwe(Eastern Cape)	Ward 16

**BIDS AWARDED FOR AN AMOUNT ABOVE R2 000- R30 000 FOR THE 1st QUARTER OF
2020/2021 FINANCIAL YEAR**

No	Supplier name	Description	Amount	Locality	WARD
1	Makafaniz Trading Enterprise	Services and Repairs TLB Registration DDX 195 EC	R 29 580.00	Cacadu	Ward 4
2	Zubancende Trading Enterprise	Decoration for memorial Service Cllr Dudumashe	R 5 885.00	Cacadu	Ward 4
3	Arena Holdings	Advert Business Times Tender	R 29 601.00	East London	
4	Kwa Majuba Garden Botique	Servicing fire extinguishers on all 3 sites	R 9 594.85	Queenstown	
5	Komani Panel Beaters	Toyota Fortuner JGN 757 EC Excess	R 3 000.00	Queenstown	
6	S xuza Projects and Supply	Mphothulo Youth Project	R 28 800.00	Cacadu	Ward 4
7	Wouters Kluwer Tax and Accounting	Audit Management System	R 18 014.72	Cape town	
8	Sgie's Tours	Transport	R 9 000.00	Cacadu	Ward 4
9	Sgie's Tours	Transport	R 9 000.00	Cacadu	Ward 4
10	NPZO Trading Enterprise	PA System for memorial Service of Cllr Feni	R 4 300.00	Cacadu	Ward 4
11	Mamshengu Trading	Decoration for memorial Service Cllr Dudumashe	R 4 274.00	Cacadu	Ward 4
12	Makafaniz Trading Enterprise	Fix Leak on hidrolic Pipe of Excavator Bell 230	R 6 000.00	Cacadu	Ward 4
13	The reporter	attendance Registers and Leave Books	R 10 028.00	Barkley East	
14	Mapitsela Construction and Projects	Bags of Cement	R 4 500.00	Cacadu	Ward 4
15	NPZO Trading Enterprise	PA System for memorial Service of Cllr Dudumashe	R 4 300.00	Cacadu	Ward 4
16	Akotech	Hand Sanitiser	R 30 000.00	Indwe	Ward 16
17	Makafaniz Trading Enterprise	Services and repairs for refuse Collection Tractor FTS 165 EC.	R 24 060.00	Cacadu	Ward 4
18	Mlindo projects	Supply and delivery of building material.	R 24 279.20	Cacadu	Ward 4

19	Mlindo projects	Supply and delivery and installation of lockable aluminium doors at Cacadu office.	R 29 900.00	Cacadu	Ward 4
20	Komani Gun Cellar CC	Spray paint for womans day.	R 4 750.00	Queenstown	
21	Jojos Trading Enterprise	Lunch for memorial service Cllr Z. Feni.	R 4 750.00	Cacadu	Ward 4

**BIDS AWARDED FOR AN AMOUNT ABOVE R0- R2000 FOR 2ND QUARTER OF 2020/2021
FINANCIAL YEAR**

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
2	05/11/2020	M2541	Ompotya tours and Trading	Cacadu	Ward 4	R1 950.00	Transporting community members attending project handover event in Cacadu
3	11/11/2020	1230	Moss Transport and Project	Cacadu	Ward 4	R 900.00	Transport for family members attending memorial service from QTN and Cacadu and return.
1	08-12-20	1250	Mzukisi Phendu Trans & trading	Cacadu	Ward 4	R 1,920.00	Transport for clean-up campaign

**BIDS AWARDED FOR AN AMOUNT ABOVE R2 000- R30 000 FOR 2ND QUARTER OF
2020/2021 FINANCIAL YEAR**

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
8	6/10/2020	1108	Kungawo Suppliers and Projects	Cacadu	Ward 4	R 15,000.00	Supply and Delivery of fencing Material.
9	3/10/2020	1104	BLIC Trading	Cacadu	Ward 4	R 8,920.00	Supply and delivery of VTS material.
11	16/10/2020	1156	MMG Totoya New adventure investment	Queenstown		R 6,374.95	Supply anf fit parts for JFN 757 EC
12	26/10/2020	1176	BSK Kuhle Trading	Indwe	Ward 16	R 11,330.00	2 Tyres for Refuse Trailers FBZ 279 EC
13	16/10/2020	1155	Leadership Academy	Johannesburg		R 9,841.70	CPD Training Effective report writing
14	19/10/2020	1160	Nozukile's Transport and Trading	Cacadu	Ward 4	R 29,430.00	Supply and delivery of Community services stationery.

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
15	6/10/2020	1110	Nomazibeko Trading	Cacadu	Ward 4	R 19,900.00	Supply and delivery of Welding material
16	22/10/2020	1171	TP Mtyhole	Cacadu	Ward 4	R 19,900.00	Stationery
17	2/10/2020	1103	Gijima Holdings (Pty) Ltd	Gauteng		R 19,620.00	Competence assessments for the position of the Director Corporate Services position.
18	7/10/2020	1116	Mxhaseni Construction and Projects	Indwe	Ward 16	R 4,160.00	Transport for Recycling workshop for Cacadu Villages to Cacadu Town.
19	7/10/2020	1117	Nofungile Transport	Cacadu	Ward 4	R 4,400.00	Transport for Recycling workshop from DDX and Indwe Villages to Cacadu Town.
20	12/10/2020	1124	Resilient Servers and Networks	East London		R 25,277.00	ESET endpoint protection 140 users for 1 year.
21	6/10/2020	1114	K2015077542	Cacadu	Ward 4	R 15,000.00	Tyre size 245/70-16
22	20/10/2020	1161	Shakes Multi Traders	Cacadu	Ward 4	R 25,000.00	Memorial Stone for Cacadu sport field
23	14/10/2020	1649	Luphawu Trans and Trading	Cacadu	Ward 4	R 25,100.00	Supply and delivery of Painting material for Cacadu sport field.
24	6/10/2020	1115	Mapitsela Construction and Projects	Cacadu	Ward 4	R 7,500.00	Batteries for Low Bed truck HGH 813 EC.
25	5/10/2020	1105	Sannyz Trans and Trading	Queenstown		R 15,655.00	Stationery for department corporate services.
26	14/10/2020	1141	Ezonkomoshe	Cacadu	Ward 4	R 29,900.00	Grass cutting clearing of grounds landscaping and shaping edges.
27	14/10/2020	1130	SA Bureau of Standards	Gauteng		R 4,030.75	VTs Standards Subscription
28	29/10/2020	1185	Alakha Trading	Cacadu	Ward 4	R 28,952.00	Stationery for the office of the MM

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
1	29/10/2020	1181	Leadership Academy	Johannesburg		R 10,548.95	Leadership training for Nande Nyila
2	11/11/2020	242	The reporter	Barkly East		R 3,670.80	Supply and delivery of traffic books Code B,C,EC,EC1
3	12/11/2020	1783	Ogeez Transport	Indwe	Ward 16	R 29,150.00	Animal feed for pound
4	12/11/2020	1250	Gijima Holdings (Pty) Ltd	Cunturion		R 20,720.00	Competence assessments for the position of the Director Corporate Services position.
31	11/11/2020	1820	Matt Brothers	Cacadu	Ward 4	R 9,800.00	Environment Hazard
5	24-11-20	1646	MM Sirengqe Transport and Trading	Cacadu	Ward 4	R2 200.00	Transport for community members attending project handover in Cacadu
6	17-11-20	1807	MM Mngxuma	Cacadu	Ward 4	R4 180.00	Transporting community members attending project handover event in Cacadu
7	18-11-20	1803	TP Mtyhole	Cacadu	Ward 4	R27 500.00	Supply and Delivery of Covid 19 Safety Equipment.
8	24-11-20	1124	MMG Totoya New adventure investment	Cacadu	Ward 4	R 8,584.45	Supply and Fits for Toyota Fortuner HXB 860 EC
9	18-11-20	1118	Mark Wilson Motors	Queenstown		R 3,330.98	Repairs for Tipper Truck HFT 991 EC
10	11-11-20	1111	ROA Sulo	Cacadu	Ward 4	R 28,070.00	Harry Gwala Electrification Material
11	08-11-20	811	Setup Technologies	Queenstown		R 14,790.73	Stationery
12	19-11-20	1278	Lathiamia Trading	Cacadu	Ward 4	R 10,125.00	Catering for project handover event
13	23-11-20	1288	ZT Nkosana Transport	Cacadu	Ward 4	R 3,520.00	Transport ward 3 for Primieral visit

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
14	23-11-20	1290	Aviwe Majola Trading	Cacadu	Ward 4	R 13,500.00	Catering for project handover event
15	10-11-20	1253	Umalusi Catering	Cacadu	Ward 4	R 2,850.00	Finger lunch for DSRAC MEC visit
16	16-11-20	1256	MMG Totoya New adventure investment	Cacadu	Ward 4	R 2,500.00	Smash and Grab for Mayors Vehicle
17	14/09/2020	1042	Makafaniz Trading Enterprise	Cacadu	Ward 4	R 7,000.00	Service and repairs for refuse collection trailer FBZ 279 EC
18	12/10/2020	1123	Lexis Nexis	Johannesburg		R 8,119.51	National Road Traffic Act Legislation
19	11/11/2020	1231	Jojos Trading Enterprise	Cacadu	Ward 4	R 2,000.00	Supply and Delivery of still water and fruit packs for memorial service
20	01/11/2020	1194	Boss Robes	Queenstown		R 29,670.00	Repairs and Maintenance of municipal aircons at Cacadu unit
21	06/11/2020	1217	Workshop Electronics	Maraisburg		R 26,189.00	Service and Calibrate all vehicle testing station
1	10/12/2020	1366	Lathiama Trading	Cacadu	Ward 4	R 12,000.00	Catering for World Aids Day And 16 Days activism.
2	07/12/2020	1356	Roasulo (PTY)Ltd	Cacadu	Ward 4	R 27,000.00	D Shackle, Chain tight , Chain Binder.
3	11/11/2020	1242	The reporter	Barkey East		R 3,670.80	Supply And delivery of traffic books B, C.EC. EC 1
4	11/11/2020	1232	CVU Hiring & Transport	Cacadu	Ward 4	R 29,800.00	Supply and delivery of cleaning material for amenities management
5	25/11/2020	1300	Leardership Academy	Gauteng		R 4,920.85	Online CPD training
5	17/11/2020	1268	MM Sirengqe Transport and trading (Pty) Ltd	Cacadu	Ward 4	R 2,200.00	22 Sitter for community members attending project handover in Cacadu and back.

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
5	17/11/2020	1268	MM Sirengge Transport and trading (Pty) Ltd	Cacadu	Ward 4	R 2,200.00	22 Sitter for community members attending project handover in Cacadu and back.
6	14-10-20	1325	Manelisi Enterprise	Cacadu	Ward 4	R 7,015.00	3xVIP Toilets for project handover
7	08-12-20	1357	Makafaniz trading enterprise	Cacadu	Ward 4	R 29,510.00	Tractor repair & service Reg CKM 266 EC
8	10-Dec-20	1381	Boss Robes	Queenstown		R 29,900.00	Replacement of new aircon at Mayor's office
10	30-11-20	1303	Ugcobo Multi Services	Cacadu	Ward 4	R 25,930.00	safety equipment for clean-up campaign
11	18-Nov-20	1272	S Xezu Projects & supply	Cacadu	Ward 4	R 27,500.00	Supply and Delivery of Covid19 safety equipment
12	17-Dec-20	1400	S and J Dyanamic (PTY) LTD	Cacadu	Ward 4	R 22,942.50	Supply and Delivery of refuse bags
13	07-12-20	1355	ZPK Trading enterprise	Queenstown		R 17,000.00	Tent and chairs for project handover
14	13-11-20	1251	K403 trading & projects	Cacadu	Ward 4	R 28,900.00	Repairs & maintenance of tools & equipment
15	07-12-20	1356	Roasulo (PTY) LTD	Cacadu	Ward 4	R 27,000.00	D shackle 4, chain tight 16m, chain binder 2
16	11-11-20	1242	Barkly East Reporter CC	Barkly East		R 3,670.80	12 Traffic Code C/C1 books
17	11-11-20	1232	CVU Hiring & transport	Cacadu	Ward 4	R 29,800.00	Supply & delivery of cleaning material for amenities
18	14-10-20	1268	MM Sirengge transport & trading	Cacadu	Ward 4	R 2,200.00	Community members attending project handover
19	14-10-20	1257	MM Mngxuma	Indwe	Ward 16	R 4,180.00	Community members attending project handover
20	24-11-20	1292	Ompotywa tours & tading	Cacadu	Ward 4	R 1,950.00	Community members attending project handover

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
21	22-11-20	1170	Setup technologies	Queenstown		R 10,623.24	Repair link between SCM and main building
22	20-11-20	1296	TP Mtyhole	Cacadu	Ward 4	R 4,200.00	Supply & delivery of rakes for clean-up campaign

AWARDED FOR AN AMOUNT BETWEEN R30 000-R200 000.00 FOR 2ND QUARTER OF THE 2020/2021 FINANCIAL YEAR

No	Bid Number	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
8	ELM/3/8/2020Q	01-10-20	1097	NRB Electrical	East London		R 178,699.90	Supply and Delivery of Low Voltage and Medium Voltage Material.
9	ELM/3/5/2019Q	10-11-20	1228	Sinabalo General Trading	Cacadu	Ward 4	R 40,288.00	Completion Ngqiningana dipping tank
	ELM/3/06/2020Q	18/11/2020	1273	Odwa And Solie Trading	Cacadu	Ward 4	R 110,693.25	Supply and delivery of Personal Protective Equipment.
	ELM/3/12/2020Q	22/12/2020	2464	Ibuyambo Mill	Cacadu	Ward 4	R200 000	Provision of Agricultural Mechanization Services

BIDS AWARDED FOR AN AMOUNT ABOVE R0- R2000 FOR 3rd QUARTER OF 2020/2021 FINANCIAL YEAR

No	Supplier Name	Locality	Ward	Amount	Description
1	The reporter CC	Barkly East		R1 795.00	Receipt books
2	Blesson Trading Enterprise	Dordrecht	Ward 11	R 720.00	Bottled water for departmental strategic planning session.

**BIDS AWARDED FOR AN AMOUNT ABOVE R2 000- R30 000 FOR THE 3rd QUARTER OF
2020/2021 FINANCIAL YEAR**

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount
1	06/01/2021	1413	Hi- Q	Queenstown		R 23 960.00
2	07/01/2021	1415	Onoria General Trading (Pty) Ltd	Queenstown		R 5 000.00
3	07/01/2021	1416	Jojo's Trading Enterprise (Pty) Ltd	Cacadu	Ward 4	R 9 950.00
4	13/01/2021	1431	Alakha Trading	Cacadu	Ward 4	R 24 899.33
5	13/01/2021	1435	Nomazibekho Trading (Pty) Ltd	Cacadu	Ward 4	R 5 000.00
6	22/01/2021	1459	Spectra Upfront	Queenstown		R 9 802.23
7	22/01/2021	1462	Poyz Trading	Cacadu	Ward 4	R 10 500.00
8	22/01/2021	1464	Spectra Upfront	Queenstown		R 4 396.02
9	22/01/2021	1416	KHT 003 Projects	East London		R 29 950.00
10	29/01/2021	1486	Matt Brothers (Pty) Ltd	Cacadu	Ward 4	R 18 000.00
11	28/01/2021	1471	NRG Office Solutions	Queenstown		R 2 572.25
12	26/01/2021	1465	Nozukile's Transport and Trading	Cacadu	Ward 4	R 22 500.00
13	12/02/2021	1536	Boss Robes Trading Enterprise	Queenstown		R 28 750.00
14	12/02/2021	1544	Mapitsela Construction and Projects	Cacadu	Ward 4	R 12 400.00
15	04/02/2021	1513	Anethemba Trading Projects	Cacadu	Ward 4	R 23 831.45

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount
16	05/02/2021	1517	Luna Bella bnb	Indwe	Ward 16	R 4 800.00
17	08/02/2021	1523	SS Jongqo Transport and Trading	Cacadu	Ward 4	R 10 040.00
18	04/02/2021	1511	Enkosi Business Enterprise	Cacadu	Ward 4	R 4 300.00
19	04/02/2021	1512	Lakhiwe General Trading	Indwe	Ward 16	R 9 500.00
20	09/02/2021	1532	Buyilumkile Genaral Projects	Dordrecht	Ward 11	R5 400.00
21	09/02/2021	1525	Blesson Trading Enterprise	Dordrecht	Ward 11	R5 400.00
22	12/02/2021	212	Kwathitha trading	Cacadu	Ward 4	R17 810.00
23	12/02/2021		Shakes	Cacadu	Ward 4	R25 000.00
24	12/02/2021	1541	ORBZ Consulting	Midrand		R4 680.00
25	16/02/2021	1558	NV Business Trading	Indwe	Ward 16	R4 980.00
26	24/02/2021	1568	NNW Sibhoma Construction and Supplies	Indwe	Ward 16	R29 435.40
27	24/02/2021	1573	Luna Bella bnb	Indwe	Ward 16	R3 000,00
28	24/02/2021	1571	K2018450048	Cacadu	Ward 4	R6 000.00
29	24/02/2021	1572	Mxhaseni Construction and Projects	Indwe	Ward 16	R4 400.00
30	26/02/2021	1589	Hlako Trading (Pty) Ltd	Queenstown		R4 749.30
31	26/02/2021	1170	Setup technologies	Queenstown		R 10 623,24
32	01/03/2021	1597	Zukisukhanyo Trading	Dordrecht	Ward 11	R7 140.00

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount
33	01/03/2021	1596	Mpira and Wabo's	Dordrecht	Ward 11	R7 140.00
34	04/03/2021	1607	Moss Transport and Projects	Cacadu	Ward 4	R 25 000.00
35	04/03/2021	1608	Mlindo Projects	Cacadu	Ward 4	R25 900.00
36	04/03/2021	1609	Mxhaseni Construction and Projects	Indwe	Ward 16	R 23 900.00
37	15/03/2021	1642	Luna Bella bnb	Indwe	Ward 16	R2 400.00
38	16/03/2021	1646	Delteq Information Systems	Queenstown		R9 867.00
38	31/03/2021	1676	MMG Toyota Queenstown	Queenstown		R 3 378.07
40	24/03/2021	1657	NRG Office Solutions	Queenstown		R 12 526.61
41	24/03/2021	1661	March Wilson Motors	Queenstown		R 16 240.97
42	24/03/2021	1656	March Wilson Motors	Queenstown		R 7 149.31
43	29/03/2021	1664	Luphawu trans and trading	Cacadu	Ward 4	R 27 150.00
44	03/03/2021	1603	Work Dynamics	Centurion		R5 922.50
45	04/03/2021	1610	Mark Wilson Motors	Queenstown		R3 184.15

**BIDS AWARDED FOR AN AMOUNT BETWEEN R30 000-R200 000.00 FOR 3rd QUARTER OF
THE 2020/2021 FINANCIAL YEAR**

No	Bid Number	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
1	ELM/1/1/2021Q	03/02/2021	1580	NSQ Investments	Cacadu	Ward 4	R120 000.00	Supply and Delivery of Interlocking Paving Blocks.

2	ELM/6/2/2021Q	25/02/2021	1581	NSQ Investments	Cacadu	Ward 4	R98 994.00	Supply and delivery of 6 Skip bins.
3	ELM/3/2/2021Q	25/02/2021	1582	Gungu Qweshu Construction & Projects	Cacadu	Ward 4	R72 600.00	Supply and delivery of consumables for maintenance office.
4	ELM/1/12/2020Q	08/02/2021	1519	Ono Wase Afrika	East London		R68 000.00	Supply and delivery of Personal Protective Equipment.
5	ELM/4/2/2021Q	17/03/2021	1649	Shakes Multi Traders	Cacadu	Ward 4	R49 500.00	Procurement for Mphothulo Youth Projects
6	ELM/1/2/2021Q	01/03/2021	1593	Ebusha General Trading	Bisho		R63 470.68	Supply and delivery of Cleaning Material.
7	ELM/2/2/2021Q	01/03/2021	1594	NSQ Investments	Cacadu	Ward 4	R51 300.00	Supply and Delivery of refuse bags.

BIDS AWARDED FOR AN AMOUNT ABOVE R0- R2000 FOR THE FOURTH QUARTER OF THE 2020/2021 FINANCIAL YEAR

No	Date	Supplier Name	Locality	Ward	Amount	Description
1	21/04/2021	Spectra Upfront	Queenstown		R546.09	Stamp for the MM' Office
2	07/04/2021	Moss Transportation & Project	Cacadu	Ward 4	R1 905.00	Supply and delivery of Copper Tube
3	13/04/2021	Mce and Mzi	Queenstown		R1 950.00	PA System for back-to-school campaign.
4	06/05/2021	New adventure Investment	Queenstown		R1 859.27	Supply and fit parts for JGN 757 EC
5	21/06/2021	WG Mica Hardware	Queenstown		R1 859.66	Supply and delivery of Tools Shovel round nose lasher
6	23/06/2021	Shakes Multi Traders	Cacadu	Ward 4	R1 450.00	Supply and delivery of Stadium Grass Cutting consumables 5L Engine Oil
7	26/06/2021	Sizisu Khanyo Trading	Cacadu	Ward 4	R600.00	Breakfast for the assessment at Mlungisi tsotsi
8	30/06/2021	Boss Robes	Queenstown		R1 725.00	Supply and delivery of 1.5mm flat twin earth

BIDS AWARDED FOR AN AMOUNT ABOVE R2 000- R30 000 FOR THE FOURTH QUARTER OF THE 2020/2021 FINANCIAL YEAR

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount
1	01/04/2021	1678	Nofungile Transport	Cacadu	Ward 4	R3 000.00
2	05/04/2021	1754	Keens Office Equipment	Queenstown		R19 770.40
3	08/04/2021	1689	Blic Trading	Cacadu	Ward 4	R4 500.00
4	08/04/2021	1862	Alakha Trading	Cacadu	Ward 4	R6 800.00
5	09/04/2021	1694	Hlako Trading (Pty) Ltd	Queenstown		R9 550.00
6	13/04/2021	1702	Kwathitha Trading	Cacadu	Ward 4	R3 000.00
7	13/04/2021	1701	Konke 26	Cacadu	Ward 4	R3 700.00
8	20/04/2021	1739	Mthimkhulu Bhungane Empire	Cacadu	Ward 4	R29 852.16
9	20/04/2021	1734	SetUp Technologies	Queenstown		R25 955.57
10	21/04/2021	1743	Boss Robes	Queenstown		R9 391.30

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount
11	21/04/2021	1741	The Reporter	Barkly East		R4 004.00
12	28/04/2021	1750	Molisi Trading	Queenstown		R29 639.34
13	28/04/2021	1748	NRG Office	Queenstown		R4 775.94
14	04/05/2021	1754	Keens office Equipment	Queenstown		R22 735.95
15	05/05/2021	1757	Kungawo Suppliers and Projects	Cacadu	Ward 4	R3 325.00
16	06/05/2021	1765	Ikhala Public Fet College	Cacadu	Ward 4	R10 228.00
17	18/05/2021	1777	Dordrecht Massey Ferguson	Dordrecht	Ward 11	R16 112.52
18	19/05/2021	1781	Sinikulutho Trading Enterprise	Cacadu	Ward 4	R4 180.00
19	19/05/2021	1783	Ezobhangqo	Cacadu	Ward 4	R3 150.00
20	21/05/2021	1797	Alakha Trading CC	Cacadu	Ward 4	R25 994.40
21	21/05/2021	1796	Jojo's Trading Enterprise	Cacadu	Ward 4	R2 800.00
22	25/05/2021	1801	Lithiama Trading	Cacadu	Ward 4	R2 640.00
23	25/05/2021	1800	Konke 26	Cacadu	Ward 4	R2 587.00
24	26/05/2021	1806	ZPK Trading Enterprise	Queenstown		R11 350.00
25	27/05/2021	1813	Setup Technologies	Queenstown		R5 177.07
26	27/05/2021	1811	Mce and Mzi Media production and Sound	Queenstown		R2 400.00
27	01/06/2021	1820	Hlako Trading (Pty) Ltd	Queenstown		R26 775.46
28	03/06/2021	1822	Maqwambi Trading Enterprise	Cacadu	Ward 4	R24 320.00
29	10/06/2021	1846	Peugair	East London		R2 334.17
30	10/06/2021	1845	Peugair	East London		R26 057.53
31	10/06/2021	1844	Peugair	East London		R4 161.49
32	10/06/2021	1841	MX print	Queenstown		R9 360.02
33	18/06/2021	1867	Lilliandennis Creatives	Cacadu	Ward 4	R12 600.00

No	Order Date	Order Number	Supplier name	Locality	Ward	Amount
34	18/06/2021	1864	Gungu Qwesha Construction and Projects	Cacadu	Ward 4	R17 550.00
35	18/06/2021	1863	Mapitsela Construction and Projects	Cacadu	Ward 4	R8 269.35
36	21/06/2021	1874	Mxhaseni Construction and Projects	Indwe	Ward 16	R9 850.00
37	23/06/2021	1896	Buyilumkile General Projects	Cacadu	Ward 4	R2 400.00
38	23/06/2021	1895	Shakes Multi Traders	Cacadu	Ward 4	R4 500.00
39	23/06/2021	1890	Nomazibekho Trading	Cacadu	Ward 4	R26 195.00
40	23/06/2021	1884	Ezobhangqo	Cacadu	Ward 4	R18 000.00
41	23/06/2021	1888	Konke 26	Cacadu	Ward 4	R4 800.00
42	23/06/2021	1886	Sizisa Ukhanyo Trading 943	Cacadu	Ward 4	R4 400.00
43	23/06/2021	1885	TP Mtyhole	Cacadu	Ward 4	R18 000.00
44	23/06/2021	1883	Mpira & Wabo's Trading CC	DDX	Ward 11	R16 200.00
45	28/06/2021	1905	New Adventure t/a Toyota	Queenstown		R18 311.36
46	28/06/2021	1903	Maqwambi Trading Enterprise	Cacadu	Ward 4	R3 000.00
47	28/06/2021	1904	Mark Wilson	Queenstown		R21 659.62
48	29/06/2021	1907	Best drive love tyres	Queenstown		R10 740.00

R556 102.65

**BIDS AWARDED FOR AN AMOUNT BETWEEN R30 000-R200 000.00 FOR THE FOURTH
QUARTER OF THE 2020/2021 FINANCIAL YEAR**

No	Bid Number	Order Date	Order Number	Supplier name	Locality	Ward	Amount	Description
1	ELM/5/2/2021Q	23/04/2021	1745	Sikhumbulanathi Trading	East London		R132 954.08	Supply and Delivery of road markings and road signs

2	ELM/5/11/2020Q	20/04/2021	1733	NSQ Investments	Cacadu	Ward 4	R38 855.00	Supply and delivery of tools and equipment
3	ELM/7/2/2021Q	19/04/2021	1732	Mthimkhulu	Cacadu	Ward 4	R71 905.53	Supply and Delivery of material for renovation of feedlot.
4	ELM/8/2/2021Q	06/05/2021	1760	Enzokuhle Enterprise	East London		R110 000.00	Integrated Waste Management Plan Review
5	ELM/3/2/2021Q	05/05/2021	1755	Nsq Investments	Cacadu	Ward 4	R74 614.00	CHDM LED Agricultural support
6	ELM/5/3/2021Q	21/05/2021	1789	Brusli	King Williams town		R38 750.00	Supply and delivery of Production inputs for Indwe brick making cooperatives
7	ELM/6/3/2021Q	11/06/2021	1854	Chai Chac	Mthatha		R73 818.50	Procurement of arts center items
8	ELM/10/11/2020Q	11/06/2021	1857	Boss Robes	Queenstown		R50 577.00	Installation of Electrical fittings and wiring at Harry Gwala Community Hall
9	ELM/1/3/2021	11/06/2021	1858	Phandu Communication	Pretoria		R42 905.26	Microsoft Visio professional 2019 two licences
10	ELM/4/3/2021	15/06/2021	1859	NSQ Investments	Cacadu	Ward 4	R185 652.33	bailing machine
11	ELM/4/05/2021Q	28/06/2021	1902	Vuyoluhle General Trading	East London		R172 000.00	Supply and Delivery of Tyres for Emalahleni LM Construction Plant Machinery
12	ELM/1/5/2021Q	29/06/2021	1906	Nodoli Trading	King Williamstown		R57 400.00	Personnel Protection Equipment Clothing/ Safety boots

13	ELM/7/05/2021Q	30/06/2021	1914	Sophola General Trading	East London		R173 995.00	Supply and Delivery of Tools for repairs of Construction plant Machinery
14	ELM/5/05/2021Q	28/06/2021	1901	Peugair Border	East London		R129 126.72	Supply and Delivery of Machinery Spare Parts

Livestock Branding and Marketing

1020 livestock branded within the municipality, 2 advisory sessions on branding certificates were facilitated in all municipal wards.

Crop Production

Support to Crop Production Cooperative

The municipality has an obligation to advance and promote agricultural development within its area of jurisdiction. Therefore, the following Qwempe Project at ward 8 has been supported through production inputs and mechanisation activities for cultivation of forty (40) hectares. Ibuyambo Secondary Cooperative was appointed for mechanisation activities at the value of R199 544.32. The notable challenge has been climate change, as a result maize planting season lapsed before mechanisation activities could be completed. Alternatively, the project members opted for beans in hectares that were already ploughed but not planted maize. As such fourteen (14) hectares have been planted maize while twenty-six (26) hectares have been planted beans which are currently doing very well. This is in line with the scientific research that was conducted by Agricultural Research Council (ARC) in 2005 which revealed that due to the prevailing climatic conditions, the municipal area is now suitable for sorghum while maize is only suitable at Ida as the area is currently producing maize in large quantities.

Small-Scale Irrigation Schemes

The municipality as part of agricultural development is supporting emerging and small-scale farmers to upscale production schemes through refurbishment of dilapidating irrigation schemes. A partnership between Emalahleni, Chris Hani Development Agency (CHDA), Department of Rural Development and Agrarian Reform (DRDAR), Chris Hani Cooperative Development Centre (CDC), DICLA and Xonxa Irrigation Scheme farmers has yielded to this point, a social facilitation session which was held at Xonxa in quest of instilling maximum participation and sense of ownership. The items discussed in this session are as follows; soil mapping of the farming fields, submission of title deeds, ensuring that farming fields are properly fenced, refurbishment of engine room and issues of security. So far, Emalahleni Local Municipality has procured an engine and plans are in place to install it at the engine room which will first be constructed.

Outreach Programmes and capacity building programmes

The municipality has conducted awareness programmes on forestry since the forest plantations possess a huge impact on the environmental aspect of the area and Emalahleni area is amongst the areas that have low rainfall which can improve if the management of forests improves. Moreover, these informal sessions will help to inculcate the culture of regarding a tree as an important resource. Therefore, forestry management session was facilitated in ward 3 (Ndonga), ward 4 (Cacadu) and ward 12 (Mount Arthur). The Indwe Livestock Cooperative members were trained on animal handling and animal health.

Mining- Small Scale

Under Small Scale Mining, the municipality through its LED unit provided support to five (5) Indwe Claybrick Brickmaking Cooperatives. These cooperatives are as follows:

- Cathula Mama Primary Cooperative
- Khanya Mama Primary Cooperative
- Phambili Bafazi Primary Cooperative
- Masizakhe Primary Cooperative
- Litha Lethu Primary Cooperative

The brickmaking cooperatives were supported with the following production inputs; wheelbarrow, spades, shovels round nose, clay pick, gumboots, gloves, masks, protective safety goggles, damp course, garden masters, plastic drum, waterproof apron and beck poly cotton long sleeve dust coat.

Wool Production

The scientific research conducted by the Agricultural Research Council in 2005 depicted that the Emalahleni area of jurisdiction has got sweet veldts, that on its own is showing that this area is rich in livestock production despite dry climatic conditions. Precisely, the area is more suitable for sheep production due to prevalence of short grass which is palatable for small stock. According to the department of Agriculture, in the 2020 season the municipal area had at the least 500 000 sheep per year. Income received by communal farmers through wool production in 2019/2020 financial year was R33 000 000 (exclusive of commercial farmers).

3.13.7 KEY CHALLENGES OF THE DEPARTMENT

- At a national level the economy is still facing downward swing
- Lack of financial muscle for Economic infrastructure
- Lack of clear provincial approach on Rural Development other than Agriculture.
- Limited budget to fund economic development initiatives for both capital and operating budget.
- Red Tape and cumbersome municipal processes (compliance related issues).
- Coal mining challenges (mining licence and road infrastructure)
- Lack of inward investment and business retention
- Limited flow of domestic and international tourists

3.13.8 COMMENT ON LOCAL JOB OPPORTUNITIES

According to Eastern Cape Socio-Economic Consultative Council (ECSECC) in its Quarterly Data Release, Eastern Cape provincial economy grew by 61.9%. However, the provincial economy is one of the four provincial economies with economic expansion below the national level (66.1%) in 2020Q3, namely: Gauteng (49.2%), Western Cape (57.7%), Eastern Cape (61.9%) and KwaZulu-Natal (62.8%).

The Eastern Cape Socio Economic Consultative Council (ECSECC) notes in its Quarter 1 economic review that the Eastern Cape Economy shrank by -0.8 % and that the South African Economy shrank by -2.0% it notes that the Economy was already in a bad state prior to the Covid-19 pandemic. Despite creating 80,000 jobs in the second quarter, the Eastern Cape continues to suffer the most jobs casualties in SA. Unemployment in the province has crept to an alarming official high of 35.4%, but is higher if 366,000 discouraged work seekers are factored in.

3.13.9 COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Emalahleni Local Municipality also suffered the consequences of economic recession owing to COVID-19 pandemic. As such the following sectors were affected adversely:

- Tourism: number of tourists declined due to travel restrictions that were imposed to both domestic and international tourists. The local accommodation and support facilities lost income during this period, especial during the festive season which is normally a peak tourism season.
- Only few agricultural businesses were permitted to trade during lockdown because of their contribution to food production. In the main COVID-19 pandemic reduced Emalahleni production levels as no gatherings were allowed and sessions aimed at creating agricultural awareness could not be organized. The hectors that were targeted for communities by different spheres of government could only be planted after the normal farming season had passed due to the fear of this pandemic.
- The already high levels of poverty in South Africa have been aggravated by the stay-at-home orders which mean no economic activity and, therefore, no income-earning opportunities, especially for the self-employed and the informal sector, which is acutely dominated by Small, Medium and Micro Enterprises (SMME's). Consequently, society is already beginning to agitate for easing of the lockdown policy.

The formal productive sector since lockdown, has been under tremendous additional pressure from the coronavirus response measures. For example, the expenditure required to mitigate the spread of the pandemic such as for testing equipment and implementing control measures, relocating, and caring for the homeless, conducting contact-tracing, and treating the infected has placed an extra burden on the national treasury which was already severely constrained by repeated bailouts of poorly performing state-owned enterprises (SOE's).

Moody's recently downgraded South Africa's sovereign credit rating to junk state (Ba1 with a negative outlook), the timing of which was considered as insensitive by many in South

Africa. This downgrade has led to South Africa's removal from the Global Bond Index and will increase South Africa's cost of borrowing in international financial markets.

The Presidency indicated that COVID-19 had adversely effects on the South African economy. Several sectors like have been heavily hit by COVID-19, as such the economic fallofut is more severe than ever before. The pandemic had a disastrous impact on the economy and the economic slowdown is likely to last for more than 3 years. The South African municipalities as the sphere of government closest to the people is disproportionately exposed to the economic fallout exacerbated the Covid-19 epidemic. COVID-19 has resulted to deep and long-lasting economic crisis for South African government, it has already begun to put tremendous strain on existing municipal resources and capacity.

The municipalities were already in financial distress before the lockdown and had service delivery challenges which has increased because of COVID-19. The economic fallout will be severe and manifest in multiple and complex ways. The current crisis is compounded by the recent downgrading of South Africa to junk status.

The overall national fiscus will diminish which will affect the financial capacity of state, resulting to reliance on borrowing to finance government spending and that will indebt the country to other countries or multinational agencies. This will only worsen the existing challenges of South African municipalities, many of whom, find themselves in a financial, political and management crisis.

The inability by municipalities to provide sustainable services will continue and service delivery protests will be prevalent. In instances where functional municipalities exist, critical funding gaps will occur, and local economic development challenges will be exacerbated. Some, of the most salient and direct economic challenges that COVID -19 has created for South Africa municipalities are as follows:

- Decline in inter-governmental fund transfers to municipalities: overall reduction in inter-governmental transfers as National Government Departments and Treasury see the budgets constrained by inability to collect taxes, tariffs and fees as businesses and households battle to pay taxes.
- Equitable share and Conditional grants such as Schedule 4 Part B grants are likely to reduce which will affect critical infrastructure development programmes of municipalities and service delivery in general.
- Loss in revenue from property rates and taxes: This will be significantly affected because of inability of households, businesses to pay rates due to job losses and businesses closing.

Most of the Eastern Cape municipalities were already declared bankrupt before the declaration of COVID-19 a national disaster by the president from the 26 March 2020. The situation in the Eastern Cape is more dyer that before and province has limited financial resources to rescue to situation. Most businesses are still struggling to stabilise their operations due to the lack of personal protective clothing equipment for adherence to basic protocol of regulations relevant to different levels of risk adjusted strategy.

Component E: Community and Social Services

3.14 Introduction to Community Services

The Department of Community Services comprises of the following divisions:

Environmental Management Services, Waste Management, Municipal facilities and amenities, Management of Parks and Open Space Management, Cemetery Management, Traffic Services, Registration and Licensing, Disaster Management and Fire Fighting.

Services in the categories listed above have been sufficiently provided in varying degrees due to capacity challenges and these can be presented as per service field as follows:

3.14.1 Libraries; Archives; Museums; Galleries; Community Facilities; Other (Theatres, Zoos, Etc.)

(1) LIBRARIES

The municipality has six functional libraries which are Dordrecht, Indwe, Lady Frere, Mhlanga, Bengu and Tsembeyi Libraries. Two of these are modular library which is Bengu and Tsembeyi. The Municipality entered into a service level agreement with the Department of Sports, Recreation, Arts and Culture to accelerate transformation and enhance library services. This has improved coordination and collaboration between the two spheres. Through this arrangement library infrastructure was maintained and staff capacity improved including the culture of reading. Library material including periodicals and books were supplied. The municipality has established three (3) Library Forums and Six (6) Library Committees and are fully functional.

Library Awareness Campaigns were rolled out efficiently. All this contributed in realising the objectives of Outcome 12, that of having an efficient, effective and development oriented service and empowered, fair and inclusive citizenship. The municipality received an allocation of **R803 000** to render the service on agency basis. In response to this the Department of Sports, Arts and Culture appointed professional staff and second them to the various libraries, provided ICT infrastructure and equipment, capacity building programs, renovated some libraries. Supervision and administration services remained the responsibility of the municipality.

Huge improvement has been enjoyed by the municipality in that membership and book circulation has increased therefore positively contributing in improving the literacy rate.

- 16 Library utilization campaigns conducted in the year under review.
- 387 additional users registered
- 12 Library Committee convened

(2) MUSEUMS & GALLARIES

Museum services are currently implemented by the Department of Sports, Recreation, Arts and Culture. There are two museums located in Dordrecht and Indwe which are privately owned. Awareness creation of museum services to school children have been conducted

(3) COMMUNITY HALLS AND RECREATIONAL FACILITIES

Emalahleni Local Municipality has a total of seventeen (17) Community Halls

Name of Hall	Ward	Status
Ngganda	12	In good condition
Qoqodala Community Hall	07	Renovated in 2015 /2016
Vaalbank Community Hall	08	In good condition
Zwartwater Community Hall	09	Renovations Done in 2017
Matyantya Community Hall	06	Minor renovations done in 2015 / 2016
Boomplas	13	Renovations done utilising local labour
Bengu Community Hall	02	Ablution facilities blown away by wind and renovations are underway.
Rwantsana Community Hall	01	Require minor renovations
Dordrecht Community Hall	14	Require minor renovations
Munnisville Community Hall	11	Require minor renovations
Mike Huna Hall	11	Minor renovations completed
Youth Centre Indoor Sports Facility	14	Minor renovations required
Dora Vosloo Community Hall	15	Minor renovations
Indwe New Community Hall	16	In good condition
Mavuya Hall	15	Currently not functioning
Lady Frere Town Hall	04	Minor renovations completed in 2015 / 2016
Greyspan		Renovated
Harry Gwala		Renovated
Zulu Square		Renovated

(4) NEW COMMUNITY HALLS CONSTRUCTED

Name of Hall	Ward	Status
Mtssheko Community Hall	05	Complete
Tsembeyi Community Hall	10	Complete
Maqhashu Community Hall	17	Complete
Greyspan Community Hall	03	Complete

One Early Childhood Development Centre constructed at KwaPercy

Minor renovations were done to Six

(5) SPORTS FIELDS

Lady Frere sports field had undergone a major upgrade. Focus areas include, Grandstand construction, planting of grass, netball stand, parking. Warm up area, painting, and decoration, change room. All these have been finalised and they are operational. Dordrecht Youth Centre has undergone minor renovations. The National Department of Sports, Arts and Culture has approved funding for the development of Indwe Sports Field for upgrading in 2019/2020 financial year. The municipality received a donation of an outdoor gym placed in Dordrecht worth R350 000

(5) PARKS AND GARDENS

The overall objective of this function is to provide and maintain parks and open spaces thereby creating a pleasant environment for the communities, contributing towards global “greening” and to maintain sidewalks and pavements. Due to budget constraints, these parks are not always fully functional and maintained as planned

Indwe Park, Cacadu, and Dordrecht

A park worth R1,7 million has just been developed in Indwe and has the following facilities, children’s play area, mini amphitheatre, ablution, green and hard landscaping.

The Department of Public Works funded the ELM an amount of R3 Million Rands for development of the park in Cacadu which was completed in 2016/2017 financial year. The mini amphitheatre was constructed at the value of R400 000 to complement the already built park

Challenges experienced relate to non-availability of staff dedicated for open parks and gardens.

Funding has been solicited from the EPIP grant of Department of Environmental Affairs for the management of open spaces.

(6) COMMONAGES AND POUNDS

One pound has been completed in Dordrecht although not fully compliant for registration. Pound Master has been appointed to manage pound operations in ELM areas. Indwe unit currently operates a holding facility to manage stray animals.

- 16 Pound management operations conducted, Pound Management Plan including Standard Operating Procedure with Tariffs developed and approved.
- 4 Awareness campaigns conducted on impounding of stray animals.
- 12-pound management operations conducted

(7) TAXI RANKS AND BUS TERMINALS

There are two taxi ranks in Lady Frere, at least 1 is functional with the other not yet functional. Indwe has a non-functional taxi rank.

3.15 Cemeteries and Crematoria

Emalahleni Local Municipality has three cemeteries, one in each town. Each cemetery has a manual cemetery register. Dordrecht currently offers sale of site and grave digging services. Indwe and Lady Frere are offering sale of sites only.

3.15.1 Lady Frere

Cemetery layout has been developed and approved in accordance with the SPLUMA and the parameter Fencing of the site has been done and not finalised yet. Challenges exist in relation to the non-completion of the boundary wall.

3.15.2Indwe

The development of Indwe Cemetery has commenced, and the following studies have been finalised with positive results. Geotechnical and Geohydrological Study

The Town Planning report has been developed and submitted to the municipality. It was also advertised for comments on the 25 May 2018. The report entailed the following information as required in terms of the Spatial Planning and Land Use Management Act, 16 of 2013 (SPLUMA):

Subdivision and rezoning of the proposed new cemetery. Statuary applications in terms of SPLUMA for approval by the Emalahleni Municipality. Cemetery layout plan, including dimensions and typical grave spacing for adults and children, as well as numbering of new graves. This process concludes the approval of the subdivision and rezoning of the subject cemetery site. Environmental Impact Assessment: This process has already been initiated and is unfolding in terms of the requirements stipulated in the relevant environmental regulations.

The land survey process will proceed once the town planning and environmental authorisations are in place. The survey process entails the framing of a sub-divisional diagram, placing of pegs and lodgement of all records and diagrams to the surveyor General for approval. Landscaping plan will be prepared and will inform the actual physical features that defines the cemetery. This includes suggested plants and hard landscaping, including paths, benches, ablution facilities, garden of remembrance, signage and interpretative indicators.

3.15.3Dordrecht

Cemetery layout plan developed for Dordrecht Cemetery and was adopted by Council. The municipality does not have an integrated Cemetery Management Plan, processes to improve internal controls have been initiated. There is dedicated personnel is assigned to manage the function.

3.16 Child Care; Aged Care; Social Programmes

Emalahleni Local Municipality has a responsibility to support Early Childhood Development Centres. It established 3 ECDC forum which are functional.

10 Early childhood Development Forum Meeting convened, A total number of 115 ECDC assessed, 78 ECDC are funded by the Department of Social Development and 37 ECDC are unfunded, Emalahleni Municipality has constructed 10 ECDC, 64 ECDC constructed by community members, 38 is renting or operating at community members households and 3 ECDC are longer operating. Indwe unit has a total number of 18 ECDC. Dordrecht unit has total number of 8 ECDC and Lady Frere unit has a total number of 89 ECD's

Component B: Environmental Protection

3.17 Pollution Control

Air quality management is broader than just regulating individual polluters. However, the licensing and therefore control of specific activities that causes air pollution is an important regulatory tool assigned to local government. The local municipality are responsible to test air pollutants in the atmosphere using air pollution stations with an assistance of Air Pollution Officer to interpret the results and implement control strategies. The promulgation of the National Environmental Management Air Quality Act (2005), AQA redefined the role which ELM is required to play in terms of air quality.

Currently, ELM do not have industrial facilities that pollutes large quantities of air pollutants in the atmosphere but there is indoor air pollution wherein rural households are using burning of wood and cow dung to cook. This results to air pollution which contributes to greenhouse gas emissions. ELM has towns with access national road to nearby towns and other provinces which results to high volume of vehicles passing through the area. High volumes of motor vehicles in the municipality lead to large quantities of air pollutants which are contributory factor of climate change. There are no by-laws and testing stations to assess the volume emitted in the atmosphere. There is no air pollution officer to mitigate this environmental pollution.

3.18 Biodiversity; Landscape (Including Open Spaces); and Other (e.g., Coastal Protection)

3.18.1 Introduction to Biodiversity and Landscape

National Environmental Management: Biodiversity Act (No. 10 of 2004) sets out mechanisms for managing and conserving biodiversity, protecting species and ecosystems; the sustainable use of indigenous biological resources; access to and sharing the benefits arising from the use of biological resources, as well as bioprospecting. The aesthetical appearance of every city is based on the landscaping of public open spaces through greening and beautification initiatives. In addition, the long-term sustainability of a municipality or locality is largely dependent on a healthy eco-system, within which waste and pollution are minimised and carefully managed.

Emalahleni Local Municipality had Land care management workshop which aimed at capacitating municipality on protecting environment and conserving natural resources. The goal is to promote landscaping and beautification of the municipality which forms part of environmental management. Furthermore, to promote healthy lifestyle, ELM undertakes the establishment of play parks within all regions. The priority in this regard is to provide recreational facilities and promote tree planting. During the financial year under review, sites were levelled in preparation of the development, play park equipment and furniture was installed and trees were planted on the newly established sites in Dordrecht and Indwe units.

Three Crowns has conducted environmental initiative on waste wherein the waste bi-product is converted to bio-fuel gas which aimed at preventing green gas emission which led to climate change. The municipality is part of the District Climate Change Forum which mainly discusses environmental management issues.

3.18.2 Parks and Recreation

The overall objective of this function is to provide parks and open spaces thereby creating a pleasant environment for the communities, contributing towards global greening and to maintain sidewalks and pavements. Two parks in Dordrecht and Indwe are developed and functional, but Lady Frere is on developmental stage. Notwithstanding, a schedule and programme for maintenance has been well achieved and reporting on progress and expenditure has occurred in a manner required. Grass cutting does occur monthly. Both parks are well fenced and are maintained.

Three sporting facilities exist which provide a service for 102 000 users. There is one sporting facility that had been constructed in Lady Frere that accommodates all sporting codes and is designed with indoor sporting area.

- 1 Park constructed in Lady Frere focusing on following deliverables: Gabions and clear-view fencing, children 's play area, Park furniture, Greening and Land scape (hard and soft). 21 EPWP jobs created.
- 1 Park in Dordrecht completed, and Completion Certificate issued.
- 1 Park in Indwe completed (ablution facilities, children's play area, hard and green landscaping and fencing

3.18.3 Introduction to Environmental Protection

National Environmental Management Act No. 107 of 1998 (NEMA), stipulates several key environmental management principles (Chapter 1) which apply to those activities of organ of state that may significantly affect the environment including the local government. These principles extend not only to NEMA itself but also to the interpretation, administration and implementation of the Act and concerned with protection or management of environment. It also stipulates on the principles that the person or company who pollutes the environment must pay to clean it up.

- 1 Environmental Management Framework developed
- 8 Environmental Management Programs implemented
- Commemoration of Environmental Day observed

3.18.4 Achievements in Waste Management for 2020-2021

Integrated Waste Management Plan developed, approved by the council, and endorsed by DEDEAT awaiting further endorsement by COGTA –EC IWMP implemented through the following focus areas:

- Institutional capacity and human resources (Designated Waste Management Officer, 34 temporary employees appointed for fixed term contract of 12 months).

- Solid waste removal services provided to 7992 households (Inclusive of Cacadu, Indwe and Dordrecht)
- 8 recycling initiatives supported (Fudo Lufakade, Lady Frere & Pest Control, Gcinizulu, Iminathi)
- 25 drop-off centres managed, and 318 illegal dumping sites cleared.
- Hlasela waste management project implemented
- Environmental Protection Infrastructure Program funding solicited

16 educational awareness campaigns in schools and the broader community including clean-up campaigns. ELM won 1st place of greenest Municipality Competition in CHDM and third place in the Eastern Cape Province

Component C: Health

3.19 Clinics

The Department of Health within the Municipal area has a total number of twenty-five (25) clinics, 1 out of these is a Health Care Centre (Ngonyama) at ward 8 and its run 24 hours with a doctor allocated. There are two mobile clinics focusing on wards with no clinics. Challenges experience relates to access roads especially the Machubeni route and Rhodana which directly affects the mobile and ambulance services. Almost all the clinics currently utilises water preservation methods which poses a challenge with the scarcity of rainfall. Access to water is still a challenge. Only two utilises communal taps (Rwantsana and Lanti clinics). These mostly use pit toilets. Staff shortages remain a challenge in all these

The Department of Health has outsourced the collection and disposal of medical waste

3.20 HOSPITALS

The Municipality has three hospitals run by the Department of Health (Glen Grey Hospital, Dordrecht and Indwe which as state aided hospital)

3.21 AMBULANCE SERVICES

The ambulance services are currently rendered by the Emergency Medical Services which is an arm of the Department of Health. This area has a total of five ambulances, and one is for Indwe and two for Dordrecht and lastly two for Lady Frere. Shortages of ambulances remain a challenge including the condition of roads which shortens the life span of the vehicles.

3.22 HIV & AIDS

The municipality has developed a three-year HIV&AIDS, STI's and TB Strategic Plan to guide and inform all initiatives that seek to reduce the spread of the pandemic in the

local municipality as well as mitigate the negative impact of the diseases on the people serviced. Several strides responding to this pandemic is being made by several community-based organisations as well as government institutions and agencies and the development and implementation of the priorities as outlined in the strategic framework mentioned will enhance such initiatives and deliver maximum impact.

It is the belief of the municipality that the development of the strategy and successful implementation will contribute to the:

- Reduction of the rate of infection of HIV&AIDS and TB
- Eliminating the impact of the HIV&AIDS on individuals, families, and other broader society by ensuring, improving access to treatment, care and support and service delivery targets the infected and affected.

The Municipal area is currently at 2% in polymerase which was initially 5%. Prevention of Mother to Child Transmission rate has been tremendously reduced. Out of 764 people tested for HIV&AIDS between the ages of 15 to 49 years only 35 tested positives compared to previous year which is an indication that the educational awareness campaigns currently provided yield positive results.

In the year under reporting the following interventions have been made by the municipality

- **Local Aids Council** meetings conducted were five and managed to solicit interventions on HIV and AIDS related issues. This structure is fully functional supported by all organs of state including Non-Government Organisation and HCBC's. The functionality of LAC has been emphasized by the assessment made by GIZ on May 2016.
- **Educational Programs**
Five intense five educational programs and back to school campaigns were conducted covering all wards in all high schools focusing on HIV and Aids, TB, STI's, Condom distribution and circumcision and the stigma of HIV and AIDS. World Aids Day was observed in a form of door-to-door campaign and candlelight memorial.
- **Orphans and Vulnerable Children** was supported through supply of shoes to 300 school children from a total of 35 schools
Local AIDS Council that seats on a quarterly basis is making sure that OVCs are cared and protected. No. of OVCs on child protection intervention is 615; number of OVCs on clinical nutritional support is 1242; number of OVCs on HIV Counselling and testing is 51; on access to ART is 66; on HIV related Paliative Care is 186; on psycho-social support is 2219; on sexual reproductive health services is 471; on educational support is 1864 and on household economic strengthening is 563.

- **Care and Support Programs** were implemented through the support groups and the support to Home and Community Based Care organisation. Lobbying for funding for support groups was facilitated. Through the support of the District Municipality, the HIV and AIDS Strategy was developed.
- War-Rooms structures have been established in all Ward in Emalahleni Local Municipality and ward 4, 5, 6, 7, 8, 9, 10, 13, 14, 11, 15 and 16 received training focusing on the eight pillars of War Room and Data collection tools for households. The Anti-Poverty War Room has been launched in Ward 15 (Indwe unit) on the 26th of April 2016 and all wards were part of the launch.

The Department of Health within the Municipal area has a total number of twenty-five (25) clinics, 1 out of these is a Health Care Centre (Ngonyama) at ward 8 and its run 24 hours with a doctor allocated. There are two mobile clinics focusing on wards with no clinics. Challenges experience relates to access roads especially the Machubeni route and Rhodana which directly affects the mobile and ambulance services. Almost all the clinics currently utilises water preservation methods which poses a challenge with the scarcity of rainfall. Access to water is still a challenge. Only two utilises communal taps (Rwantsana and Lanti clinics). These mostly use pit toilets. Staff shortages remain a challenge in all these

The Department of Health has outsourced the collection and disposal of medical waste

3.23 Health Inspection; Food and Abattoir Licensing and Inspection

The Municipal Health Services within Emalahleni Local Municipality is performed by Chris Hani District Municipality which has placed a total of three (3) Environmental Health Practitioners, one (1) Senior Environmental Health Practitioner and one (1) Environmental Health Assistant. Functions performed include:

- Food safety
- Water Quality Monitoring
- Safe disposal of the dead
- Waste Management Compliance
- Monitoring of Communicable Diseases
- Air Pollution Control
- Surveillances of premises
- Awareness on Environmental Health matters

Challenges experienced whilst rendering the services related to

- Unlicensed businesses in all three towns of Emalahleni
- Lack of awareness in Lady Frere on exhumation procedures
- Stray animals
- Availability and non-enforcement of Municipal and District By-Laws

Component D: Security and Safety

3.24 Traffic Services

The Municipality has recently approved an organogram to improve the institutional arrangements and be responsive to all safety and security challenges. The municipality has established a Traffic Department with only two traffic officers however a budget has been set aside to appoint an additional examiner and eNatis personnel that will be running the Driving License Testing Centre. Law Enforcement Services currently performed include:

- Traffic policing
- Processing of applications in respect of the Gatherings Act,
- Joint operations with the SAPS
- Visible patrols and crowd control at special events.

For now, the unit only operate consist of

- Law enforcement
- Traffic Services
- Fire and Rescue Services
- Disaster Management
- Security Services
- Pound Management
- By Law Implementation

The Municipality is operating a Driving License Testing Station which was built in 2014/2015 financial year.

Statistical report for traffic services

- 80 traffic enforcement operations conducted jointly with the support of Department of Transport.
- 100% eNatis equipment acquired, 616learners license and 570drivers license application received and processed
- 18 safety Forums Meetings convened (Justice Forum Meetings, Roads and Transport, Communication and Safety Forum Meetings, Taxi Association Engagement Meetings)
- 45 Traffic Infringement Tickets were issued

3.24.1REGISTRATION AND LICENSING

The municipality operates three Registration and Licensing Services on behalf of the Department of Transport and this service has successfully been rendered with the following statistical report.

3 Registration and Licensing Authorities are fully functional with eNatis Personnel in possession of transaction code, Management representative in possession of eNatis code, 1904 transactions processed, 100% eNatis equipment acquired to support the functioning of Registration and Licensing Authorities.

3.25 POLICE SERVICES

The following Police Stations exist within Emalahleni Local Municipality operated by South African Police Service

- Dubeni Police Station
- Lady Frere Police Station
- Dordrecht Police Station
- Ida Police Station
- Indwe Police Station

Awareness campaigns on Crime Prevention have been implemented with the assistance of Department of Safety and Liaison in collaboration with the Department of Social Development and SAPS

3.26 FIRE

Emalahleni Local Municipality renders fire services through the support of Chris Hani District Municipality. Efforts are underway to lobby for funding to develop a fire station, Aerocon has been appointed at risk to achieve this. The municipality has no dedicated personnel to run this service except for existence of on call Volunteers which were trained by CHDM. The following table provides statistical report on the status of the service. The Municipality enjoyed a donation of a Skid Unit from the Gwede Mantashe Foundation

Total Fires Attended	Total Accidents Attended to	Average Turnout Time	Total Appliances	Total Fire Fighters
			2 Skid Units	6 on call Fire Fighter Volunteers

3.27 Disaster Management, Animal Licencing and Control, Control of Public Nuisances and Other

The municipality is currently implementing Disaster Management Plan which has since been adopted by Council. Included in the plan is a business plan for the development of the Disaster Management Centre. In this regard services of Chris Hani District Municipality are utilised as the custodian of the service and having a fully operational centre. The municipality possesses a Disaster Management Risk Assessment Plan that has been well consulted and workshopped at all levels including the Council and Disaster Management Advisory Forum members. The plan has been constituted with the objective to promote an integrated and coordinated system of disaster management, with special emphasis on prevention and motivation by provincial organs of state, statutory functionaries, other role players and communities and neighbouring municipalities.

Disaster Management Advisory Forums were coordinated to give advice and make recommendations on disaster related issues and disaster risk management. The forum also ensures that the joint standard practises are developed.

Two Disaster Management Fieldworkers have been appointed and Chris Hani District Municipality has second additional staff to compliment the service. The CHDM has given the municipality the response vehicle.

- 38 Awareness Campaigns on Disaster Management and Fire Fighting conducted in all wards (schools)
- 1 International Day for disaster reduction
- 1 Disaster Management Workshop conducted for all councillors and relevant stakeholders in Mtsheko community hall
- 6 Disaster Advisory Forum meetings and 3 one on one meetings with critical stakeholders (SANRAL, Department of Roads and Public Works together with the Department Human Settlement)

Component E: Corporate Policy Offices and Other Services

3.28 Executive and Council

3.29 Financial Services

3.29.1 Introduction to financial services

Budget and Treasury Offices were established after the promulgation of the Municipal Finance Management Act in 2007 and must in accordance be staffed with the following officials.

- The Chief Financial Officer (CFO)
- Officials of the Municipality allocated by the Accounting Officer to the CFO
- Any other person contracted by the municipality for the work of the office

The department is the engine, providing strategic financial leadership to the Emalahleni Municipality and provide a support directorate to all other municipal directorates.

3.29.2 The Main functions of the department

The BTO is divided into the following sections:

- Revenue Management,
- Supply Chain Management
- Expenditure Management,
- Budget and reporting and
- Asset and Liability Management

The BTO's guiding principles are Accountability, Transparency, Reliability, Compliance and Service Excellence.

The Department is ardent about revenue collection and strives ensure that municipal debt is reduced to accepted norms in the public sector. This is sought to be done through addressing the completeness and accuracies in the consumer database to ensure accurate consumer accounts. Further revenue enhancement strategies have been enacted to further improve the municipal revenue generation capacity.

The department also endeavours to eliminate the culture of non-payment within its customers and establish relationships with its customers thereby contributing to service delivery.

The department also ensures compliance with relevant financial and SCM legislation, regulations, and council approved finance policies. Required financial reports are prepared on monthly, quarterly, and annual basis within the BTO as maybe required and submitted to the required institutions and Council. The directorate is also responsible for the safe keeping of the municipal assets and maintenance of a GRAP compliant asset register.

3.30 Human Resources Services

3.30.1 Introduction to Human Resources

The Human Resources Management Division falls under the Directorate of Corporate Services and performs the following support functions to line management:

HUMAN RESOURCES MANAGEMENT

- Recruitment and selection of staff
- Payroll and benefits administration
- Organisational development
- Leave management

HUMAN RESOURCES DEVELOPMENT

- Talent management
- Staff and Councillor development

OCCUPATIONAL HEALTH AND SAFETY

- Occupational health and safety of employees
- Administrative assistance in terms of OHS compliance by contractors appointed by the municipality.
- Employee wellness and Employee Assistance Programme

LABOUR RELATIONS

Advising line management with disciplinary issues

Co-ordinating the maintenance of labour stability and good employer-employee relationship

Labour Relations Unit has encountered challenges in the following areas:

Disciplinary management is a challenge in that hearings are not being finalised timeously as per the Disciplinary Code. This is caused by the fact that the municipality does not have capacity to preside over cases it depends on services requested from other municipalities through the office of SALGA EC.

3.30.2Service Statistics for Human Resources

The Human Resources Department provides human resources support services to Council and all line departments in ELM. HR thus services thirty-four (34) Councillors and two hundred and thirty-three (233) permanent staff members.

3.31 Information and Communication Technology (ICT) Services

This component includes Information and Communication Technology (ICT) services and Geographical Information Systems (GIS).

3.31.1Introduction to Geographic Information Systems (GIS) Services

Geographical Information Systems (GIS) is interdependent on adequate hardware and networks provided by the ICT department. As the GIS system is accessible to the municipality users, uptime is critical in the provision of real-time, accurate, spatially related data. Currently the GIS system operates on a SQL server (2008) platform using ESRI ArcGIS for desktop, web applications, extensions, and database management.

GIS is fully functional by the challenge is that it is not manned by the ICT Division but the IDHS Directorate. Plans are in place to be moved and managed by the ICT division.

3.31.2Information and Communication Technology

The ICT division is responsible for the provision of effective and efficient information and communication technology services. This office comprises of these funded posts - Manager: ICT, a System's Administrator, IT Technician, and these unfunded posts – Helpdesk IT assistant and Webmaster.

- Manager: ICT – responsible for functional, contract, operational, communication and relations managements. Development and implementation of procedures, systems, and controls.
- Systems' Administrator – responsible for systems or programs.
- IT Technician and Helpdesk IT assistant (Position vacant and not budgeted for 2018/2019)– responsible for ICT maintenance and support.
- Webmaster (Position vacant and not budgeted for 2019/2020)– Website Administration

Key functions of the ICT division are:

- The provision of all software application support to the Municipality.
- The design of a management system and tool to track service delivery and customer satisfaction.
- The sourcing and dissemination of information (research).
- The implementation of sound IT governance principles and policies supported by the appropriate IT governance structures.
- The provision and support of computer hardware and software to the municipality.
- The setting up, support and improvement of the IT systems.
- The development of an integrated IT plan and budgeting process.
- The development and implementation of user allocation policies and all IT policies.
- The development of a knowledge and process management system to support strategic planning and economic development.
- The provision of support to a customer call centre.
- The provision of user education to staff and councillors.

3.31.3Service Statistics for ICT Services

Development of these document(s):

- Disaster recovery plan

The ICT unit received these operational requests for:

- Desktop / Laptops
- Smart tabs / Smart Phones
- Network Access
- Telephone
- 3G / Wi-Fi
- Printers / Scanners / Copiers / Fax
- Applications
- Technology

They responded to a total number of incidents, which related to challenges with:

- Network
- Desktop / Laptops
- Electronic Mail
- Applications
- Storage
- Data Recovery
- Security
- Printers
- Telephones
- Smart Tabs

3.31.4 ICT Projects

The following ICT projects were undertaken during the period under review:

- **ICT Infrastructure Network** – This included the addition of (3) three additional sites to the institution's ICT network with their own separate data-lines. USSASA together with MTN set out a broadband project that was set to improve network connectivity within Emalahleni and it was carried out and completed. There is an ongoing monitoring of the broadband project to-date.
- **ICT Backup System** - Onsite Data storage for business continuity and ensuring secured ELM data. ICT Backup System increases reliance on ELM electronic data and minimising the risks of failures in data loss.
- **Enterprise Resource Planning** - The Financial System was enhanced with centralised data. The system enables the Municipality to function promptly, which will improve the service delivery to the ratepayers. The municipality is able to focus on new business opportunities. This will also assist in improving access to information.
- **Electronic Document Management System** - This is a software for organising, centralising and storing different kinds of documents. EDMS refers more specifically to a software system that handles digital documents rather than paper documents.
- **Performance Management System** - This is pro-active system that manages employee performance levels.
- **Telephone Management System** – this system records all calls made by the individuals within the institution. The budget control facility was introduced and set to an approved limit to minimize institutional costs and better manage the usage of calls across the municipality.
- **Audio Visual** – as the new building was completed which is the Council Chamber, an audio system had to be put in place within the Auditorium for better communication and projector was installed to allow for ease of presentation and visual for all. There is an ongoing maintenance to ensure a fully functional audio system as some microphones had to be repaired.

3.31.5 Comment on the Performance of ICT Service Overall:

The following ICT projects were undertaken:

- **ICT network infrastructure improvement** – This project was aimed at improving network connectivity within the institution. Figures (3.31.5 a) and (3.31.5 b) below display how the connectivity status was before and after the project was conducted.
- **ICT Systems Improvement** – This project is aimed at improving systems within the organisation.
- **ICT Backup System** - This project, aimed at Onsite Data storage for ELM for business continuity and ensuring secured ELM data.
- **Computer Equipment for ELM** - Replaced and /or upgraded ELM user computers. Additional budget was required as the users' computers are old and cannot keep up with evolving technology.
- **Telephone Management Systems** – this project was aimed at minimizing costs and better communication.
- **Audio Visual** – this project was aimed at better communication and presentation within the building.



Connected	Green
Not Connected	Red



1

LOCATION	SITE NAME	INTERNET SERVICE PROVIDER	NETWORK CONNECTED TO	SERVICES		
				EMAIL	INTERNET	TELEPHONE
CACADU	MAIN OFFICE	MTN	MPLS NETWORK	Green	Green	Green
	LIBRARY			Red	Red	Red
	PMU AND WATER SERVICES			Red	Red	Red
	TRAFFIC STATION			Red	Red	Red
DORDRECHT	MAIN OFFICE	MTN	MPLS NETWORK	Green	Green	Green
	LIBRARY			Red	Red	Red
INDWE	MAIN OFFICE	MTN	MPLS NETWORK	Green	Green	Green
	LIBRARY			Red	Red	Red

(Figure 3.31.5 a)

CONNECTIVITY STATUS FOR ALL SITES STATUS CODES

Connected	Green
Not Connected	Red



LOCATION	SITE NAME	INTERNET SERVICE PROVIDER	NETWORK CONNECTED TO	SERVICES		
				EMAIL	INTERNET	TELEPHONE
CACADU	MAIN OFFICE	MTN	MPLS NETWORK	Green	Green	Green
	LIBRARY	COBALT	STAND ALONE	Green	Green	Red
	PMU AND WATER SERVICES			Green	Green	Red
	TRAFFIC STATION			Green	Green	Red
DORDRECHT	MAIN OFFICE	MTN	MPLS NETWORK	Green	Green	Green
	LIBRARY		MPLS NETWORK VIA NANOSTATIONS	Green	Green	Green
INDWE	MAIN OFFICE	MTN	MPLS NETWORK	Green	Green	Green
	LIBRARY			Green	Green	Green

(Figure 3.31.5 b)

3.31.6 Challenges.

- Lack of funds for the construction of a Disaster recovery site.
- Expiry of the contract term between USAASA and MTN for the broadband project which lapsed in 2017, this prevented the inclusion of the three additional sites on

the MPLS network run by MTN. The scope could not be extended to link these sites onto the network which caused Cacadu Library, PMU and Water services site and the Traffic station to access Telephone services at the main building.

- Proper administration of the website due to the webmaster position not being filled or financed.

3.31.7 Remedial Actions

- Allocation of funds for the construction of the Disaster Recovery Site
- Allocation of funds for the implementation of the MPLS network which will include all the sites in the institution.
- Financing and filling of the position of the Webmaster.

3.32 Property; Legal; Risk Management and Procurement Services

Component E: Organisational Performance Scorecard

3.33 Annual Performance Report – Institutional

3.33.1 Introduction and Overview

In terms of Section 46 of the Municipal Systems Act (as amended), municipalities are required to prepare an Annual Performance Report that is to form part of the Annual Report to be prepared in terms of the Municipal Finance Management Act.

Attached herewith is the detailed Annual Performance Assessment for the organization for the 2020/2021 financial year. Performance Management System was introduced in 2017/2018 financial year and the Municipality complied with the Legislative Framework in the finalisation of the Performance Management System (PMS).

3.33.2 Purpose of a Performance Management System

The adopted Performance Management System Framework of the municipality defines Performance Management System as “a strategic approach to management which equips leaders, managers, employees and stakeholders at different levels, with a set of tools and techniques to regularly plan, continuously monitor and periodically measure and review performance of the organisation (municipality) in terms of indicators and targets for efficiency, effectiveness and impact.”

A PMS is also intended to assist the Council to improve service delivery by channelling its resources to meet performance targets and in doing so, ensure that the municipality achieves its strategic objectives as contained in its IDP.

A PMS should fulfil the following objectives:

- Facilitate increased accountability
- Facilitate learning and improvement
- Provide early warning signs
- decision making

3.33.3 Background to Performance Management

The legislative requirement for the development of PMS includes:

- Constitution, 1996
- Municipal Systems Act 2000 as amended
- Municipal Finance Management Act 2003
- Municipal Planning and Performance Management Regulations 2006
- White Paper on Local Government 1993
- White Paper on Transformation of the Public Service 1997

However, the main regulatory mechanism for Performance Management System is Chapter 6 of the Municipal Systems Act, (Act 32 of 2000) and the related Municipal Performance Management Regulations and Municipal Finance Management Act.

The MSA requires that all Municipalities:

- Develop a Performance Management System
- Set target and monitor and review performance based on indicators linked to their IDP
- Prepare an annual Performance Report on the performance of a municipality forming part of its Annual Report as required in terms of the MFMA
- Incorporate and report on a set of general / national indicators prescribed by the Minister responsible for cooperative governance and traditional affairs
- Conduct on a continuous basis, an internal audit of all performance measures
- Have their annual performance report audited by the Auditor general
- Involve the community in setting indicators, targets and reviewing of municipal performances

The Municipal Planning and Performance Management Regulations further details the requirements of a PMS.

3.33.4 Legislative Requirements and Compliance during the 2020/2021 financial year

1. DEVELOPMENT OF A PERFORMANCE MANAGEMENT FRAMEWORK

In compliance with the Municipal Systems Act 2000 as amended as well as the Municipal, Planning and Performance Regulations, 2001, and in consultation with the community and community stakeholders a Performance Management Framework were developed. The Performance Management Framework together with the, Organisational Scorecard,

Performance plans, and Performance agreements of all section 57/56 employees were approved by Council.

The Framework describes how the municipality's performance cycle in respect of planning, monitoring, measurement, review, reporting and improvement will be conducted. It also specifies the institutional arrangements for the management of PMS and includes the roles and responsibilities of the respective role-players.

The following illustrates the PMS cycle as specified in the approved Framework:

1. Performance Planning
2. Performance Monitoring
3. Performance Measuring
4. Performance Analysis
5. Performance Reporting
6. Performance Review

2. IDP, PMS INTEGRATION THROUGH SDBIPS

During the 2020/2021 IDP Review and Budget process an attempt was made to align the IDP with the budget to comply with both MFMA and MSA.

At a strategic level, the IDP Priorities were aligned to the national Key Performance Areas and the Provincial Growth Development Strategy of the Eastern Cape Provincial government.

Organisational objectives in terms of the IDP, were incorporated into the Organisational PMS by developing applicable indicators for measuring of performance and then setting of targets (within the available resources as specified in the Budget for the 2020/2021 Financial Year). All of this was consolidated into an institutional service delivery and budget implementation plan in line with the NKPA Model as specified in the Framework mentioned above to allow for measuring and reporting of performance at an Organisational / Strategic level.

The following Figure illustrates the link between the IDP, Budget and PMS.

3. MONITORING AND EVALUTION AND REVIEW

At the end of every quarter Directorates were expected to submit to PEDTA Directorate, their completed SDBIP reports for consolidation and verification and further submission to Internal Audit for verification and authentication. Internal Audit thereafter submits to the External Audit Committee, which in turn reviews the PMS and submits recommendations thereon to the Council.

This process is intended to allow the municipality to monitor, evaluate and review its performance based on the National and its own IDP key performance areas. The following is derived from both the legislative framework for performance management and PMS

framework, summarizes for ease of reference and understanding the various performance deadlines as it applies to the Municipality:

Table 1: PMS Reporting requirements

REPORT	FREQUENCY	SUBMITTED FOR CONSIDERATION AND OR OVERVIEW TO	REMARKS
1. SDBIPs	Quarterly	Executive Committee	See MFMA Circular 13 of National Treasury for further information
2. Monthly budget statements	Monthly	Mayor (in consultation with EXCO)	See Sections 71 and 54 of the MFMA
3. Organisational Score card	Quarterly	Executive Committee	As per PMS framework
4. SDBIP mid-year budget and performance assessment	Annually during January of each year	Mayor (in consultation with EXCO)	See Sections 72 and 54 of the MFMA
5. Performance Report	Annually	Council	See Section 46 of the Municipal Systems Act as amended. The report should form part of the Annual Report
6. Annual report	Annually	Council	See Chapter 12 of the MFMA

(1) Conclusion

The Municipality has made strides to cascade performance to levels below Section 56 and 57 Managers; very minimal response was received. The process will be engaged on once again in the 2020/21 financial year

(2) Organisational Performance Scorecard

The municipality has established 6 directorates in its organizational structure, namely, Office of the Municipal Manager, Corporate Services, Infrastructure Development and Human Settlement, Budget and Treasury Office, Planning Economic Development, Tourism and Agriculture and Community Services. The report on the performance of the municipality has therefore been structured to reflect the performance of each directorate.

Below is the Annual Performance Report of the municipality as per the requirement of Section 46 of the Municipal Systems Act, Performance of Service Providers is detailed in Appendix I of this report. The municipality's performance has been audited by both the Internal Audit unit as well as the Auditor General with resulted to some adjustments based on the findings being affected.

-2020-2021 AUDITED ANNUAL PERFORMANCE REPORT EMALAHLENI LOCAL MUNICIPALITY –

Priority Area	Strategic Objective	Key Performance Indicator	Baseline Indicator	Budget Allocation	Indicator Code	Annual Target 2019/2020	Actual Performance	Annual Target 2020/2021	Actual Performance (achieved/ not achieved)	Reasons for Non-Achievement	Remedial Action	Portfolio of Evidence	Custodian
KPA 1 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT													
Community Safety Programmes	To provide, improve and maintain provision of basic services to local communities and/or households by June 2022	Number of Registration and Licensing Authorities Functional	3 Registration and Licensing Authorities Functional	R 0	1_1_1.3_PO03	3 Registration and Licensing Authorities Functional (Cacadu, Indwe, and Dordrecht) by 30 June 2020	Not Achieved. 3 Registration and Licensing Authorities Functional (Cacadu, Indwe, and Dordrecht)	3 Registration and Licensing Authorities Functional (Cacadu, Indwe, and Dordrecht) by 30 June 2021	Achieved. 3 Registration and Licensing Authorities Functional (Cacadu, Indwe, and Dordrecht)			Quarterly Report	Community Services
		Number of Driving License Testing Centre functional	12 Driving License Testing Centre Reports	R 0	1_1_1.4_PO04	1 Driving License Testing Centre functional in Cacadu (Ward 4) by 30 June 2020	Not Achieved. 1 Driving License Testing Centre functional in Cacadu (Ward 4) by 30 June 2020	1 Driving License Testing Centre functional in Ward 4 by 30 June 2021	Achieved 1 Driving License Testing Centre functional in Ward 4 by 30 June 2021			Quarterly Report	Community Services
Waste and Environmental Management	To provide, improve and maintain provision of basic services to local communities and/or households by June 2022	Number of urban and township areas with access to refuse removal services	3 Urban areas and 10 townships with access to refuse removal service	R 800,000	1_2_2.3_PO08	Refuse removal services conducted in 3 Urban areas and 10 townships by 30 June 2020	Achieved. Refuse removal services conducted in 3 Urban areas and 10 townships by 30 June 2020	Refuse removal services conducted in 3 Urban areas and 10 townships by 30 June 2021	Achieved. Refuse removal services conducted in 3 Urban areas and 10 townships by 30 June 2021			Quarterly Reports	Community Services

		Number of Environmental Management Framework Programs implemented	3 Environmental Management Programmes implemented in 1 Lady Frere, 1 Dordrecht and 1 Indwe	R 70,000	1_2_2.11_P016	3 Environmental Management Framework Programmes implemented by 30 June 2020	Achieved. 4 Environmental Management Framework Programmes implemented by 30 June 2020	3 Environmental Management Framework Programmes implemented by 30 June 2021	Achieved 3 Environmental Management Framework Programmes implemented by 30 June 2021			Quarterly Report	Community Services
Roads and Storm Water	To provide maintained basic infrastructure service for local communities by June 2022	Number of km of Access Road Gravelled	Planning phase for construction of Access Road in Ward 17 (Jinginja Access Road) Approved Road Designs	R 4,500,641		Road Designs for 7km Access Road in Jinginja (Ward 17) developed and submitted for approval by 30 June 2020	Achieved. Final roads design were approved and the construction commenced	8km of access road gravelled in Ward 17 (Jinginja Access Road) by 30 June 2021	Achieved. 8 km of access road gravelled.			Quarterly Reports and completion certificate	IDHS
		Number of km of Access Road Gravelled	Planning phase for construction of Access Road in Ward 17 (Tsolokazi Access Road) Approved Road Designs	R 4,915,520		Road Designs for 6.7km Tsolokazi Access Road (Ward 01) developed and submitted for approval in 30 June 2020	Achieved. Final roads design was approved, and the construction commenced	6.5 km of access road graveled in Ward 1 (Tsolokazi Access Road) by 30 June 2021	Achieved. 6.5 km of access road gravelled. Completion certificate facilitaed.			Quarterly Reports	IDHS

		Number of Km of gravel road maintained	9 km of gravel road in Ward 3, 9,10,12 and 5 maintained	R 1,655,000	1_10_10.3_P033	Hiring of yellow plant and 1km of gravel road maintained in ward 5 by 30 June 2020	Not Achieved. The target was not achieved however 5 kilometers of gravel road have been maintained by yellow plant was not hired due to collaborative efforts between the municipality and the Department of Transport which availed a set of yellow plant in support of the initiative.	9 km of gravel road maintained in Ward 3, 9,10 by 30 June 2021	Not achieved 6 km of roads maintained	Breakdowns to construction plant machinery, that caused the delays to the maintenance of access roads	To be prioritised to 2021/2022 F/Y Reflects in 2021-2022 SDBIP	Quarterly Reports	IDHS
Infrastructure Development	To provide, improve and maintain provision of basic services to local communities and/or households by June 2022	Number of meters of streets paved	200m of Cacadu internal streets in ward 4 paved (VTS)	R 795,500.00	1_10_10.2_P032	200m paved in Cacadu (Ward 4) by 30 June 2020	Achieved. 200m paved in Cacadu (Ward 4) by 30 June 2020	100m paved in Cacadu (Ward 4) Nonesi Street (Kumkani Street) by 30 June 2021	Achieved, Achieved, a total length of 125m of roads- was paved in this project.			Quarterly Reports	IDHS
		Number of meters of streets paved at Indwe (Ward 16)	200m of Indwe Internal Streets paved	R 795,500.00	1_10_10.2_P031	200 meters paved in (Indwe) Ward 16 by 30 June 2020	Achieved. 200 meters paved in (Indwe) Ward 16 by 30 June 2020	100 meters paved in (Indwe) Tilney Street Ward 16 by 30 June 2021	Achieved. 100 m paved			Quarterly Reports	IDHS

		Number of km of roads paved	400m of roads paved	R 3,763,333	1_10_10.2_P031.2	400m of roads (KwaZakhele township internal street - paved in (Cacadu Start: 31°41'49.75"S 27°14'12.65"E End : 31°41'35.26"S 27°14'12.24"E) Ward 4 by 30 June 2020	Not Achieved. J Silingela street, 70% earthworks, cubbing and drainage completed	2.24 km of roads - paved in Zakhele Location in Cacadu Town in Ward 4 (P. Hotele Street 455m , Silingela St 453m; N Tyingwa 456m.; S. Hlanganyana 186m ; S. Hlanganyana 242m ;N. Xezu 238m by 30 June 2021	Achieved , 1.4 km of base was prepared at: A Klare -695 m), Street 01 -(165 m) , Nkonyane (302m) & Mdekazii (313 m).			Quarterly Reports	IDHS
		Number of km- of roads paved	Road Designs for 2.2km of Paving in Mavuya Location in Indwe (Ward 15) developed	R 2,190,648	1_10_10.2_P031.3	400m of roads (KwaZakhele township internal street - paved in (Cacadu Start: 31°41'49.75" S 27°14'12.65" E End : 31°41'35.26" S 27°14'12.24" E) Ward 4 by 30 June 2020 Road Designs for 2.2km of	Not Achieved. Tender was advertised and closing on the 26 March 2020	400 m of road preparation of the internal streets at Mavuya (street 01 165m: A Klare 695 m: N Jacobs : 353 m: P Skhweba 210m: B. Ndongeni 315m : M Mdekazi 313m : T Ndongeni 333 m: M Nkonyane 302 Indwe (Ward 15) by 30 June 2021	Achieved , 1.4 km of base was prepared at: A Klare -695 m), Street 01 -(165 m) , Nkonyane (302m) & Mdekazii (313 m).			Quarterly Reports	IDHS

						Paving in Mavuya Location in Indwe (Ward 15) developed by 30 June 2020							
		Number km of roads paved	400m of roads paved in Sinakho location DDX	R 3,626,080.00	1_10_10.2_P030.1	400m of roads (Street 1) paved in Sinako Location (Dordrecht Start: 31°22'33.68"S 27°02'16.82"E End : 31°22'33.50"S 27°02'20.37"E) Ward 11 (200m) & 14(200m) by 30 June 2020	Not Achieved. 400m of roads (Street 2) paved in Sinako Location (Dordrecht) Ward 11 (200m) & 14(200m) by 30 June 2020	1.9km of roads paved in Sinako Location (Street 1 - 644m: Street 2 -730m: Street 3 - 286 m: Street 4 8-342m: Street5-339m) in Dordrecht in Ward 11 & 14 by 30 June 2021	Not achieved , the contractor had problems of cashflow and poor performance. Length paved so far is 1.7km	Poor performance by the Contractor and cashflow problems.	The contractor could not finish and has ceded the function to another sub-contractor (Helushe). Finishing time will be Quarter 1 of 2021-2022.	Quarterly Reports	IDHS
				R 28,000,000	1_10_10.2_P032.1	not applicable	not applicable	6 km of paving in DR 08563 in Ward 12 and 13 by June 2021	Not Achieved, 1.9 km has been paved in DR 08563	Due to unrests in the Community, preparation of bypass (Gali Bridge), need for closure of the 4,7Km section of DR08563 so that there could be sufficient working space	Bypass on Gali completed, DR08563 to be closed off and detoured via DR08592. Once closure is achieved sufficient space be available. Extension of time claim to be approved	Quarterly Reports; Completion certificate	IDHS

											for completion date of 30/09/2021,		
Agricultural Infrastructure	To provide, improve and maintain provision of basic services to local communities and/or households by June 2022	Number of dipping tanks constructed	3 Dipping tanks constructed in the municipal area during 2017/2018	R 240,000		1 Dipping tank in Nqiningana (Ward 1) constructed by 30 June 2020	Not Achieved. The structure was demolished in preparation for the new construction; it was later clear that the contractor had financial challenges as it requested an upfront payment which was not approved by the municipality. The poor performance contractor has since been evaluated, on review it was awarded a final chance to complete the project which is now anticipated to be completed within the next 6 months	1 Dipping tank constructed in Nqiningana (Ward 1) by 30 June 2021	Not achieved. As of 30 th June 2021, walls to be refurbished were demolished, excavation and concrete works were done. Outstanding was construction of walls, plastering and water retention testing.	Procurement related delays	The dipping tank is still under refurbishment. It will be completed in Quarter 1 of 2021-2022.	Quarterly Reports	PEDTA

Land Use Management	To provide a properly maintained basic infrastructure service for local communities by June 2022	Percentage of compliant land use applications received and processed for approval by AO or CHDM Tribunal	100% compliant land use applications received and processed for approval by AO or CHDM	R 1,280,000	1_20_20.1_P047	100% compliant land use applications received, processed and for approval by AO or CHDM by 30 June 2020	Achieved .100% compliant land use applications (equates to three) were received, processed and for approval by AO or CHDM by 30 June 2020	100% compliant land use applications received and processed for approval by AO or CHDM by 30 June 2021.	Achieved. The application was submitted to the municipality, processed by the Town planning office, and approved on the 09 February 2021.			Quarterly Reports	IDHS
Illumination	To provide a properly maintained basic infrastructure service for local communities by June 2022	Number of solar streetlights erected	100 Solar streetlights in Cacadu (66) and Indwe (34) by June 2018	R 5,000,000.00		n/a	n/a	150 Solar streetlights erected in Cacadu (50), Dordrecht (50) and Indwe (50) by 30 June 2021	not achieved 115 streetlights fully erected in Cacadu and Dordrecht	The non-achievement was contributed by the late appointment of Indwe solar streetlights service provider.	Appointment has been made. Establishment to planting of poles done. Awaiting the delivery of lights to complete the project. To be completed in July 2021.	Quarterly Reports	IDHS

		Number of households electrified	324 households electrified in ward 1, 5, 6 and 13 June 2017 financial year	R 7,224,000		n/a	n/a	202 households electrified in Ward 1,5,6,7,8,9 and 17 by 30 June 2021	Not achieved. 113 households were electrified in wards 1,5,6,7,8,9 and	Due to compliance with ESKOM and late arrival of material onsite.	ESKOM engaged to speed up the compliance process and the service provider committed to complete the project on the 30 July 2021.	Quarterly Reports	IDHS
Security services	To provide, improve and maintain provision of basic services to local communities and/or households by June 2022	No of facilities, personnel and assets safeguarded	16 facilities safeguarded by 34 day and night security guards including alarm services	R 4,200,000		n/a	n/a	16 facilities and personnel safeguarded by 34 day and night shift guards by 30 June 2022	Achieved. 16 facilities and personnel safeguarded by 34 day and night shift guards			Quarterly Reports	Community Services
Indigent Support	To maintain and improve financial viability of the municipality by June 2022	Number of households receiving free basic service (electricity)	3900 households receiving free basic service (Electricity)	R 5,190,000	1_21_21.1_P048	3900 households receiving free basic service (Electricity) by 30 June 2020	Achieved. 4138 households have been registered to receive free basic services (electricity)	3900 households receiving free basic service (Electricity) by 30 June 2021	Not Achieved 2772 (Eskom) and 993 (Municipal Grid) totaling Average of 3765 households received Free Basic Service (Electricity)	2772 (Eskom) and 993 (Municipal Grid) totaling Average of 3765 households received Free Basic	Fluctuations in beneficiaries collecting tokens resulting in less than anticipated households benefitting.	Review the beneficiary list to align with targets set.	BTO

										Service (Electricity)			
KPA 2: LOCAL ECONOMIC DEVELOPMENT													
Small Medium and Micro Enterprise Development	To promote, facilitate and improve sustainable local economic development through identification and implementation of local economic development programmes by June 2022	Number of SMME's supported	3 SMMEs supported (Mphothulo Youth Project & 2 sub-contractors)	R 100,000	2_22_22.2_P050	1 SMME supported (Mphothulo Youth Project) in Ward 1 by 30 June 2020	Not Achieved. This target has not been achieved due to unavailability of budget	5 SMMEs (Mphothulo Youth Project in Ward 1 and 4 sub-contractors) supported in ELM by 30 June 2021	Achieved. 6 SMME's were supported. Mphothulo Youth Project was supported with procurement of production inputs that were delivered on the 16th of September 2020 and 5 sub-contractors (Sakhikamva construction, AK paving, Phandulwazi construction company, NV Business & Zhumindo) were supported through Zakhele and Mavuya Paving Projects.			Quarterly Reports	PEDTA
		Number of business licenses issued	20 Businesses and Hawkers licensed (6 Indwe, 8 Cacadu. and 6 Dordrecht	R 0	2_22_22.3_P051	20 Business licenses issued (6 Indwe, 8Cacadu and 6 Dordrecht) by 30 June 2020	Achieved. 20 Business licenses issued (6 Indwe, 8Cacadu and 6 Dordrecht) by 30 June 2020	20 Business licenses issued (6 Indwe, 8 Cacadu and 6 Dordrecht) by 30 June 2021	Achieved. 40 Business Licenses have been issued. 26 of the business licenses were issued for Cacadu, 8 were issued for Indwe and			Business Licences	PEDTA

									6 were issued for Dordrecht				
Revenue Management	To promote, facilitate and improve sustainable local economic development through identification and implementation of local economic development programmes by June 2022	Number of agricultural development services (branding & 2 advisory services) facilitated	3 Advisory sessions and 1 farmer's day conducted	R 150,000	2_23_23.1_P052	3 Advisory sessions (Crop Production, Wool Production and Livestock Improvement and Wool) in Cacadu (1), Indwe (1) and Dordrecht (1) conducted in ELM by 30 June 2020	Achieved. 3 Advisory sessions (Crop Production, Wool Production and Livestock Improvement and Wool) in Cacadu (1), Indwe (1) and Dordrecht (1) conducted in ELM by 30 June 2020	2 agricultural development services provided (1000 livestock branded & advisory sessions for branding certificate applications facilitated in 17 wards) by 30 June 2021	Achieved: Two Agricultural development services were provided. The first service is branding of 1020 livestock. The second service is advisory session on branding certificates in 17 wards (ward 15 & 16- 03 September 2020, ward 9 -15 september 2020, ward 10- 22 September 2020, ward 8- 22 September 2020, ward 6- 18 September, ward 2 - 17 September 2020, ward 1- 17 September 2020, ward 8- 30 October 2020, ward 11 -29 October 2020, ward 2- 27 October 2020, ward 7-14 October 2020, ward 16- 25 November 2020, Ward 8- 07 December 2020, ward 4- 05 November 2020,		Quarterly reports	PEDTA	

								ward 13- 20 November 2020, ward 3- 08 December 2020.				
	Small Scale Irrigation Scheme and Crop Production Processing Plan Developed and Implemented	2 Livestock Marketing Sessions facilitate	R 650,000	2_23_23.4_P055	4 Livestock Marketing Sessions facilitated in Indwe (1), Dordrecht (1) and Cacadu (2) by 30 June 2020	Achieved. 4 Livestock Marketing Sessions facilitated in Indwe (1), Dordrecht (1) and Cacadu (2) by 30 June 2020	Small Scale Irrigation Scheme and Crop Production Processing Plan developed and implemented by 30 June 2021	Achieved: Small scale irrigation and crop production processing plan was developed and implemented through workshop (18 December 2020), social facilitation (23 February 2021) and stakeholder engagement facilitated (19 May 2021)			Quarterly Reports	PEDTA
To promote, facilitate and improve sustainable local economic development through identification and implementation	Number of feedlot operational plans implemented	Constructed feedlot	R 488,000		1 Feedlot in Indwe (ward 15) constructed by 30 June 2020	Achieved. 1 Feedlot in Indwe (ward 15) constructed	1 Feedlot operational plan implemented by June 2021	Achieved: Operational was implemented through facilitating training (20 December 2020 & 18 February 2021) and meetings (18 February 2021 & 29 March 2021).			Quarterly reports	PEDTA

Tourism Development and Heritage Management	n of local economic development programmes by June 2022	Number of Art Centre Marketing Plans developed and implemented	ELM Arts and Craft Centre	R 45,000	2_27_27.4_P134	4 Tourism Roadshows conducted in ELM (2 Cacadu, 1 Indwe and 1 Dordrecht) by 30 June 2020	Not Achieved. Only 2 tourism roadshows were conducted, the other 2 were not conducted	Art Centre Marketing Plan developed and implemented by 30 June 2021	Achieved: Arts Center Marketing plan was developed and implemented through marketing on facebook (03 December 2020, 10th December 2020 & 27 May 2021), Vukani fm (11 May 2021) & procurement of production inputs in the form of machinery & material have been delivered & handed over in quest of enhancing the product as one of the four (4) Ps of Marketing Mix.			Marketing Plan, Quarterly Reports	PEDTA
	Job Creation	Number of jobs created through, Expanded Public Works.	220 Local People employed in Projects and Reported on EPWP MIS System by 30 June 2020	R2 091 000	2_30_30.2_P068	220 Local People employed in Projects and Reported on EPWP MIS System by 30 June 2020	Achieved. 243 Local People employed in Projects and Reported on EPWP MIS System	240 Local People employed in Projects and Reported on EPWP MIS System by 30 June 2021	Achieved. 264 Local people employed in projects and reported on EPWP MIS System by 30 June 2021			Employment Contracts	IDHS
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
Communication	To ensure development and	Number of Commun	Approved Communication Strategy	R 350,000	3_31_31.1_P069	11 Communication Strategy programmes	Achieved. 11 Communication Strategy	3 Communication Strategy	Not Achieved	1 Branding manual was not	Branding manual is a target for	Quarterly Reports	OFFICE

	implementation of improved system of communication, customer care, public participation and good governance in line with applicable laws and regulations to achieve clean administration by June 2022	ication Strategy programmes implemented				implemented by 30 June 2020	programmes implemented	programmes implemented (1 Branding, 8 Radio Talkshows and 20 Radio Adverts, 8 Newspaper Adverts) by 30 June 2021		developed due to the Covid-19 as we have requested assistance to the South African Local Government Association (Salga). All other targets were achieved except for the branding manual.	2021/2022 financial year and we already started engagements with Salga although it is a target for the last quarter. We will check on their availability to assist so that on the second quarter we are able to see if there is progress for the target to be achieved at the end of the day.		
Customer Care		Number of Customer Care Strategy programmes	Approved Customer Care Strategy	R 5,000	3_32_32.1_P070	3 Customer Care Strategy Programmes Implemented (Resolution of complaints, 4 Customer Care Committee Meetings	Achieved. 3 Customer Care Strategy Programmes Implemented (Resolution of complaints, 4 Customer Care	2 Customer Care Strategy Programmes Implemented (Resolution of customer complaints and	Achieved. 4 customer care strategy programs implemented			Quarterly Report	OFFICE OF THE

		Impleme nted				facilitated, Development and Implementation of Customer Service Standards) by 30 June 2020	Committee Meetings facilitated, Development and Implementatio n of Customer Service Standards	Petitions Management) by 30 June 2021					
Public Participation	To ensure development and implementation of improved system of communication, customer care, public participation and good governance in line with applicable laws and regulations to achieve clean administration by June 2022	Number of public participation strategy programmes implemented	7 Public Participation Strategy Programmes Implemented	R500 000	3_33_33.1_P071	7 Public Participation Strategy Programmes Implemented by 30 June 2020	Achieved. 7 Public Participation Strategy Programmes Implemented	4 Public Participation Strategy Programmes Implemented (2 Mayoral Imbizos, 2 IDP Consultation Programmes, by 30 June 2021	Achieved. IDP Consultation and Mayoral Imbizo meetings were conducted in November 2020 and April 2021.			Quarterly Reports	OFFICE OF THE MUNICIPAL
		Number of ward committee capacity building programmes implemented	1 Ward Committee Capacity Building Programme implemented		1_33_33.2_P135	1 Ward Committee Capacity Building Programme implemented by 30 June 2020	Achieved. 1 Ward Committee Capacity Building Programme implemented	1 Ward Committee Capacity Building Programme implemented by 30 June 2021	Achieved. Ward Committee Capacity building was conducted from 15 to 19 March 2021			Quarterly Reports	OFFICE OF THE MUNICIPAL
Internal Audit	To ensure development and implementation of improved system of communication, customer care, public	Risk based Internal Audit Plan submitted to Audit Committ	2018/2019 Risk based Internal Audit Plan	R0	3_35_35.2_P076	2019/2020 Risk based Internal Audit Plan submitted to Audit Committee by 31 July 2019	Achieved. 2019/2020 Risk based Internal Audit Plan submitted to Audit Committee on 25 July 2019	3 follow up reports on the implementation of the AOIP by 30 June 2021	Achieved 3 Follow up reports were submitted to AC as follows: 21 July 2020, 20 October 2020 and 20 May 2021.			Quarterly Reports	OFFICE OF THE MUNICIPAL

	participation, and good governance in line with applicable laws and regulations to achieve clean administration by June 2022	ee for approval											
		Number of AOIP follow up reports submitted to the AC.	3 AOIP Follow up reports submitted to AC	RO	1_35_35.4_P137	3 follow up reports on the implementation of the AOIP by 30 June 2020	Achieved. 3 follow up reports on the implementation of the AOIP by 30 June 2020	3 follow up reports on the implementation of the AOIP by 30 June 2021	Achieved 3 Follow up reports were submitted to AC as follows: 21 July 2020, 20 October 2020, and 20 May 2021.			Quarterly Reports	OFFICE OF THE
Risk Management		Risk Management Strategy and Operational Plan Implemented	Risk Management Strategy and Risk Management Committee	RO	3_36_36.1_P079	Risk Management Strategy and Operational Plan implemented by 30 June 2020	Achieved. Risk Management Strategy and Operational Plan implemented	Risk Management Strategy and Operational Plan implemented by 30 June 2021	Achieved. Risk Management Strategy and Operational Plan implemented Risk Management meetings took place on the 22 June 2020, 16 Oct 2020, 17 Feb 2021. and 12 May 2021 to report the monitoring of identified strategic risk emerging risks and opportunities.			Quarterly Reports	OFFICE OF THE MUNICIPAL MANAGER
Fraud Management		Fraud and Anti-Corruption Prevention Plans Implemented	Fraud Prevention Plan	RO	3_37_37.1_P081	Fraud and Anti - Corruption Prevention Plan implemented by 30 June 2020	Achieved. Fraud and Anti - Corruption Prevention Plan implemented	Fraud and Anti - Corruption Prevention Plan implemented by 30 June 2021	Achieved Fraud awareness's were conducted as part of Municipal manager address on the 06th of October 2020 and Publication of fraud activities on social media on fraud scams were			Quarterly Reports	OFFICE OF THE MUNICIPAL

									published on the 02 June 2021				
KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT													
Human Resources	To ensure a developmentally orientated planning institution in compliance with legislative prescripts, laws and regulations applicable to local government by June 2022	Number of HRD Strategy Programmes implemented	4 HRD strategy programmes implemented	R50 000 – Bursaries R20 000 – Training of Staff R620 000 -	4_40_40.1_P084	3 HRD Strategy programmes implemented (Workplace Skills Programme, Inservice Training & Learnership) by 30 June 2020	Achieved. 3 HRD Strategy programmes implemented	3 HRD Strategy programmes implemented (Workplace Skills Programme, Inservice Training & Learnership; Internal Bursaries) by 30 June 2021	Achieved. The WSP was submitted to LGSETA on 14 April 2021. 4 officials were awarded with internal bursaries. A learnership on CPMD is in progress.			Quarterly Reports	CORPORATE SERVICES
Individual Performance Management System		Percentage of Performance and Accountability Agreements signed and implemented in line with the	Accountability Agreements for Managers	R0	4_41_41.1_P085	6 Performance and 12 Accountability Agreements signed and implemented by 30 June 2020	Not Achieved. 6 Performance and 0 Accountability Agreements signed and implemented	100% of Performance and Accountability Agreements signed and implemented in line with the reviewed PMS Framework and policy by 30 June 2021	Achieved. 6 Performance and 12 Accountability agreements signed, 2019-2020 Annual assessments facilitated, Quarter 4 assessments facilitated, Quarter 1 assessments facilitated, Quarter 2 assessments facilitated in Mid-Year and Quarter 3			Quarterly Reports	PEDTA

		requirements of the reviewed PMS Framework and Policy							assessments facilitated.				
Human Resources Plan		Human Resources Plan implemented	Approved Organizational structure that is responding to the needs of the institution.	R 0	4_43_43.1_P087	Human Resources Plan Implemented (Implementation of Person to Post Plan) by 30 June 2020	Achieved. Human Resources Plan Implemented	Human Resources Plan Implemented (Implementation of Person to Post Plan) by 30 June 2021	Achieved. Critical vacant positions were identified, prioritized, and advertised. Placement was also made.			Quarterly Reports	CORPORATE SERVICES
Occupational Health and Safety	To ensure a developmentally orientated planning institution in compliance with legislative prescripts, laws and regulations applicable to local	Number of OHS Strategy Programmes Implemented	05 OHS Strategy Programmes implemented	R 1,150,000	4_44_44.1_P088	4 OHS Strategy Programmes implemented (Protective Clothing, Medical Examinations)	Achieved. 4 OHS Strategy Programmes implemented	4 OHS Strategy Programmes implemented (Protective Clothing, Medical Examinations, Workman's Compensation for Injuries and diseases, OHS Inspections) by 30 June 2021	Achieved. PPE was procured, COIDA payments made, Inspection was conducted from 16 until 18 March 2021 and medical checks were conducted from 2 until 4 March 2021.				CORPORATE SERVICES
Information Communication	government by June 2022	Number of ICT infrastructure Developed	2 ICT PROJECTS IMPLEMENTED	R1 200 000	4_45_45.1_P089	2 ICT Projects implemented (Renaming of Work Stations, Identification and disposal of obsolete IT Equipment) by 30 June 2020	Achieved. 2 ICT Projects implemented	ELM sites (5 sites) Connected to the Wide Area Network by 30 June 2021	Achieved. Cacadu, Dordrecht, Indwe, PMU offices and Traffic Testing Station) connected to Wide Area Network.			Quarterly Reports	CORPORATE

Special Programmes	To ensure a developmentally orientated planning institution in compliance with legislative prescripts, laws and regulations applicable to local government by June 2022	Number of SPU strategy programmes implemented	Approved SPU Strategy	R824, 000	4_52_52.1_P100	3 SPU strategy programs Implemented (Golden Games, Nelson Mandela Day and Woman's Day) by 30 June 2020	Achieved. 3 SPU strategy programs Implemented (Golden Games, Nelson Mandela Day and Woman's Day)	4 SPU strategy programs Implemented (Nelson Mandela Day, Women's Day, Disability Day, Youth Day) by 30 June 2021	Achieved. Nelson Mandela Day was held on 18 July 2020, Womens day was held on 26 November 2020, Disability Day on 26 November 2020 and Youth day 15 June 2021.			Quarterly Reports	OFFICE OF THE MUNICIPAL
Employee Wellness		Number of employee wellness programmes implemented	4 Employee Wellness programs implemented	R 100,000	4_52_52.1_P102	3 Wellness programs implemented (Change Management, Team building programme, Wellness Day) by 30 June 2020	Not Achieved. 1 Wellness program implemented	3 Wellness programs implemented (Change Management, Team building programme, Wellness Day) by 30 June 2021	Achieved. The Change Management Programme was facilitated by SALGA and was held from 3 to 4 June 2021. Wellness and Team Building programmes were held from 24 to 25 June 2021.			Quarterly Reports	CORPORATE SERVICES
IDP	To ensure a developmentally oriented planning institution in line with requirements of local government laws and regulations by June 2022	Number of IDP documents developed and submitted to Council structures for approval	2017/2022 IDP developed – 2019/2020 reviewed IDP	R 100,000	4_54_54.2_P106	1 IDP reviewed and submitted to Council structures for approval by 30 June 2020	Achieved. 1 2020/21 3rd draft reviewed IDP was presented to Council for adoption in March 2020; presented to communities for consultation via local community radio station in May owing to COVID19; final draft	1 IDP reviewed and submitted to Council structures for approval by 30 June 2021	Achieved. situation developed and presented to executive management, teams were established for all wards (10-12 November 2020), Draft IDP submitted to council structure and council on 31 August 2021 while final IDP was submitted to IBSC			Quarterly Reports	PEDTA

Institutional Performance Management						reviewed IDP presented and approved by Council in May 2020 as per the approved process plan		on 26 May and later to council on 28 May 2021				
	Number of Annual reports developed, approved by Council	Annual Report 2018/2019 developed and approved		4_55_55.1_P107	1 Annual Report for 2018/2019 developed, submitted to Council for approval and published by 30 June 2020	Achieved. Draft Annual Report was prepared, presented to Council and submitted to AG for compliance on the first quarter (31st Aug 19); final draft annual report was presented to Council for approval in the 2nd quarter as per AAR process plan	1 Annual Report for 2019/2020 developed, submitted to Council for approval by 30 June 2021	Achieved. Draft Annual report 2019-2020 to Council Structures and AG for noting, the audited annual report was submitted to IBSC on 23 April 2021 and tabled to council on 29 April 2020 for approval.			Quarterly Reports	PEDTA
	Implementation of Performance Management Framework, Policy and Procedure Manual	Reviewed Performance Management Framework, Policy and Procedure Manual	R 100,000	4_55_55.2_P108	6 Performance and 12 Accountability Agreements signed and implemented by 30 June 2020	Not Achieved. 6 Performance and 0 Accountability Agreements signed and implemented	Reviewed Performance Management Framework, Policy and Procedure Manual implemented by 30 June 2021	Achieved: 4th, 1st, 2nd and mid-year performance quarterly reports were prepared and submitted to Council structure for noting. Draft SDBIP tabled to council on 31 March 2021 and final SDBIP tabled to council ON the 28 May 2021			Quarterly Reports	PEDTA
	KPA 5: FINANCIAL VIABILITY AND MANAGEMENT											

Supply Chain Management	To maintain and improve financial viability of the municipality by June 2022	Percentage of Irregular Expenditure on new procurement	0% of Irregular Expenditure on new procurement	R 0	5_56_56.1_P109	Supply Chain Management Policy and SOP implemented (Procurement Plan developed and implemented; Supplier Database Updated and 4 SCM Quarterly Reports submitted to Council for noting) by 30 June 2020	Achieved. Supply Chain Management Policy and SOP implemented (Procurement Plan developed and implemented; Supplier Database Updated and 4 SCM Quarterly Reports submitted to Council for	0% of Irregular Expenditure on new procurement submitted to Council by 30 June 2021	Not Achieved	R 5 248 635 out of new procurement of R 50 627 989 resulting in 10% Irregular Expenditure	Misinterpretations of SCM regulations during the bid processes.	Training of SCM Bid Committees on SCM regulations	BTO
Project Management		% Expenditure on capital budget on received conditional grants	100% expenditure of capital budget on received conditional grants	R 46,584,000		n/a	n/a	100% expenditure of budget on received conditional Grants by 30 June 2021	Achieved 100% spent on FMG Grant			Quarterly reports	BTO; IDHS
Supply Chain Management		Percentage of procurement awarded to suppliers within the province	30% of procurement awarded to suppliers within the province	R 0	5_56_56.1_P125	30% of procurement awarded to suppliers within the province by 30 June 2020	Achieved. 30% of procurement awarded to suppliers within the province	30% of procurement awarded to suppliers within the province by 30 June 2021	Achieved. 100% spent on FMG Grant			Quarterly report on the spending to suppliers	BTO

Budget and Reporting	To maintain and improve financial viability of the municipality by June 2022	2018/2019 GRAP Compliant Annual Financial Statements developed and submitted to AG by 31 st August 2019	2019/20 GRAP compliant Annual Financial Statements	R 2,000,000	5_57_57.1_P112	2018/2019 GRAP compliant Annual Financial Statements developed and submitted to AG by 31 August 2019	Achieved. 2018/2019 GRAP compliant Annual Financial Statements developed and submitted to AG by 31 August 2019	2019/2020 GRAP compliant Annual Financial Statements developed and submitted to AG by 31 August 2020	Achieved. GRAP compliant Annual Financial Statements were developed and submitted to AG with acknowledgment of receipt of AFS attached			Annual Financial Statements 2019/2020, Council Resolution noting readiness of submission, acknowledgement of receipt of AFS by AG	BTO
		Percentage of submission of information requested by AG for 2018/2019 and 2019/2020 audit	2019/2020 RFI Register	R 2,000,000	5_57_57.2_P113	100% submission of Information requested by AG for 2018/2019 and 2019/2020 audit by 30 June 2020	Achieved. 100% submission of Information requested by AG for 2018/2019 and 2019/2020 audit	100% submission of Information requested by AG for 2019/2020 audit by 30 June 2021	Achieved. 50 RFIs (100%) for the 2019/2020 audit were issued by AG and have been successfully submitted.			2019/2020 and 2020/2021 RFI register	All Directors
Asset Management	To maintain and improve financial viability of the municipality by June 2022	GRAP compliant fixed asset register for 2020/2021 compiled	GRAP & mSCOA 2019/2020 Fixed Assets Register compiled and maintained	R 1,000,000	5_57_57.3_P114	GRAP compliant fixed assets register for 2019/2020 developed and maintained by 30 June 2020	Achieved. GRAP compliant fixed assets register for 2019/2020 developed and maintained	GRAP compliant fixed assets register for 2020/2021 developed and maintained by 30 June 2021	Achieved. GRAP Compliant fixed asset register for 2020/21 developed and maintained.			Additions register and FAR for 2020/2021	BTO

Budget and Reporting		and maintained											
		adjustment budget for the 2020/2021 financial year compiled and submitted to Council for approval	2020/2021 mSCOA Compliant Adjusted Budget	R 500,000	5_57_57.4_P115	Approved 2019/20 budget implemented. Adjustment Budget for the 2019/20 financial year compiled and submitted to Council for approval by 28 February 2020	2019/20 financial year compiled and submitted to Council for approval by 28 February 2020	mSCOA Compliant Adjustment Budget for the 2020/2021 financial year compiled and submitted to Council for approval by 28 February 2021	Achieved. mSCOA Budget was assessed by Treasury as Funded and approved by Council by 28 February 2021.			Council resolution approving the Adjustment Budget for 2020/21; Feedback from Treasury on the mid-year performance report; Monthly C schedule and budget consumption report	BTO
	To maintain and improve financial viability of the municipality by June 2022	2021/2022 Budget compiled and submitted to Council for approval	2020/2021 mSCOA Compliant Budget approved by council by 31 May 2021	R 500,000	5_57_57.1_P116	2020/21 Budget compiled and submitted to Council for approval by 30 June 2020	Achieved. 2020/21 Budget compiled and submitted to Council for approval	2021/2022 mSCOA Compliant Budget compiled and submitted to Council for approval by 31 May 2021	Achieved. Council Approved the Budget by the 31st of May 2021.			Council resolution approving the 2021/2022 Budget	BTO
		Number of MFMA required reports submitted to	2020/2021 MFMA/ mSCOA reports	R 1,000,000	5_57_57.6_P117	8 Monthly, 1 half year and 4 Quarterly MFMA reports developed and submitted Treasury for compliance by 30 June 2020	Achieved. 8 Monthly, 1 half year and 4 Quarterly MFMA reports developed and submitted Treasury for compliance	12 Monthly, 1 half year and 4 Quarterly MFMA/ mSCOA reports developed and	Achieved. 12 Monthly, 1 half year and 4 Quarterly MFMA reports developed and submitted to			12 Monthly, 1 half year and 4 Quarterly MFMA reports with proof of submission to Mayor and Treasury	BTO

		Treasury for compliance						submitted Treasury for compliance by 30 June 2021	Treasury for compliance.				
Expenditure Management	To maintain and improve financial viability of the municipality by June 2022	Number of payroll reconciliations performed.	12 mSCOA compliant Payroll reconciliations (2020/2021)	R 250,000	5_58_58.1_P118	12 payroll reconciliations prepared and balanced to the general ledger by 30 June 2020	Achieved. 12 payroll reconciliations prepared and balanced to the general ledger	12 mSCOA compliant payroll reconciliations prepared and balanced to the general ledger by 30 June 2021	Achieved. 12 Monthly payroll reconciliations were prepared and balanced to the general ledger.			12 Monthly payroll reconciliations signed off	BTO
		100% payment of creditors within 30 days	12 Creditors Age Analysis and Unpaid creditors reports for 2020/2021	R 0	5_58_58.2_P119	100% payment of creditors within 30 days as per legislated framework by 30 June 2020	Achieved. 100% payment of creditors within 30 days as per legislated framework	100% payment of creditors within 30 days as per legislated framework by 30 June 2021	Not Achieved	Not all creditors were paid within 30 days	Budgetary and financial constraints resulted in delays in payment of creditors	Effective implementation of cash flow management principles	BTO
Revenue Management	To maintain and improve financial viability of the municipality by June 2022	2019/20 Supplementary Valuation roll compiled and certified by Valuer, and approved by Council	2020/2021 Supplementary Valuation Roll	R 200,000	5_59_59.1_P120	2019/20 Supplementary valuation roll compiled and certified by Valuer and approved by Council by 30 June 2020	Not Achieved. 2019/20 Supplementary valuation roll compiled and signed off	100% Billable Properties included in the Municipal Billing System as per the Supplementary Valuation Roll 30 June 2021	Achieved. 100% of Billable properties in the Supplementary Valuation Roll have been included in the Billing System			Report on Supplementary Evaluation Roll	BTO

		%(Percentage) Improve ment in the revenue collection rate	95% Collection rate	R 250,000	5_59_59.2_P121	60% revenue collection rate achieved by 30 June 2020	Not Achieved. 31% revenue collection rate achieved	95% billable revenue collection rate achieved by 30 June 2021	Achieved. 122% collection rate of billable revenue for 2020/21			Quarterly Reports on collection rate achieved	BTO
		Number of revenue streams registers that are balanced to general ledger developed	2020/2021 Registers	R 0	5_59_59.3_P122	4 revenue streams registers that are balanced to general ledger developed (Prepaid electricity, Property Rates, Enatis and Property Rentals) by 30 June 2020	Achieved. 4 revenue streams registers that are balanced to general ledger developed (Prepaid electricity, Property Rates, Enatis and Property Rentals)	6 revenue streams registers that are balanced to general ledger developed (Prepaid, conventional electricity, Refuse, Property Rates, Enatis and Property Rentals) by 30 June 2021	Achieved. 6 revenue streams registers were balanced to the general ledger.			Report on revenue streams registers that are balanced to general ledger	BTO
Cash Management	To maintain and improve financial viability of the municipality by June 2022	Cost Coverage ratio exceeding 2	2020/2021 cost coverage ratio	R 0	5_60_60.1_P123	Cost -coverage ratio exceeding 2 Cost by 30 June 2020	Achieved. Cost - coverage ratio exceeding 2 Cost	Cost -coverage ratio exceeding 2 Cost by 30 June 2021	Achieved. Cost- coverage ratio exceeding 5.93 at end of June 2021.			Quarterly Report on cost coverage ratio	BTO
		Investment registers that balance to the	2020/2021 Investment register	R 0	5_60_60.2_P124	Investment registers that balance to general ledger and bank statement developed and maintained by 30 June 2020	Achieved. Investment registers that balance to general ledger and bank statement developed	Investment registers that balance to general ledger and bank statement	Achieved. Investment Register was balanced to the general ledger and bank statement			Investment Register	BTO

		general ledger and bank statements developed and maintained					and maintained	developed and maintained by 30 June 2021					
Asset Management	To ensure a developmentally oriented planning institution in compliance with legislative prescripts, laws and regulations applicable to local government by June 2022	Number of vehicles procured	2020/2021 Asset Register	R 1,400,000	4_51_51.1_P099	4 Quarterly Reports on Implementation of Fleet Management Policy submitted to Council Structures for noting by 30 June 2020	Achieved. 4 Quarterly Reports on Implementation of Fleet Management Policy submitted to Council Structures for noting	2 Municipal Vehicles procured by 30 June 2021	Achieved. Three vehicles procured (2 Traffic Services and 1 Mayor's vehicle).			Quarterly reports	CORPORATE SERVICES

Chapter 4 – Organisational Development Performance (Performance Report Part II)

Component A: Introduction to the Municipal Personnel

1.1 Employee Totals, Turnover and Vacancies

Employees (T4.1.1)					
Description	Year -1	2020/2021			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies
Amenities	44	46	44	1	1
Electricity	5	5	04	1	1
Environmental Services	13	13	13	0	0
Housing	5	5	4	1	1
Local Economic Development	7	7	7	0	0
Public Safety	19	23	19	3	3
Roads	14	14	14	0	0
Solid Waste Management Services	23	26	23	2	2
Total	125	119	124	8	8

Vacancy Rate : Year 2019/2020 (T 4.1.2)			
Description	Total Approved Posts No.	Vacancies (Total Time vacancies exist using fulltime equivalents) No.	Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S56 Managers (excl. Finance Posts)	5	1	20%
Law Enforcement	8	2	25%
Fire Fighters	0	0	100%
Middle Management Level (excl. Finance Posts)	15	2	13%
Middle Management Level (Finance Posts)	3	2	0%
Highly Skilled Supervisors (excluding Finance Posts)	29	0	0%
Highly Skilled Supervisors (Finance Posts)	13	0	0%
Total	77	7	9%

Component B: Managing the Municipal Workforce

1.2 Introduction to Municipal Workforce

Workforce management is a core function of each line manager in municipality. To ensure reasonable standardisation and consistency in the handling of the workforce, disciplinary procedures and conditions of service are developed at a central level by the National and Provincial divisions of the South African Local Government Bargaining Council (SALGBC) and, where relevant, at a local level between management and the representative unions SAMWU and IMATU and are then implemented by line management. Conditions of service of senior managers are based up on the regulations promulgated by the Minister of Cooperative Governance and approved by Council.

In addition to the above, a wide range of policies, procedures and directives are approved by relevant approval authorities after due consultation with stakeholders such as Council, the Municipal Manager and Senior Management. Such policies, procedures and directives are then circulated to all staff for implementation and compliance. The Organisational Structure (2020-2021) was reviewed and approved during 2019/2020 financial year and will be reviewed when need arises.

1.3 Occupational Health and Safety (OHS)

During 2020/2021 financial year six projects from OHS Strategy were implemented. The following are the projects.

- Implementation of the Occupational Health and Safety Policy
- Coordinating Payment to Workmen's Compensation (compliance with workmen's compensation commissioner and a letter of good standing)
- Operational controls and procedures
- Contractors' controls
- Medical Checks
- Personal Protective Equipment (Clothing)

It should be noted that the municipality purchased the Personal Protective Equipment/Clothing during 2020/2021 financial year.

All OHS structures are functional, and they are convened as per the approved Council Calendar of Events.

4.4 Labour Relations

The Labour Relations Division has performed the following function as expected:

- Convening Sessions and conducting Policy Roadshows with user departments in all units. (Cacadu, Dordrecht & Indwe)
- Financial Disclosures of Councillors and Officials through completion of Declaration of Interest Forms and Signing of the Code of Conduct and Ethics by all employees including Councillors.
- Inducting all new employees on the brief history of the municipality and the origin of Local Government as third sphere of governance, vision, mission, composition of the council, administration, the units, and offices that form this municipality, Human Resource Policies and Labour Relations Policies.
- Representing the Municipality at South African Local Government Bargaining Council for Conciliation Case and Arbitration Case Hearings.
- Providing Human Resource and Labour Relations advice including update on new Amendments and Case Laws to both employees and employers.
- Communicate all Collective Agreements including Salary and Wage Collective Agreements and Circulars to both employees and management.
- Managing municipal interaction and correspondence relating to Labour issues between our Municipality and SALGA including SALGBC.
- Participating in Municipal Adhoc projects and Committees as and when needed.

NUMBER AND PERIOD OF SUSPENSIONS:

Table below illustrate the management of cases by the Labour Relations Unit during 2020/2021 financial year.

SUSPENSION S	DISMISSALS	PENDING CASES	WARNINGS ISSUED	Counselling Sessions
4	0	4	3	3

The Local Labour Forum is fully functional, and the employer and employee relations are stable.

4.5 Fleet Management

The Municipality has two (3) pool vehicles that are under Corporate Services of which one was involved in a collision and was written off, 8 Community Services vehicles, 1(one) electricity Infrastructure Development and Human Settlement of which one was written off, and 1 for Planning Economic Development, Tourism and Agriculture.

There were sixteen (16) Plant Machinery, and one was burnt during community protests nine (9) Trailers.

There were seven (5) accidents for 2020/2021 financial year.

TYPE OF VEHICLES	DIRECTORATE	CURRENT STATUS	CURRENT AGE	RECCOMENDATIONS
Toyota Fortuner-HXB-860-EC	MM's Office	Good condition	5	
Toyota Fortuner JGN 747-EC	MM's Office	Good condition	3	
Nissan Qashqai FVL-916-EC	Community Services	Fair condition	8	It should wait for the finalisation of the fuel theft pending case.
Nissan Hardbody HPJ-274-EC	Corporate Services	Involved in a collision Written off	5	
Isuzu Double Cab HMP-886-EC	Corporate Services	Good condition	5	
Chev Cruze HGW-347-EC	Community Services	Good Condition	6	
Isuzu S/Cab bakkie HMD-711-EC	Community Services	Not working, requires new engine	5	
Isuzu single cab JBF 210 – EC	PEDTA	Good condition	3	
Isuzu single cab bakkie JCG 191 EC	IDHS	Right off	None	
Isuzu single cab bakkie JCG 193 EC	Community Services	Good condition	3	
Tractor-FTS-135-EC	Community Services	Not working mechanical	8	
Refuse Truck – HMG-965-EC	Community Services	NOT WORKING Mechanical problem	5	
Tata -FBP-046 -EC	IDHS	Good Condition	11	
Corsa Utility HJW-465-EC	Community Services	Good condition	6	
TRACTOR				
Tractor-CCW-543-EC	Community Services	Good condition, minor issues	25	
Tractor-CCW-550-EC	Community Services	Need repairs	25	
Tractor-BRN-739-EC	Community Services	Good condition, minor issues	26	
Mahindra-HLN-752-EC	Community Services	Need repairs	5	
Nissan Hardbody HJP-267 EC	Community Services	Need repairs	5	To be attend to before the problem worsens
Single cab bakkie JCG 196 EC	IDHS	Good Condition	3	
Tractor-FTS-128-EC	Community Services	Good condition	8	
Tractor-CKM-266-EC	Community Services	Last used in July 2018. Have major problems.	52	
Grader-DFG-421-EC	IDHS	Have not been in use since November 2017. There is a problem with an engine. Delay is due to financial constraints.	15	Its has reached its life span therefore it is recommended that it should be auctioned
TLB-loader-DDX-995-EC	IDHS	Good Condition	15	

Wc-truck-DFD-935 - EC	IDHS	Need batteries	16	It still in good condition
T/truck-DFD-932-EC	IDHS	Not in good condition and it is consuming a lot of money for repairs.	15	Recommended for auction
Roller	IDHS	Has not been used since June 2018. Has a problem preventing its movement. It need a lot of money to be fixed and there is no budget	4	
Roller Bomag	IDHS	Has not been used since June 2017. Has a problem with vibrator. It has not been prioritised due to the fact that another alternative of roller was used	4	When fixed it should be placed to one of the Satellite Offices.
Excavator	IDHS	Good working condition	4	
Pad foot roller	IDHS	Good working condition	4	
T/truck –HFT-991-EC	IDHS	Need batteries	6	
w/c truck-HGB-926-EC	IDHS	Need electricity repairs	6	
TLB HVK 291EC	IDHS	Has not been used since June 2018, was burn during protests. Insurance has made pay out amounting to R590 000.00	4	
TLB HVK 292 EC	IDHS	Has not been in use since February 2019. Has a problem with the engine.	4	
T/truck-HFT-986-EC	IDHS	Good Condition	5	
Grader HVK 293	IDHS	Has not been used May 2019, have electrical faults and it could not be repaired due to financial constraints	4	
Lowbed-HGH-813-EC	IDHS	Need batteries	6	
HGK 495EC Trailer	IDHS	Good Condition	6	
BWR 774 EC	Community Services (Indwe)	No lights	27	
BZY 096 EC	Community Services (DDX)	Not working, since June 2018, wheel bearings & lights	40	
BZY 100 EC	Community Services (DDX)	Working Conditions, no lights, minor issues	25	

BZY 102 EC	Community Services (DDX)	Working Conditions, no lights, minor issues, tyres	22	
FBZ 279 EC	Community Services (Cacadu)	Minor repairs	12	
BVB 264 EC	Community Services (Indwe)	Not working, since June 2016, hydraulic pipes, brakes & lights	44	
FFG 382 EC	PEDTA	Need repairs and road worthy	11	
FTS 142 EC	Community Services (Cacadu)	Not in good condition, did not pass roadworthy tests	8	
FTS 139 EC	Community Services (Indwe)	Not in good condition, did not pass roadworthy tests faults identified amounted to R39 000.00 rand needed to fix	8	

4.6 Records Management

The Electronic Document Management System (EDMS) is in place since 2016 and is partially used by employees. Champions from all directorates were trained on how to utilise the system and the division is trying to enforce its use. The municipality is also intending to have a help desk facility to assist when there is a need with the service provider.

4.7 Wellness

During 2020/2021 financial year the following programmes were held during the year under review:

- Wellness day
- Change Management
- Team Building.

4.8 Skills Development and Training

Number of skilled employees required and actual as at (30 June 2021)								
Occupational Categories	Gender	Employee s in post as at 30 June (2020	Skills Matrix					
			Learnerships (CPMD-MF)	Skills programmes & other short courses		Total		
		No.	Actual: End of 2020/2021	2019/2020 Target	Actual: End of 2020/2021	Actual: End of 2020/2021	Actual: End of 2020/21 (Actual Learnerships plus Actual skills Programmes)	2021/2022 Target
Councillors	Female	18	0	0	1	1	0	1
	Male	16	0	0	0	0	0	0
MM and s56	Female	0	0	0	0	0	0	0
	Male	5	0	0	0	0	0	0
Middle Management	Female	6	1	1	0	1	0	1
	Male	7	1	1	0	1	0	1
Junior Management, Technicians and Professionals	Female	52	1	1	1	1	0	1
	Male	48	0	0	0	0	0	0
Clerical	Female	12	1	1	1	1	0	0
	Male	10	0	0	0	0	0	0
Machine Operators and Drivers	Female	0	0	0	0	0	0	0
	Male	18	0	0	0	0	0	0
Elementary Workers	Female	25	0	0	0	0	0	0
	Male	50	0	0	0	0	0	0
Interns and Trainees	Female	4	4	4	4	4	0	4
	Male	1	1	1	1	1	0	1
Sub total	Female	107	7	7	8	8	0	8
	Male	115	1	1	1	1	0	1
Total		222	8	8	9	9	0	9

MFMA: MUNICIPAL REGULATIONS ON MINIMUM COMPETENCY LEVELS

SIX MONTHLY IMPLEMENTATION REPORT: SCHEDULE

Every municipality must submit this schedule to National Treasury disclosing for the 6 months ending 31 December and 30 June 2020:

1. the total number of financial and supply chain management officials employed by the municipality and each of its municipal entities, and of those officials;
2. how many have undertaken a competency assessment, and
3. how many have complying performance agreements, including the attainment of competencies as a performance target.
4. Should you wish to provide additional information please include comments in the box below or forward a separate letter to the National Treasury MFMA Implementation Unit, Private Bag X115, Pretoria, 0001.

The schedule must be submitted no later than one month after the 6-month period end (i.e., 30 January and 30 July). No extension of time will be given. This information must also be reflected in the municipality's Annual Report as at the end of the financial year to which the report relates. A municipal entity must submit its information to the parent municipality no later than 20 January and 20 July and reflect this in its own Annual Report.

To save the file press the following keys at the same time with Caps Lock off: Ctrl-Shift-S. Save file as: Muncde_COM_ccyy_Sn.xls (e.g., GT411_COM_2008_S1.xls)

The electronic return must be emailed to lgdatabase@treasury.gov.za.

DECLARATION: The Municipal Manager/ Chief Executive Officer certifies this to be a true and accurate record of the implementation of the MFMA Municipal regulations on Competency Levels for officials in the municipality and/ or municipal entity for the six-month period.			
Municipal Manager/ CFO name:	Mr. X Sikobi	Email:	sikobix@emalahlenilm.gov.za
Telephone:	047 878 2000	Date (ccyy/mm/dd):	2021/06/30
Mun Code:	EC136	Municipality Name:	Emalahleni (Ec)
Financial Year:	2020/2021	Six Month Period:	S2 Jan - June

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))	Consolidat ed: 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						
<i>Accounting officer</i>	1	0	1	1	1	1
<i>Chief financial officer</i>	1	0	1	1	1	1
<i>Senior managers</i>	3	0	3	3	3	2
<i>Any other financial officials</i>	22	0	22	22	0	13
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	1	0	1
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	28	0	28	28	4	18
Comments						

8.1 Comment on Skills Development and Related Expenditure and on the Financial Competency Regulations

The HRD strategy was developed and approved for implementation in December 2015. The following projects are in the strategy and are implemented:

1. Workplace Skills Plan (WSP) training programmes
2. In-service Training
3. Learnerships
4. Internal Bursaries

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

Component A: Statement of Financial Performance

Component B: Spending Against Capital Budget

Component C: Other Financial Matters

The Annual Financial Statements reflect the continued progress being made by the Municipality to ensure a financially viable institution, which can withstand a certain degree of financial volatility and continue to operate for the benefit of its inhabitants. It further provides a reflection of the financial state of affairs focusing on the fair presentation of financial position, financial performance and cash flows at each reporting date

Government grants and subsidies have also contributed to the significant increase in revenue, resulting from improved capital spend occurring within the Municipality. This is particularly important as it has a direct impact on the lives ELM's constituent community. Government grants and subsidies made up 70% of the total revenue of Emalahleni, this means that we are heavily reliant on grant as only 30% is funded by own funds. The municipality is focused on improving its revenue base and revenue collection.

ELM is exposed to continued inflationary pressures and continues to attempt to manage these pressures through cost containment initiatives that are contained in the council adopted Cost Containment policy. The Cost Containment Policy is based on the National Treasury circular 82 and 97. These on-going initiatives attempt to alleviate any undue pressure being placed on the community through excessive general expenditure.

An area of particular concern is the need to increase spending on the maintenance of ageing infrastructure and other assets so as to enable them to achieve their full estimated useful lives. The Municipality has recognised that it is imperative for additional funding to be provided within the repairs and maintenance budget to address this need. The MFMA circular 71 prescribes that 8% of the total municipal budget must go towards the repairs and maintenance.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The annual financial statements have been prepared on the accrual basis of accounting and in accordance with historical cost convention, unless otherwise specified. The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No. 56 of 2003). The principal accounting policies adopted in the preparation of the annual financial statements are set out in the annual financial statements contained in this document. The financial statements have been prepared based on the accounting policies that the municipality deems to be appropriate for the activities of the municipality and have been applied consistently in all respects from the previous financial years.

5.1 STATEMENT OF FINANCIAL PERFORMANCE

COMMENT ON FINANCIAL PERFORMANCE:

The municipality recorded overspending due to unfunded budget status from previous financial years. The impact has been mostly limited to non-cash transactions like depreciation and year end reporting items like provisions. The municipality has endeavoured to remedy this situation which has resulted in the budget adjustment for the 2020/21 period that has been audited being certified funded by the National Treasury.

However, the municipality has achieved a surplus budget after the audit adjustments which is indicative of the cost containment measures and the impact of COVID-19 which reduced the expenditure in the last quarter of 2020/2021.

Statement of Financial Performance for the year ended 30 June 2021

Figures in Rand	Note(s)	2021	2020 Restated*
Revenue			
Non-exchange revenue			
Property rates	17	9 892 776	7 769 937
Transfers and subsidies	18	228 120 113	164 607 384
Fines, penalties and forfeits	19	1 032 112	154 603
Interest on receivables	20	1 608 405	2 033 161
Total non-exchange revenue		240 653 406	174 565 085
Exchange revenue			
Services charges - Electricity	23	14 040 644	15 242 912
Services charges - Waste management	23	9 570 214	8 188 347
Rental	25	208 275	541 020
Interests on investments	21	2 273 913	1 384 885
Interest earned from receivables	20	3 657 132	4 352 330
Licences or permits	22.1	1 436 210	1 744 161
Agency services	26	2 929 178	686 945
Operational revenue	27	557 115	1 220 048
Sales of goods and rendering of services	24	90 714	112 715
Actuarial gains	51	-	2 324 633
Total exchange revenue		34 763 395	35 797 996
Total revenue		275 416 801	210 363 081
Expenditure			
Employee related cost	28	(88 557 440)	(86 209 803)
Remuneration of councilors	29	(13 238 766)	(13 480 877)
write-off		(8 324 004)	(1 849 678)
Debt impairment		(18 155 360)	(22 977 923)
Depreciation, amortisation and impairment	30	(16 184 961)	(20 940 277)
Finance costs	31	(1 366 301)	(2 136 253)
Bulk purchases	32	(13 184 856)	(12 868 035)
Inventory consumed	33	(3 710 053)	(2 212 970)
Contracted services	34	(16 245 360)	(21 107 947)
Transfers and subsidies	35	(348 625)	(222 266)
Operational cost	36	(22 824 161)	(21 921 843)
Operating leases	9	(438 792)	(41 995)
Loss on disposal of assets	37	(275 633)	(1 466 555)
Total expenditure		(202 854 321)	(207 168 335)
Surplus for the year		72 562 489	3 194 746

Statement of Financial Position as at 30 June 2021

Figures in Rand	Note(s)	2021	2020 Restated*
Assets			
Non-Current Assets			
Property, plant and equipment	2	464 690 354	436 555 020
Investment property	3	4 144 681	4 147 080
Intangible assets	4	219 243	298 891
Heritage assets	5	182 536	182 536
		469 236 814	441 183 527
Current Assets			
Receivables from exchange transactions	6	714 250	16 964 009
Receivables from non-exchange transactions	7	7 193 022	8 123 214
Other current assets	8	4 271 778	3 558 571
Cash and cash equivalents	10	63 850 996	5 791 133
		76 030 046	34 436 927
Total Assets		545 266 860	475 620 454
Liabilities			
Non-Current Liabilities			
Employee benefits	12	13 558 000	9 916 000
Provisions	11		13 857 115
		13 558 000	23 773 115
Current Liabilities			
Employee benefits	12	10 157 257	12 388 912
Payables from exchange transactions	13	14 909 892	10 413 974
Payables from non-exchange transactions	14	11 740 258	1 488 104
Provisions	11	15 409 076	
Lease liabilities	15	-	371 872
		52 216 483	24 662 862
Total Liabilities		65 774 483	48 435 977
Net Assets		479 492 377	427 184 477
Net assets presented by:			
Accumulated surplus	50	477 945 519	421 397 761

Cash Flow Statement for the year ended 30 June 2021

Figures in Rand	Note(s)	2021	2020 Restated*
Cash flows from operating activities			
Receipts			
Rate Payers and other		41 149 179	28 962 867
Transfers and Subsidies – Capital		71 496 134	33 258 484
Transfers and Subsidies – Operational		166 876 135	131 303 943
Interest		2 913 528	1 384 885
Payments			
Suppliers and Employees		(160 437 870)	(162 928 817)
Finance charges		(1 366 301)	(67 288)
Unauthorised Debit Orders		-	(700 000)
Net cash from(used) operating activities	38	120 630 805	31 214 075
Cash flows from investing activities			
Receipts			
Proceeds on disposal of fixed and intangible assets		-	(1 466 555)
Payments			
Purchase of capital assets		(56 365 281)	-
Net cash flows from investing activities		(56 365 281)	(1 466 555)
Cash flows from financing activities			
Receipts			
Increase in other liabilities		-	-
Payments			
Decrease in short term loans		(371 872)	(407 365)
Repayment of current portion of long-term liability		(5 833 789)	-
Net cash flows from financing activities		(6 205 661)	(407 365)
Net increase/(decrease) in cash		58 059 063	1 646 192
Cash and cash equivalents at year begin		5 791 133	4 144 940
		63 850 196	5 791 132

Statement of changes in net assets for the year ended 30 June 2021

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	409 633 805	409 633 805
Adjustments		
Correction of errors - Impairment	(1 116 402)	(1 116 402)
Balance at 01 July 2019 as restated*	408 517 403	408 517 403
Surplus for the year	3 194 746	3 194 746
Total changes	3 194 746	3 194 746
Opening balance as previously reported	411 712 149	411 712 149
Adjustments		
Correction of errors	(3 779 737)	(3 779 737)
Restated* Balance at 01 July 2020 as restated*	407 932 412	407 932 412
Surplus for the year	72 562 489	72 562 489
Prior period errors posted in the current year	(2 549 382)	(2 549 382)
Total changes	70 013 107	70 013 107
Balance at 30 June 2021	492 976 267	492 976 267
Note(s)		

EMALAHLENI MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2021

Comparison of Budget and Actual Amounts for the year ended 30 June 2021

	Original budget	*Budget adjustments	Final adjustments	Final budget	Actual outcome	Variance	Actual outcome as % of final budget
Figures in Rand							
2021							
Statement of financial performance							
Revenue							
Property rates	9 167 109	-	9 167 109	9 167 109	9 892 776	725 667	107,92 %
Service charges	26 686 612	3 000 000	29 686 612	29 686 612	23 610 858	(6 075 754)	79,53 %
Investment revenue	1 791 677	3 557 798	5 349 475	5 349 475	2 273 913	(3 075 562)	42,51 %
Transfers recognised – operational	148 748 950	16 225 549	164 974 499	164 974 499	165 248 325	273 826	100,08 %
Other own revenue	14 319 510	1 095 001	15 414 511	15 414 511	11 519 142	(3 895 369)	74,73 %
Total revenue (excl capital transfers and contributions)	200 713 858	23 878 348	224 592 206	224 592 206	212 545 013	(12 047 193)	94,57 %
Expenditure							
Employee cost	(93 823 939)	2 665 363	(91 158 576)	(91 158 576)	(88 557 446)	2 601 130	96,72 %
Depreciation and asset impairment	(19 384 161)	-	(19 384 161)	(19 384 161)	(32 785 491)	(13 401 330)	169,14 %
Finance charges	(280 000)	(787 057)	(1 067 057)	(1 067 057)	(1 366 301)	(299 244)	128,04 %
Materials and bulk purchases	(18 721 000)	(1 710 664)	(20 431 664)	(20 431 664)	(16 894 909)	3 536 755	82,69 %
Other expenditure	(51 855 475)	3 842 999	(48 012 476)	(48 012 476)	(47 494 680)	517 796	98,92 %
Total expenditure	(198 813 858)	4 010 771	(194 803 087)	(194 803 087)	(200 337 593)	(5 534 366)	102,84 %
Deficit	1 900 000	27 888 979	29 788 979	29 788 979	12 207 420	(17 581 559)	40,98%
Transfers and subsidies – Capital	31 653 050	41 491 026	73 144 076	73 144 076	62 689 808	(10 454 268)	85,71 %
Surplus after capital transfers and contributions	33 553 050	69 380 005	102 933 055	102 933 055	74 897 228	(28 035 827)	72,76 %
Statement of financial position							
Total non-current assets	449 946 525	32 277 203	482 223 728	482 223 728	469 236 814	(12 986 914)	97,31 %
Total current assets	36 056 211	1 345 884	37 402 095	37 402 095	76 030 046	38 627 951	203,28 %
Total non-current assets	(13 900 000)	(1)	(13 900 001)	(13 900 001)	(28 967 076)	(15 067 075)	208,40 %
Total current liabilities	(30 532 543)	67 098 407	36 565 864	36 565 864	(36 807 407)	(73 373 271)	(104,22)%
Community wealth/equity	(441 570 193)	(100 721 493)	(542 291 686)	(542 291 686)	(479 492 377)	62 799 309	88,42 %

	33 552 110	(23 092 318)	10 459 792	10 459 792	-	(10 459 792)
Cash flow statement						
Net cash from (used) operating	-	-	-	-	120 630 805	120 630 805
Net cash from (used) investing	-	-	-	-	(56 365 281)	(56 365 281)
Net cash from (used) financing	-	-	-	-	(6 205 661)	(6 205 661)
	-	-	-	-	58 059 863	58 059 863

14.1 Capital monetary allocations

	<u>Funds received</u>	<u>Funds utilised</u>	<u>Closing balance</u>
District municipalities			
Eastern Cape	-	-	-
National government			
Integrated National Electrification Programme Grant	7 224 000	(7 224 000)	-
Municipal Infrastructure Grant	41 410 000	(41 314 753)	95 247
Total	48 634 000	(48 538 753)	95 247
Provincial government			
Eastern Cape	28 000 000	(19 354 989)	8 645 011
Total capital monetary allocations	76 634 000	(67 893 742)	8 740 258

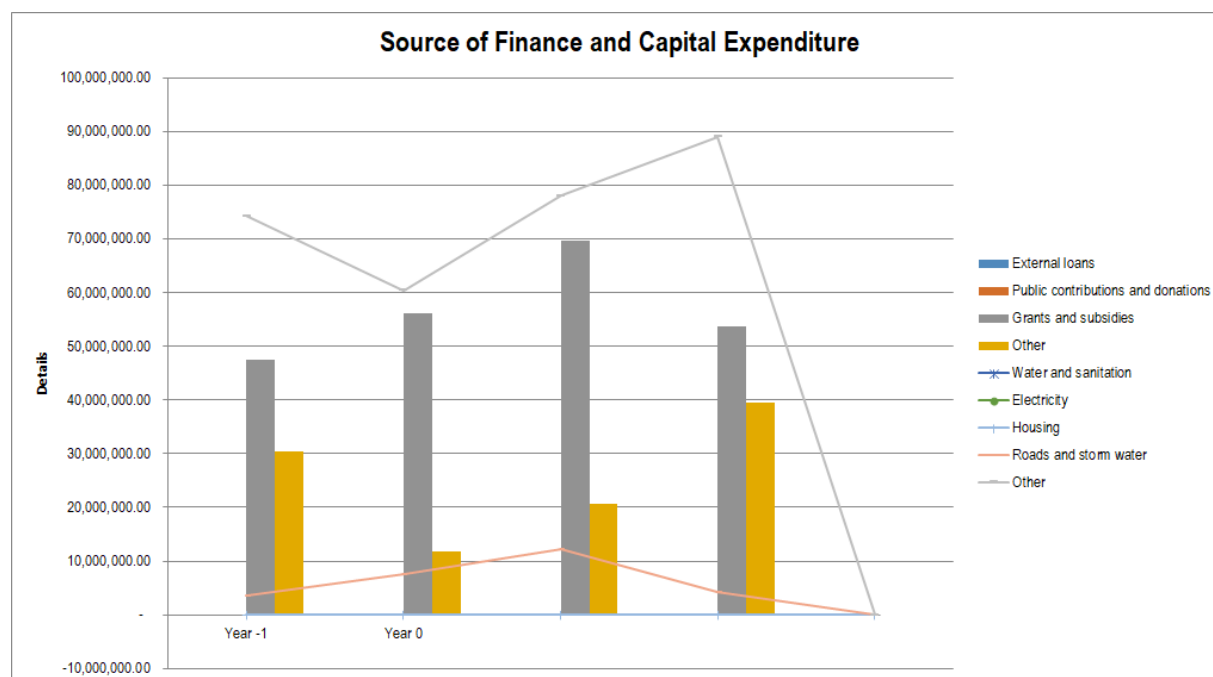
14.2 Operational monetary allocations

	<u>Funds received</u>	<u>Funds utilised</u>	<u>Closing balance</u>
National government			
Expanded Public Works Programme Integrated Grant	2 091 000	(2 091 000)	-
Local Government Financial Management Grant	3 000 000	(3 000 000)	-
Total	5 091 000	(5 091 000)	-
Provincial government			
Eastern Cape	3 950 000	(950 000)	3 000 000
Total operational monetary allocations	9 041 000	(6 041 000)	3 000 000

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. Component B deals with capital spending indicating where the funding comes from and whether Municipalities can spend the available funding as planned. In this component it is important to indicate the different sources of funding as well as how these funds are spent. Highlight the 5 largest projects and indicate what portion of the capital budget they use. In the introduction briefly refer to these key aspects of capital expenditure usually relating to new works and renewal projects and to relating to the new works and renewal programmes, relating to the full programme of full capital projects, and relating to the alignment of projects to wards.



EC136 Emalahleni (Ec) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		1 022	1 790	–	326	1 953	–	1 953	#DIV/0!	–
Finance and administration		1 022	1 790	–	326	1 953	–	1 953	#DIV/0!	–
<i>Community and public safety</i>		4 343	2 922	4 492	668	1 352	4 492	(3 141)	-70%	4 492
Community and social services		1 607	–	514	584	584	514	70	14%	514
Sport and recreation		2 736	2 922	3 978	84	768	3 978	(3 210)	-81%	3 978
<i>Economic and environmental services</i>		17 030	17 531	50 742	5 338	36 977	50 742	(13 766)	-27%	50 742
Road transport		17 030	17 531	50 742	5 338	36 977	50 742	(13 766)	-27%	50 742
<i>Trading services</i>		6 489	11 310	17 794	2 914	17 115	17 794	(679)	-4%	17 794
Energy sources		–	5 000	13 634	2 466	12 900	13 634	(734)	-5%	13 634
Waste water management		6 767	5 810	4 160	448	4 215	4 160	55	1%	4 160
Total Capital Expenditure - Functional Classification	3	29 196	33 553	73 029	9 246	57 396	73 029	(15 633)	-21%	73 029
Funded by:										
National Government		28 451	31 653	46 429	5 706	39 862	46 429	(6 567)	-14%	46 429
Provincial Government		(278)	–	26 600	3 213	15 582	26 600	(11 018)	-41%	26 600
District Municipality		–	–	–	–	–	–	–		–
Transfers recognised - capital		28 173	31 653	73 029	8 919	55 443	73 029	(17 586)	-24%	73 029
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		997	1 900	–	326	1 953	–	1 953	#DIV/0!	–
Total Capital Funding		29 170	33 553	73 029	9 246	57 396	73 029	(15 633)	-21%	73 029

COMPONENT C: OTHER FINANCIAL MATTERS

5.1 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

Section 3(1)(b) and (c) of the SCM Regulations states that the accounting officer of a municipality must at least annually review the implementation of the SCM policy and when necessary, submit proposal for the amendment of the policy to council.

Section 117 of the MFMA states that: “No councilor of any municipality may be a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids, not attend any such meeting as an observer.” The Accounting Officer established a committee system that is consistent with the MFMA and Municipal SCM Regulations for competitive bids consisting of:

- A bid specification committee
 - A bid evaluation committee
 - A bid adjudication committee of the Municipal Regulations on Minimum Competency Levels states that: “The accounting officer and any other official of a municipal entity involved in the implementation of the SCM Policy of the municipal entity must generally have the skills, experience and capacity to assume and fulfil the responsibilities and exercise the functions and power in respect of Supply Chain Management.” The regulations indicate the minimum competency levels for Heads and Managers in Supply Chain Management and Supply Chain Management Practitioners.
- Supply Chain Management is centralized and situated in the Budget and Treasury Department with 5 permanent staff members, 1 of them has completed the minimum competency requirements, whilst 4 are in the final stages of meeting these competencies

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice, and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The municipality is yet to achieve full compliance with GRAP, but notable strides have been made as captured in the Audit Action Plan. Material misstatements were identified by the Auditor-General that were subsequently corrected, leading to the Annual Financial Statements receiving an emphasis of matter in the audit report.

Chapter 6 – Auditor General Audit Findings

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Emalahieni Local Municipality set out on pages. to ..., which comprise the statement of financial position as of 30 June 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, because of the significance of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements do not present fairly, in all material respects, the financial position of the Emalahieni Local Municipality as at 30 June 2021, and their financial performance and cash flows for the year then ended in in accordance with the South African Standards of Generally Recognized Accounting Practice (SA Standards of GRAP), and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act 4 of 2020. Basis for qualified opinion

Property plant and equipment

3. The municipality did not account for property, plant, and equipment in accordance with GRAP 1 7 Property, Plant, and equipment,

- ❖ Land and Buildings that are rented out by the municipality are classified as property, plant, and equipment instead of investment property.

- ❖ the municipality has land in the asset register that is occupied by residents of the municipality without legal transfer of ownership to those residents.

- ❖ The municipality did not impair infrastructure assets and community assets that had impairment indicators at year end in accordance with GRAP 21 Impairment of noncash-generating assets and depreciation was incorrectly calculated.

Consequently, property plant and equipment has been overstated by R49,5 million, Investment property has been understated by R5 million and accumulated surplus by R44,5 million.

Investment property

4. The municipality did not accurately account for investment property in accordance with GRAP 16 Investment property, as they incorrectly included properties that are privately owned as investment property. Furthermore, the municipality incorrectly classified community assets as investment property. Consequently, investment property is overstated by R3,4 million and net assets by the same amount

Receivables from exchange

5. The municipality did not account for the impairment in respect of receivables for exchange in accordance with Standard of GRAP 104 Financial Instruments, as the impairment provided was greater than the gross amount of receivable and the amount disclosed in the financial statement do

not agree to the underlying records. In addition, I was unable to substantiate the restatement which were made to the opening with sufficient appropriate evidence. I was unable to confirm the receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustment to receivables from exchange transaction stated at R0,7 million

(2020: R16,9million) in note 6 of the statement of financial position were necessary.

Employee cost

6. I was unable to obtain sufficient appropriate evidence for employee cost as the underlying records did not agree to the amount disclosed on the financial statements. I was unable to confirm employee cost by alternative means. Consequently, I was unable to determine whether any adjustment to employee cost of R88,7 million in the financial statements are necessary.

Irregular expenditure

7. The municipality did not account for all the irregular expenditure that meets the definition of irregular expenditure in the notes to the financial statements as required by section 25 (2) of Municipal Finance Management Act of South Africa, 2003 (Act No.56 of 2003). I was unable to obtain sufficient appropriate evidence regarding irregular expenditure as disclosed in note 41 to the financial statements, as the disclosure presented in the financial statement for auditing purposes was not complete. I was unable to determine whether any adjustments to irregular expenditure of R0,004 million were necessary.

Prior period error

8. I was unable to obtain sufficient appropriate evidence for the movements in the prior period error note. This was due to the municipality not being able to substantiate and provide adequate documentation for the errors as per prior period note. Consequently, I was unable to determine whether any adjustments were necessary to the prior period error note

Statement of comparison of budget vs actual

9. The municipality did not accurately disclose the budget and the actual amounts, as required by GRAP 24 Presentation of Budget Information in Financial Statements.

Presentation of budget information in financial statements. The amounts disclosed did not agree to the approved budget and actual amounts incurred and this has resulted in misstatement in statement of financial performance and statement of financial position.

Cashflow

10. The municipality did not prepare the cash flow statements in accordance with the requirements of GRAP 2, Cash Flow Statements. The municipality incorrectly calculated the net cash flow from operating activities, and this resulted in material overstatement of R8,1 million. In addition, the municipality incorrectly calculated the net cash flow from financing activities, and this resulted in material overstatement of R5,3 million

Statement of changes in net assets

11. The municipality did not accurately disclose the statement of changes in net assets in accordance with GRAP 1, Presentation of Financial Statements, as there are error in the statement of changes in

net assets which could not trace to the prior period error note. Consequently, I was unable to obtain sufficient appropriate evidence with regards to the correction of error of R3,7 million in current year and R2,5 million in prior year.

Commitments

12. The municipality did not disclose the accounting policy for accounting for commitments as required by GRAP 1, Presentation of Financial Statements, as the WIP additions do not agree to amounts of expenditure disclosed in determining commitments. In addition, Consequently, commitments disclosed in annual financial statement are overstated by R2,1 million.

Contingent liabilities

13. The municipality did not disclose all the contingent liabilities in accordance with GRAP 19, Provision, as not all the contingent liabilities as per external confirmation were included in the financial statements. Consequently, contingent liabilities disclosed are understated by R2, 1 million.

Segment reporting

14. The municipality did not appropriately disclose segment information as required by the Generally Recognized Accounting Practice (GRAP) 18, Segment Reporting, as the items within the disclosure were incorrect. Consequently, segment information has not been appropriately disclosed.

Corresponding figures

Revenue from non-exchange transactions

15. The municipality did not correctly classify the revenue from non-exchange in accordance with GRAP 23, Revenue from non-exchange transactions, as they reclassified actuarial gain in the comparative amount from revenue from non-exchange transaction to revenue for exchange transaction without the supporting evidence. I was unable to obtain sufficient appropriate evidence on the comparatives for revenue from non-exchange as the adjustment made could not be supported by sufficient appropriate evidence. Consequently, the comparative in revenue from non-exchange is understated by R2,3 million and revenue from exchange are overstated by the same amount.

Context for the opinion

16. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

17. I am independent of the Emalahleni Local Municipality in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

18. I believe that the audit evidence has obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

19. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unauthorized Expenditure

20. As disclosed in note 41 to the financial statements, the municipality incurred unauthorized expenditure of R10,3 million (2020: R21, 1 million) as a result of overspending in the approved budget.

Fruitless and wasteful expenditure

21. As disclosed in note 41 to the financial statements, the municipality incurred fruitless and wasteful expenditure of R6,1 million (2020: R1 5,1 million) as a result of various expenditure which was incurred in vain.

Electricity losses

22. As disclosed in 31 to the financial statements, the municipality incurred electricity losses totalling R4,1 million (2020: R2,2 million)

Responsibilities of the accounting officer for the financial statements

23. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

24. In preparing the financial statements, the accounting officer is responsible for assessing the Emalahleni Local Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

25. My objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

26. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

27. in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

28. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

29. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the municipality for the year ended 30 June

2021 :

Development priority	Pages in the annual performance report
Basic service delivery and infrastructure development	

30. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete,

31 . The material findings on the usefulness and reliability of the performance information of the selected Programme 1 — Basic service delivery and infrastructure development are as follows:

Basic service delivery and infrastructure development

Number of households electrified (202 households electrified in ward 1, 5, 6,7,8,9 and 17 by 30 June 2021)

32. I was unable to obtain sufficient appropriate audit evidence for the achievement of 113 household electrified reported against target of 202 households to be electrified in the annual performance report, due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement

Number of households receiving free basic service electricity (3900 households receiving free basic service (Electricity) by June 2021)

33. I was unable to obtain sufficient appropriate audit evidence to support the measures taken to improve performance against target 3900 as reported in the annual performance report. This was due to limitations placed on the scope of my work. I was unable to confirm the reported measures taken by alternative means. In addition, I was unable to obtain sufficient appropriate audit evidence for the achievement of 3765 households receiving free basic electricity reported against target 3900 household receiving electricity in the annual performance report, due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported measures taken to improve performance and to determine whether any adjustments were required to the reported achievement

Other matter

34. I draw attention to the matter below. Our opinion is not modified in respect of this matter

Achievement of planned targets

35. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year and explanations provided for the under achievement of a number of targets. This information should be considered in the context of the material findings on the usefulness of the reported performance information in paragraph 25 of this report.

Report on the audit of compliance with legislation

Introduction and scope

36. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

37. The material findings on compliance with specific matters in key legislations are as follows:

Strategic and performance management

38. The performance management system and related controls were inadequate as it did not ensure the performance review processes are conducted, organized and managed, as required by municipal planning and performance management regulation 7(1).

Annual financial statements, annual performance report and annual report

39. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected which resulted in the financial statements receiving a qualified audit opinion.

Expenditure management

40. 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 regulation.

41. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R6.1 million, as disclosed in note 41 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 court settlement

42. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the unauthorised expenditure incurred as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorised expenditure was caused by exceeding the budget and weak budgetary controls.

Procurement and contract management

43. Awards were made to providers who were in the service of other state institutions, in contravention of MFMA 112(1) 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 process, as required by SCM Regulation 38(1).

Other information

44. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.

45. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

46. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

47. We did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract auditor's report and re-issue amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

48. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

49. The controls were not operating effectively at the municipality, since the annual financial statements and annual performance report that were submitted for audit contained numerous material misstatements that were not identified by the municipality's system of internal controls.

Auditor- General

East London

01 February 2022



SO'JTHAFRICA

Auditing of build public confidence

Annexure — Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with respect to the selected subject matters.

Financial statements

1. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- ❖ Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

•obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control

❖ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer

❖ Conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Emalahleni Local Municipality ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease continuing as a going concern

❖ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

❖ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion

Communication with those charged with governance

2. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

3. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

6.1.1 Audit Action Plan

Project OPCAR (Operation Clean Audit Report - ACTION PLAN) - 2020/2021P FY Joint Action Item List (JAIL) Date 10-Apr-21 :	Task identified Work in progress		-	-	-	-
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Purpose: The purpose of the JAIL is to track the allocation and status of project actions

EX No.	Finding	Root Cause	Reported in previous years (from)	Reported in previous years	Target Date	Revised Date	Prog %	Responsibility	Department within the Municipality	Action / Remarks	Evidence submitted
1.1	Inventory Consumed Misclassification	This is the results of lack of review of financial statement by Management.	No	No	30-Jun-21		70 %	Chief Financial Officer	Budget and Treasury Office	1. Amend the financial system process flow to include the budget officials to pre-approved the requisitions to eliminate the potential misallocations. 2. Perform the monthly reconciliation between the budget consumption with the general ledger allocation.	
1.2	Non-compliance to S&T policy	Management does not have effective controls around S&T claims	No	No	30-Jun-21		100 %	Chief Financial Officer	Budget and Treasury Office	Management will establish reasonable standards for kilometres for destinations within the province using the most economic routes and include these in the S&T Allowance Policy.	

1.4	Non-submission of information - Expenditure	The non-submission of information was due to the slow response of management to the request for information letter.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management will implement a file plan for all payment vouchers which will include utilizing the electronic document management system to preserve documents for audit purposes.	
2.1	SCM CAATS - Suppliers not declaring interest	Management not properly educating suppliers about the declaration process and it is importance.		No	30-Jun-21		40%	Chief Financial Officer	Budget and Treasury Office	Management will invite suppliers to a workshop to educate them on Municipal Bidding Documents and the importance of the declarations.	
2.2	Local content regulation not considered	SCM office not properly trained on Local Content Regulations		No	30-Jun-21		50%	Chief Financial Officer	Budget and Treasury Office	Management will review all new procurements against the irregular expenditure checklist to ensure full compliance with SCM regulations.	
2.4	Tender not advertised on the Municipal Website	SCM unit did not ensure the advert appears on the Municipal website.	No	No	30-Jun-21		100%	Chief Financial Officer	Budget and Treasury Office	Management will review all new procurements against the irregular expenditure checklist to ensure full compliance with SCM regulations.	

2.7	Non-disclosure of transaction with state employee	Management did not comply with Municipal Supply Management Regulation 45.		No	30-Jun-21		20 %	Chief Financial Officer	Budget and Treasury Office	Management will source the services of verification agencies to test the suppliers listed in the municipal accredited database to ensure accurate disclosure in the AFS.	
2.8	Non-submission: Quotations	Management misplaced the documents.		No	30-Jun-21		75 %	Chief Financial Officer	Budget and Treasury Office	1. The municipality will ensure proper record keeping at all time and in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	
3.1	Unauthorised debit orders - Incorrect accounting treatment	Management did not perform adequate review of annual financial statements to ensure that unauthorised debit order reported as receivables from non-exchange meets the definition of an asset and its		No	30-Jun-21		60 %	Chief Financial Officer	Budget and Treasury Office	Management will develop half-yearly AFS prior to yearend to submit to assurance providers (Internal Audit, Audit Committee, etc) to eliminate material errors in the AFS by providing Pre-Audit Readiness.	

		recognition criteria								
3.2	Unauthorised debit orders – Non-compliance	Review of cash and bank is not done timeously by management to ensure that unauthorised transactions by appropriate municipal official are identified and responded to timeously by management.		No	30-Jun-21		60 %	Chief Financial Officer	Budget and Treasury Office	Bank reconciliations are being prepared on a month basis with the submission of the monthly C Schedule by the 10th working day of the month.
4	Remuneration of councilors	Management did not perform		No	30-Jun-21		20 %	Chief Financial Officer	Budget and	Management will develop half-yearly AFS prior to year end to submit to assurance providers

	presentation and disclosure	adequate review of annual financial statements to ensure that remuneration of councilors note 30 is complete.						Treasury Office	(Internal Audit, Audit Committee, etc) to eliminate material errors in the AFS by providing Pre-Audit Readiness.	
5	Revenue schedules	This is due to management not adequately perform and ensure that reconciliation of revenue accounts is done and is done on monthly or more regular basis.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management will develop half-yearly AFS prior to year end to submit to assurance providers (Internal Audit, Audit Committee, etc) to eliminate material errors in the AFS by providing Pre-Audit Readiness.
6.1	Accuracy Acting allowance	There is lack of adequate review and supervision in ensuring that correct acting allowance		No	30-Jun-21		0%	Director: Corporate Services	Corporate Services	Payroll changes must be performed according to the payroll amendment forms prepared by Director: Corporate Services, Recommended by CFO and Approved by the Accounting Officer.

		has been paid to the employee								
6.2	Terminations Occurrence	Improper filling of documents in human resource department		No	30-Jun-21		0%	Director: Corporate Services	Corporate Services	Human resource management should maintain a file plan to ensure employee files are safeguarded and updates on a regular basis.
6.3	Employee costs - Basic salary reclassification	Municipality does not have an adequate system of tracking supplier declaration of interest.			30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management will develop half-yearly AFS prior to yearend to submit to assurance providers (Internal Audit, Audit Committee, etc) to eliminate material errors in the AFS by providing Pre-Audit Readiness.
6.4	Employee costs - Medical Aid	This is due to inadequate review by management in ensuring that medical aid contribution by the municipality on behalf of qualifying		No	30-Jun-21		80%	Director: Corporate Services	Corporate Services	A detailed implementation plan of the Wage Collective Agreement should form part of the payroll amendments to be actioned on the payroll system.

		employees is accurate.								
6.5	Difference between note of leave accrual and Employee related note	This is due to inadequate review of financial statements and relevant notes to financial statements.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management will develop half-yearly AFS prior to year end to submit to assurance providers (Internal Audit, Audit Committee, etc) to eliminate material errors in the AFS by providing Pre-Audit Readiness.
7.2	Retentions Differences-Accuracy	Inadequate reviews of retentions register.		Yes	30-Jun-21		0%	Director: Infrastructure and Human Settlements	IDHS	Perform monthly updates of retention register
7.4	VAT reconciliations not prepared timeously	VAT reconciliations are not prepared, only journals transferring VAT from the input and output VAT		No	30-Jun-21		80%	Chief Financial Officer	Budget and Treasury Office	Perform monthly Vat Reconciliation as per Treasury MFMA submission calendar

		accounts to the VAT control account are prepared.								
7.5	Non-compliance: VAT returns not filed timeously	Lack of management supervision.		Yes	30-Jun-21		60 %	Chief Financial Officer	Budget and Treasury Office	Perform monthly Vat Reconciliation as per SARS timeable
8.1	Receivables from non-exchange - Property rates	This is due to inadequate review by management relating to debtors book to ensure that all debtors on the book exists		No	30-Jun-21		10 %	Chief Financial Officer	Budget and Treasury Office	Reverse the billing on unregistered properties, reconcile the valuation roll with the Deeds Office Dump & Billing System.
8.2	Receivables from non-exchange transaction - Property rates	This is due to inadequate review of annual financial statements by management to ensure			30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management will develop half-yearly AFS prior to year end to submit to assurance providers (Internal Audit, Audit Committee, etc) to eliminate material errors in the AFS by providing Pre-Audit Readiness.

		that GRAP standards is appropriately applied								
9.1	Differences between FAR and AFS	Incorrect formula in calculations.			30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Develop a GRAP 17 checklist to ensure full compliance with reporting standards and asset management policy
9.2	Non-compliance with depreciation policy	Management did not comply with their policy.			30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Develop a GRAP 17 checklist to ensure full compliance with reporting standards and asset management policy
9.3	WIP; Building not transferred to slow moving assets	Management did not take into consideration the requirements of paragraph 87 of GRAP 17.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Develop a GRAP 17 checklist to ensure full compliance with reporting standards and asset management policy
9.4	Poor Conditions-Indwe Sports field	Management did not perform an adequate conditional assessment of assets during the			30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Develop a GRAP 17 checklist to ensure full compliance with reporting standards and asset management policy

		asset verification.								
9.5	WIP Carrying Amount Differences	The invoices submitted to auditors as supporting evidence for the amounts reflected in the fixed asset register did not add up to the WIP amount.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Develop a GRAP 17 checklist to ensure full compliance with reporting standards and asset management policy
9.7	Accumulated depreciation not taken into account to get CA of Community Assets.	Either the impairment was recognised in prior year but was erroneously recorded as 2019/20 impairment as there is no impairment for community assets in the PPE note, or this impairment was erroneously		No	30-Jun-21	30-Jun-21	0%	Chief Financial Officer	Budget and Treasury Office	Develop a GRAP 17 checklist to ensure full compliance with reporting standards and asset management policy

		omitted in the calculation of the carrying amount in current year fixed asset register.								
9.8	Poor conditions of sports fields	During a physical verification of community assets for existence and prevailing conditions, differences pertaining to conditions were noted by the auditors where a sports field and building therein are rated fair in the fixed asset register but in the		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Develop a GRAP 17 checklist to ensure full compliance with reporting standards and asset management policy

		auditor's judgement the assets are poor and should thus be considered for impairment.								
9.9	PPE - Disposal/de-recognition of assets not approved by Council	Assets were identified after year end and the council meetings for the period were finished.		No	30-Jun-21		33 %	Chief Financial Officer	Budget and Treasury Office	Develop a GRAP 17 checklist to ensure full compliance with reporting standards and asset management policy
10.1	AOPO - Maintenance of gravel roads (Hire yellow plant) 1km in ward 5	There is lack of proper review and preparation of the portfolio of evidence to provide reliable information			30-Jun-21		20 %	Director: Integrated Planning and Economic Development	PEDTA	Quality review of annual performance plans by the internal assurance bodies prior to approval by the Mayor.
10.2	Number of illegal dumping sites cleared	There is lack of proper review and preparation of the APR and linking it			30-Jun-21		40 %	Director: Integrated Planning and Economic	PEDTA	Management to ensure that the APR is supported by portfolio of evidence and the APR is reviewed through the Internal Audit & council structures.

		to portfolio of evidence to provide reliable information						Develop ment			
10.3	Number of Households receiving free basic services	There is lack of proper review and preparation of the APR and linking it to portfolio of evidence to provide reliable information			30-Jun-21		60 %	Director: Integrated Plannin g and Econom ic Develop ment	PEDTA	Management to ensure that the APR is supported by portfolio of evidence and the APR is reviewed through the Internal Audit & council structures.	
10.4	Households receiving free basic services (Limitation of scope)	The limitation is due to managemen t not providing the requested information timely		No	30-Jun-21		60 %	Director: Integrated Plannin g and Econom ic Develop ment	PEDTA	Management to ensure that the APR is supported by portfolio of evidence and the APR is reviewed through the Internal Audit & council structures.	
10.5	Hiring of Yellow Plant and Number of KM of gravel road maintained.	The indicator was not properly reviewed and for consistency and measurability		No	30-Jun-21		0%	Director: Integrated Plannin g and Econom ic Develop ment	PEDTA	Management to ensure that the APR is supported by portfolio of evidence and the APR is reviewed through the Internal Audit & council structures.	

10.6	AOPO - Indigent register incomplete	During the audit we noted that the following households were not included in the Indigent register		No	30-Jun-21		60 %	Director: Integrated Planning and Economic Development	PEDTA	Management to ensure that the APR is supported by portfolio of evidence and the APR is reviewed through the Internal Audit & council structures.	
11.2	Contingent assets materially misstated	This is due to lack of management oversight		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management will develop half-yearly AFS prior to yearend to submit to assurance providers (Internal Audit, Audit Committee, etc) to eliminate material errors in the AFS by providing Pre-Audit Readiness.	
11.5	Understatement of capital commitments	The cause is due to lack of oversight by management		No	30-Jun-21		80 %	Chief Financial Officer	Budget and Treasury Office	Maintain a credible commitment register monthly	
11.6	Completeness of Irregular Expenditure	Lack of proper record keeping identifying and track all irregular expenditure.		No	30-Jun-21		100 %	Chief Financial Officer	Budget and Treasury Office	Maintain a monthly checklist of the irregular expenditure register	
12.1	Rental Debtors - non submission of lease agreements	The cause of the above is due to a lack of controls over the maintenance of financial information		No	30-Jun-21		0%	Director: Corporate Services	Corporate Services	Management should ensure that the filing system is updated to allow for easy access to information. Information should be filed by category and should be sequentially numbered. A database should be maintained to track and locate documentation. All information requested by the Auditor General South Africa should be	

									submitted within the agreed upon timeframes.	
12.2	Rental debtors - Existence	This is due to inadequate review by management relating to debtors' book to ensure that all debtors on the book exists		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management should ensure that there are valid leases in place for all rental revenue billed by the municipality.
13.1	Fruitless and Wasteful Expenditure register different from AFS	Lack of oversight by management		No	30-Jun-21		20%	Chief Financial Officer	Budget and Treasury Office	Maintain a monthly register of Fruitless & Wasteful Expenditure.
13.2	Completeness of Fruitless and Wasteful Expenditure	The cause of the finding is due to lack of oversight by management		No	30-Jun-21		60%	Chief Financial Officer	Budget and Treasury Office	Maintain a monthly register of Fruitless & Wasteful Expenditure.
14.1	Statement of budget and actual: No explanations provided for material variances	Lack of oversight responsibility regarding the preparation of the financial statements.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Prepare a monthly budget vs actual budget comparison with detailed explanations in line with the monthly C Schedule

14.2	Statement of Budget and Actual: Incorrect budgeted amounts disclosed	Lack of management supervision.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Ensure the Budget vs Actual Report is populated directly from the financial system and mapped to the Annual Financial Statements.	
17.1	Reconciling journals not authorized	Inadequate controls to ensure that all adjusting journals have been reviewed and authorized.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management should keep a file of journals duly authorized with supporting evidence attached.	
17.2	Employee costs - Telephone allowance - Occurrence	Improper review of policies by human resource manager		No	30-Jun-21		0%	Director: Corporate Services	Corporate Services	Each policy must have a Standard Operating Procedures (SoP) to ensure appropriate implementation plan.	
17.6	Limitation - Journals	In adequacy of preparation and filing of journals		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Ensure a file of journals duly authorized with supporting evidence is attached to the monthly payroll reconciliations.	
17.8	Employee costs - Appointment list not complete	Improper review of information supporting the annual financial statements.		No	30-Jun-21		0%	Director: Corporate Services	Corporate Services	Maintain a register of list of appointments and terminations and update it monthly.	
17.9	Employee cost - Remuneration for director not	The amount was left out in preparation of annual financial statements		No	30-Jun-21		20%	Chief Financial Officer	Budget and Treasury Office	Management will develop half-yearly AFS prior to yearend to submit to assurance providers (Internal Audit, Audit Committee, etc.) to eliminate	

	completely disclosed								material errors in the AFS by providing Pre-Audit Readiness.	
17.1 0	Employee costs - Accuracy and cut-off-overtime	Management did not suitably apply the accrual basis of accounting in dealing with cut-off for overtime worked.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Prepare a schedule of year end procedures and develop a SoP to ensure accurate reporting.
18.2	Revenue: Metered electricity - Cut-Off	Lack of adequate review by management over billing and revenue recognition		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Revenue disclosure should be based consistent with the Accounting Policy Note, which should enhance the fair presentation of the AFS.
19.1	Revenue - Rental income - Completeness	This was due to the fact that management did not ensure that rental income was correctly classified.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Perform monthly revenue reconciliation between registers, cashbook, and banked amounts to ensure completeness of transactions recorded.

19.2	Revenue - Rental Income	This is due to inadequate supervision by management over rental income and lease agreements.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	1. Maintain a lease agreement with the lease terms to avoid expiration of agreements and timeous renewal options being applied where possible or engaging new tenants timeously. 2. Reconcile the investment property register with the lease contracts to enhance revenue generation. 3. Perform monthly reconciliations of lease transactions to avoid long outstanding debts.	
20	Revenue – Prepaid electricity	The cause of the above is due to a lack of controls over the maintenance of financial information		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Perform a review on the accounting policies to ensure that the policies currently applied are still relevant and appropriate audit evidence can be provided for audit.	
21.1	Incompleteness of bad debts written off schedule and indigent debtors register	Inadequate review of indigent debtor's register		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Reconcile the indigent register to indigent subsidies provided to consumers.	
21.2	Overstatement of Staff bonus accrued	Inadequate review of staff bonus schedule.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Management will develop half-yearly AFS prior to yearend to submit to assurance providers (Internal Audit, Audit Committee, etc.) to eliminate material errors in the AFS by providing Pre-Audit Readiness.	

22	Bulk Purchases-Cut-off	Management did not suitably apply the accrual basis of accounting in dealing with cut-off for bulk purchases.		No	30-Jun-21		0%	Chief Financial Officer	Budget and Treasury Office	Prepare a schedule of year end procedures and develop a SoP to ensure accurate reporting.	
23	Consequence Management: Consequence management issues not timely investigated and finalized.	Management not taking effective steps to timeously follow up on investigations and closing them.		No	30-Jun-21		60%	Municipal Manager	Municipal Manager	Develop an MPAC Process Plan to deal with the pending investigations on UIFW expenditure prior to yearend.	
							0%				

CHAPTER 7 – APPENDIXES

Appendix A: Councillors; Committee Allocation and Council Attendance

List of Councillors	Political Party	Ward Representing	Number of Council meetings held (including specials)	Number of Council meetings attended
1. Thozama Mrwebi	ANC	1	13	9
2. Tobeka Sixishe	ANC	1	13	11
3. Nolisini Kama	ANC	2	13	10
4. Nokwandisa Ziduli	ANC	2	13	10
5. Xolela Njadu	ANC	3	13	8
6. Nomzi Tyulu	ANC	4	13	10
7. Lumka Mapete	ANC	4	13	10
8. Siyabulela Bongo	ANC	5	13	2
9. Nontombizanele Koni	ANC	6	13	12
10. Sibha Liwani	ANC	6	13	10
11. Sipho Zama	ANC	7	13	08
12. Dumisa Kalolo	ANC	7	13	12
13. Nosibulelo Nqono	ANC	8	13	10
14. Fundiswa nkuzo	DA	10	09	5
15. Linda Fatyela	ANC	9	13	09
16. Zoyisile Moshani	ANC	10	13	11
17. Badikazi Twala	ANC	10	13	9
18. Zolile Feni	DA	10	13	05
19. Kwaaiman Mjezu	UDM	10	13	9
20. Thembi Mondile	ANC	11	13	09
21. Thandeka Kulashe	ANC	11	13	10
22. Mxolisi Oyiya	DA	11	13	08
23. Zenzile Mahola	EFF	11	13	7
24. Thandiwe Ndlela	ANC	12	13	10
25. Nowandisile Kraqa	ANC	13	13	8
26. Nolitha Lali	ANC	13	13	12
27. Mncedisi Qomoyi	ANC	14	13	09
28. Ncedisa Mtyobile	ANC	14	13	10
29. Fumanekile Mthandeki	DA	14	13	09
30. Peter Greyling	DA	14	13	5
31. Lizo Paul	ANC	15	13	09
32. Mcebisi Limba	ANC	15	13	10
33. Makhosandile Makatesi	ANC	16	13	10

Traditional Leaders participating in Council

Traditional Leaders, Committees Allocated and Council Attendance					
Members of Traditional Leadership	Full Time / Part Time FT/PT	Committees Allocated	*NUMBER OF MEETINGS	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
1. Mr Koto	PT	EDTA	6	85%	15%
2. Mr DP Siyolo	PT	BTO	2	42%	58%
3. Mr T Mani	PT	IDHS	3	42%	58%
4. Mr M Kali		IDHS	4	50%	50%
5. Mr M Kamteni	PT	Community Services	4	64%	36%
6. Mr Lwanyana	PT	MPAC	3	57%	43%
7. Mr Gungqa	PT	Governance	2	50%	50%

7.2 Appendix B: Committees and Committee Purposes

List of Committees of Council	Purpose of each committee	Names of Councillors serving in each committee	Number of Committee meetings held	Number of Committee meetings attended
1. Executive Committee	To consider the issues from Standing Committees for effective and efficient performance of functions and exercising of its powers	1. N Koni 2. T Kulashe 3. N C Lali 4. S Limba	15 15 15 15	15 13 12 12

List of Committees of Council	Purpose of each committee	Names of Councillors serving in each committee	Number of Committee meetings held	Number of Committee meetings attended
		5. S Liwani 6. N Mtyobile 7. M Oyiya	15 15 15	13 12 9
2. PEDTA Standing Committee	To consider matters related to the LED KPA and recommend to the Executive Committee	1. Cllr Mtyobile 2. Cllr T Ndlela 3. Cllr X Njadu 4. Cllr T Mondile 5. Cllr BP Twala 6. Mr Koto	04 04 04 04 04 04	04 04 02 03 02 01

3. BTO Standing Committee	To formulate recommendations to the Executive Mayor (Mayoral Committee) on financial matters. As an Operational Committee the scope of these financial matters would include considerations of the financial position of Council in terms of the budget from an accrual as well as a cash flow perspective, including inter alia the following –	1. M Limba	04	04
		2. CH Bobotyana	04	02
		3. T Sixishe	04	03
		4. MP Oyiya	04	03
		5. LA Fatyela	04	02
		6. N Ngono	04	04
		7. DP Siyolo	04	01
4. Infrastructure Development and Human Settlement	To consider and to make recommendations on all matters affecting the civil engineering and electrical infrastructure, associated designs and mechanical and scientific	1. NC Lali	04	04
			04	04
		2. N JAMES	04	03
			04	02
		3. N Kama	04	03
			04	01

List of Committees of Council	Purpose of each committee	Names of Councillors serving in each committee	Number of Committee meetings held	Number of Committee meetings attended
Standing Committee	services, including inter alia the following – Air pollution; Electricity and gas reticulation; Municipal airports; Municipal public works Storm water management systems; Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal Municipal public transport systems; Cleansing; Municipal roads; Refuse removal, refuse dumps and solid waste disposal; Street lighting; and Traffic and parking Fleet management and maintenance Scientific services Built environment with the exception of town planning building control	4. M Qomoyi 5. S.E Zama 6. NP Mzandisi 7. M Kali	04	00
5. Corporate Governance Standing Committee	To consider and to make recommendations to the Council on the measures necessary including inter alia the following – • Industrial relations matters, including to investigate questions relating to job evaluations and the submission thereof to the Industrial Council and to consider measures relating to Conciliation Boards and Industrial Court hearings	1. Cllr T Kulashe 2. Cllr S Bongo 3. Cllr L Paul 4. Cllr N Tyulu 5. Cllr NKUZO 6. Cllr K Mjezu 7. Mr Gungqa	04 04 04 04 04 04 04	04 00 04 04 02 02 01

List of Committees of Council	Purpose of each committee	Names of Councilors serving in each committee	Number of Committee meetings held	Number of Committee meetings attended
	• Manpower planning • Recruitment, selection, remuneration,utilization and development of staff; • Occupational Health and Safety and Industrial Health services; • Productivity in the municipal workforce • Training and staff development; • Employment equity and skills development • Employee performance; • Information and technology support services; • Contract management and negotiations in respect of salary increases and fringe benefits; • Measures required in respect of the avoidance of strike and other conflict actions; • Policy regarding the appointment of Directors, General Managers and Heads of Departments and confirmation of their appointments; and facilities management.			
6. Community Standing Committee	To consider and make recommendations to the Mayoral Committee on in respect of all environmental services matters as provided for in any relevant legislation and all community matters; to consider all matters under the control of the	1. S Liwani 2. P Greyling 3. N Ziduli 4. ZD Mahola 5. T Mrwebi 6. M Kamteni	04 04 04 04 04 04	03 02 04 02 04 02

List of Committees of Council	Purpose of each committee	Names of Councillors serving in each committee	Number of Committee meetings held	Number of Committee meetings attended
	Director of Community Services, including inter alia the following – • Childcare facilities; • Pontoons, ferries, • jetties, piers and harbours [excluding the regulation of international and national shipping and matters related thereto]; • Beaches and amusement facilities; • Cemeteries, funeral parlours and crematoria; • Fencing and fences; • Local amenities; • Local sports facilities • Municipal parks and recreation • Public places; • Horticulture; • Libraries; • Halls; and Community Support Centres.			
7. Municipal Public Accounts Committee	The purpose of the Municipal Public Accounts Committee is to strengthen the oversight arrangements in the municipality and to ensure the efficient and effective use of municipal resources. Consider and evaluate the content of the annual report and make recommendations to Council when adopting an oversight report on the annual report as required in terms of section 121 of the Local Government: Municipal Finance management Act and Circular no 32 issued by the Minister of Finance	1. Cllr L Mapete 2. Cllr N Kraqa 3. Cllr Z Moshani 4. Cllr M Mthandeki 5. Cllr M Makatesi 6. Mr AT Lwanyana	07 07 07 07 07 07	07 07 07 06 06 02

List of Committees of Council	Purpose of each committee	Names of Councillors serving in each committee	Number of Committee meetings held	Number of Committee meetings attended
8. IDP and Budget Steering Committee	The Budget Committee will fulfil the following Operational functions. - Budget Management - Revenue (Including Tariffs Expenditure) - In-year Financial Reporting - Control Measures of Budget Implementation - Monitoring and Budget Progress - Budget Implementation It must be emphasized that the interface with the IDP, Budget Strategy. and Performance Management Committee is central to the achievement of delivery objectives and must be closely monitored	1. N Koni 2. NC Lali 3. T Kulashe 4. S Liwani 5. N Mtyobile 6. M Limba	13 13 13 13 13 13	13 11 11 11 12 11
9. Training Committee	To play an oversight role on capacity building of municipal workforce, councillors and the community	1. T Kulashe 2. DS Kalolo 3. NC Lali	02 02 02	03 02 01
10. Local Labour Forum	To make recommendations to the Mayor pertaining to the formulation of policies, strategies and programmes aimed at increasing equity for vulnerable marginalized or special interest groups, with specific focus on: Young people, the aged, the disabled, gender-related issues, special projects.	1. N Lali 2. T Kulashe 3. BP Twala	01 01 01	00 01 01
11. Rules Committee	To determine the standing rules and orders of procedure for the Council.			
12. Remuneration Committee	To examine information provided to the Committee dealing with the total remuneration package of all Section 56	1. Cllr N Nyukwana	02 02	02 02

List of Committees of Council	Purpose of each committee	Names of Councillors serving in each committee	Number of Committee meetings held	Number of Committee meetings attended
	Managers including the Municipal Manager.	2. Cllr D Kalolo 3. Cllr T Kulashe 4. Cllr M Limba	02 02	02 02
13. Audit Committee	The primary purpose of the Audit Committee is to assist the Council discharge its responsibility in maintaining and applying appropriate accounting and financial reporting processes and procedures as well as maintaining effective risk management and internal controls.	The Audit committee does not have Councillors serving as members. Councillors attend as invitees.		
14. Occupational Health and Safety Committee	To ensure Health and Safety of employees and visitors to the municipality.	1. T Kulashe		

ANNEXURE C – THIRD TIER ADMINISTRATIVE STRUCTURE

Manager: IDP and PMS

Mrs N Ncedo

Chief Audit Executive

Mr A Pika

Acting Unit Manager: Dordrecht

Mr Z Mbotyi

Unit Manager: Indwe

Mr M. Nziweni

Manager: Community Services

Mr Z Mzileni

Manager: Public Safety

Mr O. Ndyumbu

Acting Manager: Supply Chain Management

Ms N Mzwana

Manager: Income and Expenditure

Mr A Zindlu

Manager: Financial Reporting and Asset Management

Mr M Madikizela

Manager: Project Management Unit

Ms Onke Ngacu

Manager: Electricity

Mrs Y Casa-Maselana

Manager: Information and Communication Technology

Mr P Matinisi

Manager: Local Economic Development

Mr. M. Tikana

Manager: Human Resources

Mrs M Swayena

Manager: Legal Services and Administration

Ms N Sehoshe

Manager Operations

Mr L Teku

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

The municipality has no entity

APPENDIX E – WARD REPORTING

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 reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
1	Cllr. T Mrwebi	Yes	12	12	4
	Zukiswa Gatyeni				
	Xola Patrick Mhi				
	Zandiswa Laho				
	Nomzamo Makeke				
	Thembelani Sabongo				
	Siyabulela Mgca				
	Andiswa Mtwana				
	Nonzaliseko V Dweni				
	Mpumelelo Mafilika				
	Bukiwe Mgwebi				
2	Cllr. N Kama	Yes	12	12	4
	Nosandla Ngxakatha				
	Pumeza Ndika				
	Nobonanye Mnxulwa				
	Kanafana Mbuzeli				
	Reli Tezapi				
	Nokubonga M. Songo				
	Bavile Fanavele				
	Nomutile Ngesi				
	Ntombintle Matheza				
	Ntombesihlanu Skoti				
3	Cllr. X Njadu	Yes	12	12	4
	Mluleki Ndindwa				
	Bongani Khohli				
	Singatwa Malotana				
	Nokubonga Nkwetshna				
	Nosicelo Dyasi				
	Nombalela Roji Zanga				
	Ellias Roro				
	Morris Ndibi				
	Nicholas Gwebecimele				
	N.V Lwanyana				
4	Cllr. N Tyhulu	Yes	12	12	4
	Nowethu Xiphu				
	Nomkhitha Mbolompo				
	Vuyelwa Virginia Jacob				
	Vuyo Kelembe				
	Thobeka Gloria Litch				
	Ncumisa Nonambane				
	Mandlakazi Tyatyeka				

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 reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Siphiwo Adonis				
	Zoliswa Penxa				
	Namhla Lubala				
5	Cllr. S Bongo	Yes	12	12	4
	Yoliswa Madolo				
	Nomzi Zibi				
	Makhwenkwe Noji				
	Funeka Magqazana				
	Peggy Mangali				
	Noludwe Jack				
	Nosithile Mkula				
	Zuzeka Sineyi				
	Nothobela Mtwebana				
	Siphiwo Mphungu				
6	Cllr N James	Yes	12	12	4
	Lucas Yapi				
	Thamsanqa Mpikampi				
	Fatima N. Kibido				
	Bongani Magwa				
	Kindelwa Biso				
	Nobengezi Khundulu				
	Zingisa Ntsimango				
	Nowethu Juwele				
	Nomathemba P. Ntsali				
	Noxolo Mapiliba				
7	Cllr S Zama	Yes	12	12	4
	Vuyokazi Macithi				
	Monwabisi Tyawana				
	Gcobani Hoho				
	Nomnikelo Mbolompo				
	Ncebakazi Ngashe				
	Phumeza Bheki				
	Nobomi Nakho				
	Nokwakha Bota				
	Mvuzo Ngemntu				
	Noluntu Soko				
8	Cllr N Nqono	Yes	12	12	4
	Ntobeko Siko				
	Nkosinathi Guda				
	Gloria Magwebu				
	Zibele Buti				
	Nokubonga Koti				
	Fundiswa Menye				
	Noyedwa Jaxa				
	Nomakhaya Xaluva				
	Mthethunzima Mlonyeni				
	Nonasile Mpandle				

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 reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
9	Cllr L Fatyela	Yes	12	12	4
	Nokubonga Qampi				
	Mankayi Nontembiso				
	Nozuko Hondwana				
	Thanduxolo Ngesi				
	Vuyokazi Matholengwe				
	Nonkululo Mdivas				
	Phathiswa Ngxazisa				
	Nolulamile Davani				
	Nomthunzi Kibido				
	Nomawethu Ntsomi				
10	Cllr Z Moshani	Yes	12	12	4
	Mandlakapheli Kuku				
	Thembisile Gcuze				
	Nosango E. Mayika				
	Nolisten Pistoli				
	Ntombekhaya Sijaji				
	Thamsanqa Qwanya				
	Nosango Sijaji				
	Thandi Mathamba				
	Nobathembu Nqumashe				
	Thobeka Qoko				
11	Cllr T Mondile	Yes	12	12	4
	Thozama Mtshayi				
	Lindelwa Roro				
	Raymond Masiza				
	Lungiswa Fasi				
	Mayekiso Phuthuma				
	Thobile Musina				
	Vuyokazi Bobotyana				
	Nokuphumla Tyalimpi				
	Makatso Tsulo				
	Vuyani Ngalo				
12	Cllr T Ndlela	Yes	12	12	4
	Namfazi V. Nikani				
	Zukiswa Peter				
	Bongani Xambela				
	Ngeteni Lungu/Lurafu				
	Xoliswa Mbombo				
	Nomvula Jama				
	Nobekephi Mlungu				
	Bulelwa Ntunja				
	Nomonde Mbobosi				
	Zwelandile Tukayi				
13	Cllr N Kraqa	Yes	12	12	4
	Vusumzi Matyobeni				
	Mandlenkosi Tonti				
	Noluntu Vena				

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 reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Nosamkelo Topuko				
	Zolile Mfiki				
	Nophumzile Mntubu				
	Phumeza Sandra Ntsomi				
	Neliswa V. Boo				
	Thembisa Sese				
	Frank M. Manyonga				
14	Cllr M Qomoyi	Yes	12	12	4
	Nophakamisa C. Bomvana				
	Fezeka Makatesi				
	Nosakhele Ceki				
	Nosakhele Beko				
	Nobahle Nkuzo				
	Siphokazi Maratana				
	Ntombesizwe Siyoko				
	Buyiswa Singeni				
	Lemakatso Siyoko				
	L.P Buyeye				
15	Cllr L Paul	Yes	12	12	4
	Albertina Kalimashe				
	Allen S. Duda				
	Ndumiso Bengo				
	Nomvume Memani				
	Bukiswa Beyonce Joko				
	Phuthumile Sam				
	Rabecca Sondara				
	Chasiwe Makeleni				
	Phumeza Mtyhobile				
	Vulindlela Mbili				
16	Cllr M Makatesi	Yes	12	12	4
	Sibongiseni Alakhe Rilityane				
	Thumeka Yoyo				
	Nolizwi Bathembu				
	Nompelo Duda				
	Malibongwe Gura				
	Nomvuko Ntantiso				
	Zibonisile Maxaku				
	Zoliswa Khuselo				
	Nosiphiwo Gono				
	Nkohla Peter				
17	Cllr C Bobotyana	Yes	12	12	4
	Nobayeke Sulo				
	Luvuyo Vellem				
	Maqhuma Ntamnani				
	Nokwanda Menziwa				
	Mandithini Mhlambiso				
	Nokuzola Litye				
	Khangelwa Mtonono				

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 reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Nokhwezi Galatya				
	Nosasindile Hemene				
	Potlololo Matiwane				

Appendix F: Ward Information

WARD	ISSUES RAISED
1	1. Access and Main Roads- Fezekile JSS, Tsolokazi, Hlathikhulu, Nklonga, Rodana, Rwantsana and Emakhumen, Mphothulo, Qithi 2. Water 3. Fencing of Farming land - all villages 4. Community Hall / Pay Points - kuTshatshu 5. Shearing Shed- Tshatshu
2	1. Fencing all agricultural land 2. Sanitation- (remaining villages –) 3. Completion of water at Njombela 4. Access Roads- all villages 5. Water catchment Dams – desilting and construction
3	1. Electricity 2. Water and Sanitation 3. Storm Water 4. Access Roads- all villages and Madwaleni SSS, Greyspan Deeping Tank 5. Dam Desilting
4	1. Roads (Cacadu & location) 2. Water (household taps) 3. Hall / Pay Point 4. Bridge (foot bridge @ location, Revamp Old Bridge, Bongolwethu small river fenced 5. Streetlights (light globes at Lady Frere CBD, Street lights –Darala Street)
5	1. Water & Sanitation 2. Sports Grounds- All villages 3. Eradication Alien Plants 4. RDP Houses (per household) 5. Storm Water- all villages
6	1. Bridges and Colbert 2. Xonxa Aqua Cultural and Tourism Centre 3. Water and Sanitation– Xonxa, Gqebenya, Dlamini, Sokolani, Matyhantya. 4. Access Roads – Maqolombeni Road, Noshumi, Sokolani, Emazimeni Road to School and Clinic, Road to Ikhala FET College. 5. Fencing -Fields, Grazing camps in all villages including Xonxa Dam.
7	1. Water and Sanitation 2. Access Roads and Causeways- all villages and Tambekeni 3. Electricity Extensions and Infills 4. Qoqodala Shearing Shed 5. Annual Tournament
8	1. Water (all villages) and Sanitation – Eluxeni, Deep Level, JOJO, Vaal Bank 2. Electricity extensions 3. Access Roads- District Roads 4. Shearing Shed - Ngonyama 5. Youth Empowerment Projects

WARD	ISSUES RAISED
9	1. Access Roads (all villages) and causeways 2. Water and Sanitation- Zwelitsha as well as Backup Borehole 3. Youth Skills Programs 4. Upgrade of Bridges – Gantsho and Bridge to Sizamile School 5. Shearing Shed. Thozamisa, Qimbu, Dumdum
10	1. Bridge – Fini, Mcwangele, Ngcalasini, Mission (footbridge) 2. Access Roads, Mayirheni Road, Upper Bhakisi, Raqu 3. Toilets – Mmangweni, Maqwathini, Ezisoyini / Ngcalasi, Bankies/ Buffersdorings, 4. Fencing for Agricultural Land 5. Five Tractors
11	1. Maintenance of tarred road 2. Streetlights for Harry Gwala / Zwelethemba 3. Zwelethemba 289 project 4. Farmer Support (feedlot, animal handling facility with deep) 5. Art center
12	1. Water and Sanitation - Mt Arthur school, All villages and other schools 2. Access Roads 3. Bridges - all villages' 4. Shearing Sheds 5. Storm Water
13	1. Access and Main Roads – all villages 2. Bridges and causeway – all villages 3. Water and Sanitation – Taleni, Gadlume, Helushe, Tshamazimba, Luxeni, Platkop, Mkhaphusi, Gxojeni. 4. Sports Ground (central in the ward) 5. Machubeni Dam desilting and fencing
14	1. Access Roads- Mangweni to Nkalweni, Zwelitsha, Sosebenza, Mgqobozi, Nqonti to Tafeni, Nxomfu to Zola, crossway tafini to Sosebenza 2. Hall / Pay Point - Umhlanga Location 3. Dordrecht Art Centre 4. Electricity Extensions and Infills 5. Preschool- Mrhosheni and preschools in the rest of the ward
15	1. Manyano water upgrade 2. Water and Sanitation 3. Storm Water and channels 4. Access Roads- all villages 5. Shearing Shed – Luphaphasi
16	1. Water and Sanitation (Nkenkulu 15, Upper mgwalana 120, Chibini and Spirito 20, Guba Hook, Vukani, Indwe town.) 2. Electricity Extension 3. Shearing Shed 4. Tar Road from Indwe to Lady Frere 5. Storm Water
17	1. Water and Sanitation- Lower Maqhashu, Bhakubha, Ngcuka, Ngqoko, Zigqubeni 2. Shearing Shed - Zingqolweni, Bhakubha, 3. Access Road- All villages (construction of Jinginja vs. storm water impact) 4. Storm Water- All villages'and graveyards 5. Community Hall – Ngcuka

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2020/2021

Management has updated progress on the implementation of Audit Committee resolution and level of implementation as follows:

Detail summary of resolutions and progress to date:

a) Detail summary of resolutions that were implemented and in progress:

DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
AUDIT COMMITTEE MEETING HELD 21 OCTOBER 2016							
21/10/2016 16/02/2017	AUD 21/10/2016 ITEM NO. 7.1	SCOPE OF THE ANNUAL AUDIT (AUDITOR GENERAL STRATEGY) It was Resolved THAT: 1. The Annual Scope of the Annual Audit be presented to the Audit Committee prior commencement of the audit.	1. Auditor General to present the Annual Scope of the Audit prior commencement of the audit.	MUNICIPAL MANAGER/OFFICE OF THE AUDITOR GENERAL	1. Did not happen in 2016/17 but management to make sure it happens in 2017/18 2. AG have been invited to the meeting to present the Audit Strategy for 2017/18 Audit 3. AG presented their Audit Strategy for 2017/18 Audit	1. 25 April 2018.	IMPLEMENTED

DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
24/01/2017 /11/2017	AUD 24/01/2017 ITEM NO. 7.1	OVERVIEW OF THE MUNICIPALITY It was Resolved THAT: a) The Municipality should consider making use of outside backups like Banks and Safety Chains for laptops.	1. The Audit Committee recommends to Council to note the report that during the Second Quarter of 2016/17 fiscal year, the Municipality is financially sound, administratively and politically stable. 2. The Municipality should consider making use of outside backups like Banks and Safety Chains for laptops.	AUDIT COMMITTEE/DIRECTOR CORPORATE SERVICES	1. Safety chains will be issued with the new replacement laptops that have been procured. A solution for the old laptops that will not be replaced has to be provided. 2. backups external service provider for offsite backup? 3. New laptops have been received and laptops have been issued with safety chains	25/04/2018.	IMPLEMENTED
21/04/2017 16/11/2017	AUD/21/04/2017 ITEM NO 5.2	MATTERS ARISING FROM THE MINUTES AND RESOLUTIONS	1. Manager Legal Services/Director Corporate Service to give update on the remaining R68 033 to be recovered from Mr Mkuyana.	DIRECTOR CORPORATE SERVICE S/CFO/TREASURY	Council approved the write-off of the Debt from Mr. Mkuyana due to recoverability since he is unemployed but recommended that management continues to try and recover. Management had instructed the lawyers to get a court order to attach Mkuyana assets. Mr. Mkuyana Assets were attached but the auction that was held did not yield any results	26 JULY 2017 February 2018	IMPLEMENTED

DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
21/04/2017 16/11/2017	AUD/21/04/2017 ITEM NO 8.3.1	REPORT ON DISPOSAL OF OLD RECORDS	1. Records Practitioner to be taken for training 2. Director to give update in this regard	DIRECTOR CORPORATE SERVICES	Two Officials have been to training but the Senior Practitioner still needs to attend advanced training. This training will be moved to first quarter of the next financial year. Records Practitioner did not go to advanced training because of budget issues. Budget Constraint continues to be the challenge but Senior Records Practitioner has attended a free workshop by the Auditor General and other forums by the provincial DSRAC	26 JULY 2017 27 February	IMPLEMENTED
AUDIT COMMITTEE MEETING HELD 16 November 2017							
16/11/2017	AUD/16/11/2017 ITEM NO 9.1	Communication on Old Records for Disposal Internal Audit should meet with Corporate Services and provide recommendations with regards to disposal of old records The Municipal Manager proposed that the Chief Audit Executive should submit the item on old records to Management	1. Internal Audit should meet with Corporate Services and provide recommendations with regards to disposal of old records 3. The Municipal Manager proposed that the Chief Audit Executive should submit the item on old	CAE/Corporate Services	Corporate Services have boxed all old records older than 2007 and send to archiving for disposal as they can't reference these since there was no filing system then. Corporate Services to collect all the record for after 2007 from all the directorates to dispose of. A list was sent to archives and a certificate was issued. A list that was approved by Archives was submitted to Internal Audit (Verification of list versus documents still highlights discrepancies that were communicated to Corporate Services Director and Records Section The list was corrected and submitted to Provincial archives, a certificate was issued for disposal and records were disposed as such	7 February 2019	IMPLEMENTED
AUDIT COMMITTEE MEETING HELD 28 February 2018							
28/02/2018	Item 9.5 IA Tracking tool	LED Report	2. Director to provide report to IA or disagreement becomes finding not addressed		Director Planning discussed with CAE and resolved to update action on how to address findings as the old report could not be located. The update of the action was only received on the eve of this meeting	30 JUNE 2018	IMPLEMENTED
28/02/2018	Item 10 Internal Audit evaluation	Assessment by Audit Committee	1. The Committee resolved that the assessment tool that has already been adopted by Council should be used. 2. Internal Audit is requested to distribute the assessment tool to the Audit Committee members and put it as a part of the pack in the next meeting		Assessment tool distributed on 24 April 2018	25 April 2018	IMPLEMENTED
AUDIT COMMITTEE MEETING HELD 25 APRIL 2018							

DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
25/04/2018	Item 6.1	Section 71 Report	a) The Audit Committee takes cognizance of the 2017/18 third term Budget and Performance Assessment as tabled in terms of Section 72 of the Municipal Finance Management Act. b) The Audit Committee notes that Revenue, excluding Transfers (Grants), underperformed by 6% when compared to the Budget and a downward adjustment on underperforming Revenue streams may be necessary. c) The Audit Committee note that the operating expenditure was 6% below the budgeted amount at the end of March 2018. d) The Audit Committee note that Capital Expenditure e) The Audit Committee note that the overall spending on MIG grant. The Audit Committee to take note that the collection rate was 34% on the outstanding balances for Municipal Rates and services as at end of March 2018.	CHIEF FINANCIAL OFFICER	Management has implemented all the resolutions	30 June 2018	Implemented

DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
25/04/2018	Item 6.2	Section 62 Report-Irregular Expenditure-SCM	(a) The Audit Committee notes the report on the Supply Chain Management performance for the 3rd quarter of the 2017/2018 financial year. (b) The Audit Committee notes that the bids awarded between R 30 000-R 200 000.00 during the 3rd quarter that amount to R1 042 445.20 (c) The Audit Committee notes that the bids awarded above R 200 000.00 during the 3rd quarter that amount to R11 533 050.92 (d) The Budget and Treasury Standing Committee notes the progress made in the implementation of the procurement plan during the 3rd quarter of the 2017/2018 financial year. (e) The Audit Committee notes that there was a deviation to Utilities World was appointed during 3rd quarter for the provision of pre-paid electricity vending. (f) The Audit Committee notes that there was no irregular expenditure as per section 32 of the MFMA for quarter three 2017/18. The Budget and Treasury Standing Committee notes the progress on contract management during the 2nd quarter of the 2017/2018 financial year.	CHIEF FINANCIAL OFFICER	Management has implemented all the resolutions	30 June 2018	Implemented

DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
25/04/2018	6.4	6.1 Progress report on Adopted AG Action Plan 2016/17	(a) Audit Committee note the update on the implementation of the 2016/17 audit action plan. (b) Audit Committee note that the Audit Action Plan is currently at 90% of findings having been resolved. (c) Audit Committee note that Action owners need to provide POE's for their action in order to be rated and also for Audit Purposes.	All Directors	Audit Action plans were implemented and but there were still issues of inadequacies, inconsistency on reporting of performance information	30 June 2018.	CLOSED AND FOCUSED ON 2017/18 PLAN
25/04/2018	7.1	Overview of the municipality and Report on any Fraud or any financial irregularities.	(a) The Audit Committee noted the report on the Municipality Political Administrative overview of the second quarter. (b) The Audit Committee would like to express the importance of stability in the municipality. (c) And appreciate the Councils acknowledgement of the progress made in the administration under the guidance of the current Municipal Manager and Directors. (d) There's no fraud or any financial irregularities incurred during the second Quarter of 2017/2018 financial year.App	CHIEF FINANCIAL OFFICER	No further action needed as the report was for noting and accepted by the Committee	30 June 2018	implemented

DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
25/04/2018	8.1	MINUTES OF THE RISK COMMITTEE MEETING	(a) The Audit Committee took note of the meeting held by the Risk Committee. (b) The Audit Committee noted the minutes of the Risk Register.	All Directors	No further action needed as the report was for noting and accepted by the Committee	30 June 2018	Implemented
25/04/2018	9.1	Report on SCM 2017/18	(a) Management should ensure that contracts /service level agreements for tenders awarded are signed by relevant officials on time. (b) Management should ensure that all policies are properly reviewed for updates in legislation and regulations (c) Management should ensure that all procedure manuals and complimenting checklist are developed in consistency with the approved policies, legislation and regulations (d) Management should put procedures in place to ensure that invoices are signed and dated as evidence of goods and services received in good order.	CHIEF FINANCIAL OFFICER	Management has implemented all the resolutions	30 June 2018	Implemented
25/04/2018	9.2	Internal Audit Tracking Tool	(a) A Tracking Tool has been developed by Internal Audit to ensure that all their reported matters are being addressed. (b) Matters identified on the LED Report will be re-addressed and reviewed by Internal Audit (c) Findings and actions by management must be addressed	All Directors	Tracking Document still being updated Tracking tool has been developed and followed up (Included in the AC agenda)	30 June 2018.	IN PROGRESS Implemented

DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
25/04/2018	9.3	Progress report against the Internal Audit Plan	(1) Audit Committee notes that progress to date is 88% (2) Audit Committee notes that there were two projects that were planned for the quarter but were not executed due to resource constraints and congested municipal Programme.	All Directors	Two projects that were outstanding will be reported in the next Audit Committee meeting. Asset management report was subsequently presented to AC in August	30 June 2018.	IMPLEMENTED

RESOLUTION REGISTER-PERFORMANCE AUDIT COMMITTEE MEETING HELD 16 NOVEMBER 2017							
16/11/2017	ITEM 7	Status of Audit by Auditor General 1. Management should note all the findings in performance information as well as the limitation of scope and ensure they are eliminated. 2. The final draft report will be discussed in East London at the office of the Auditor General	To develop action plans to address AG Findings	All directors	Final report was received at the end of November 2017 AG action plan was tabled to council in December 2017	27 February 2018	IMPLEMENTED

16/11/2017	ITEM 8	EC Treasury Assessment of AC and IA 1. CAE to follow up on CIGFARO to respond in writing 2. Timeframes for the assessment of internal audit by audit committee to be communicated in November	CAE to request response in writing from CIGFARO Audit Committee to decide on the date for IA assessment	Chief Audit Executive/ PAC Chair and AC chair	Response in informal writing was obtained via email where CIGFARO CEO confirmed receipt of request and claims he responded by saying they cannot get involved as they would compromise their role. We cannot obtain the initial written response as the former CAE email account was deactivated. Audit Committee did their own assessment of Internal Audit.	27 February 2018	IMPLEMENTED
16/11/2017	ITEM 9	Quarter one PMS report 2017/18 a) The municipality to address those gaps where there are disagreements between Internal Audit and Directorates. b) There should be actions provided for non-achievement.	Management to address incorrect POE submissions	All Directors	Management have reduced the amount of incorrect information contained on PMS Files	27 February 2018	IMPLEMENTED
PAC Meeting on 27 February 2018							

25/04/2018	ITEM 6	Resolution register (Review of 2017/18 SDBIP) a) The municipality could not control the process for the amendment of the IDP, as the MEC has 30 days to approve.	A follow-up to be conducted.	Municipal Manager	The IDP has been amended by the Council and request for approval to the MEC has been submitted	30 May 2018	IMPLEMENTED
25/04/2018	ITEM 10	Assessment of Internal Audit Activity 2016/17 a) The Audit Committee to conduct the assessment of the IAA	Audit Committee to complete the assessment form.	Audit Committee	Assessment Forms have been completed by the Audit Committee	30 June 2018	IMPLEMENTED
25/04/2018	ITEM 11	Attendance of members from 1 June 2015 a) The Audit Committee term ends 30 May 2018	Council to decide on the way forward, whether to renew the contracts or advertise the positions.	Municipal Council	Audit committee members were offered a 3-month extension until 31 August 2018.	30 June 2018	IMPLEMENTED

AUDIT COMMITTEE RESOLUTIONS 2018/19							
23/08/2018	ITEM 5.2	Resolution's register	Resolutions register to be updated with all the resolutions	CAE Municipal Manager	Resolution's register has been updated with all the resolutions	27 Febr uary 2018	IMPLE MENTED
13/12/2018	ITEM 5.2	Comprehensive PMS report	During the adjustment period all documents to be amended and be aligned to the IDP. Misalignment to be rectified during the budget adjustment process	Municipal Manager Director PEDTA All directors	IDP and SDBIP were aligned and signed. Misalignment was corrected at adjustment time		IMPLEMENTED
13/12/2018	ITEM 6.1	Audit Action Plan	• That all audit committee members to be involved in the audit and audit reporting process. • Audit action plan report not to be submitted to council until all actions on findings raised have been reviewed by management. • Final audit action plan to be submitted on the next audit committee meeting • Audit action plan to be forwarded to audit committee members for comments	CAE Municipal Manager All Directors	The workshop was held on the 13/03/2019. Final Audit Action Plan was communicated to the AC by the 31 March 2019.		IMPLEMENTED
27/02/2019	ITEM 6.1	Cascading and AOP	• Adjusted SDBIP to be submitted to Council for approval • Update on the cascading of performance and the draft incentive framework be submitted on the next AC Meeting • Workshop on AOPO and Program listing to be held after 15 March	All Directors, AMM and CAE	Workshop on AOPO was held on 25 March 2019. Adjusted SDBIP was submitted to Council. An Implementation and Plan and process manual have been drafted for Executive Management and submitted to Audit Committee	31 May 2019	IMPLEMENTED
	Item 7.1	Report on Mid-year financial	• Submit a report on how the municipal office building project will be funded	AMM and CFO	National Treasury advised not to take out the loan. Moving forward the project will only be funding if internal revenue allows.	31 May 2019	IMPLE MENTED
	Item 7.4	AG Action Plan	• A workshop to be held to correct actions given to resolve findings raised as these actions do not address the root cause of the finding • Report on the updated action plan be sent to AC members by the 31st March 2019	All management	The workshop was held on the 13/03/2019. Final Audit Action Plan was communicated to the AC by the 31 March 2019.		IMPLE MENTED
	Item 8.1	Report of the MM	• AC resolved that AMM to engage the Council Speaker of the financial implications if the schedule of the AC meeting is pushed to a week before council • Cogta report to be made available to the AC Members • The fraud case opened for fleet management to be followed up and the internal investigation to continue and progress report be submitted to AC till the matter is resolved	AMM, CAE	COGTA report was provided to the AC. Management has reported to SAPS. Council took a resolution to refer the internal investigation on Fleet irregularities and fuel misappropriation to Internal Audit to work together with Labour Relations Officer.		IMPLEMENTED

AUDIT AND PERFORMANCE COMMITTEE HELD ON 23 MAY 2019							
	Item 6.2	Process plan for preparation of annual report	- Change date for review of APR to 22 August 2019 - All directors to ensure comments and POE are ready before the meeting - Management to ensure that APR targets are annual rather than quarterly	All Directors			IMPLEMENTED
	Item 7.1	Financial report section 52d	- Non-cash items to be reported on quarterly reports to reflect a realistic spending pattern - Meeting with EC treasury and other stakeholders to resolve outstanding debt - Revenue enhancement strategy to be developed	CFO	Revenue Enhancement strategy has been developed and a committee to drive the strategy established. A schedule of meeting dates has been developed and circulated with the first meeting convening on 21 August 2019.		IMPLEMENTED
	Item 7.2	SCM report	Management through the mayor to write to the Provincial Treasury to request approval of the use of the service providers for fuel as it is impractical to apply SCM regulations	CFO	CFO met Mr. Wayne of National Treasury at the provincial CFO forum on 6 August 2019. He has indicated that the municipality did nothing wrong by deviating as it is an allowed mechanism within SCM legislation to deal with the matter as what ELM was doing. No need for condonation request from NT	31 August 2019	IMPLEMENTED
	Item 7.4	MSCOA progress	Management to request assistance from EC Treasury specialist to resolve or unpack the ICT challenges with the server that results in the municipality hosted by service provider	CFO	Letter was written to Provincial Treasury requesting assistance with ICT challenges		IMPLEMENTED
	Item 7.5	AG action Plan	Management to have regular meetings and discuss the implementation of the AG Action Plan and report the outcomes to audit committee	CFO/AMM	Regular updates were provided to all authoritative structures of Council on the implementation of Audit Action Plan including the audit committee		IMPLEMENTED
	Item 10.8	AC work plan	AC to sign updated AC documents and they be presented to MM and Mayor for signatories	CAE	AC Charter and IA charter signed by all responsible parties		IMPLEMENTED
AUDIT COMMITTEE MEETING 25 JULY 2019							
25/07/2019	Item 6.1	Approved SDBIP 2019/20	- Signed and approved SDBIP be submitted to the AC next meeting - Approved SDBIP to be submitted to Internal Audit to verify the smartness of indicators and targets	Director Planning	SIGNED APPROVED SDBIP was submitted to Internal Audit at end of quarter 1		IMPLEMENTED
	Item 6.2	Preparation of APR	Management to ensure that the APR is submitted to Internal Audit timeously to verify evidence against annual targets	Director Planning	DRAFT APR was submitted to IA and was reviewed before submission to AG		IMPLEMENTED

AUDIT AND PERFORMANCE COMMITTEE HELD ON 27 AUGUST 2019							
	Item 6.1	AG Follow up Report	- Management to submit all evidence for verification by Internal Audit - Summary report to be submitted in the next AC meeting	All Directors, AMM, CAE	2017/18 AG action plan has been verified to be 68% implemented as at end October 2019. The report is an item in the meeting of 22/11/2019		IMPLEMENTED
	Item 6.2	Key Control Dashboard	Management and the new accounting officer to develop new action plans as commitment to good key control environment	CAE/Directors/MM	Commitments were sought from management and the item is in for the meeting of 22/11/2019		IMPLEMENTED
	Item 6.3	SCM Audit Report	Noted therefore no action				IMPLEMENTED
	Item 6.4	Audit Report on Compliance with legislation	Noted therefore no action				IMPLEMENTED
	Item 6.6	Fleet investigation to irregularities (Ad Hoc)	- Report to be finalized since there is no further information to assist in the investigation. - The report to be submitted to council once tabled to the Audit Committee	CAE/MM	Report to be table in the AC in November. Final Report on the issue an item for the meeting of 22/11/2019		IMPLEMENTED
	Item 6.7	Progress against the IAP (deferred)	To be presented in the next Audit Committee	CAE	Item in the meeting of 22/11/2019		IMPLEMENTED
	Item 7.1	Draft Annual Financial Statement	- To clearly state the derecognition of the land fill site as a write off and not proceed/loss from sale of assets - To request a council resolution for the derecognition of the landfill site	ACFO/AMM	The item was taken to council together with the draft AFS and the resolution was given		IMPLEMENTED
	Item 7.2	Internal Audit High level report on draft AFS 2018/19	Noted, therefore no Actions				IMPLEMENTED
	Item 8	Internal Audit report on review of draft Annual Performance Report	Departments to correct all instances of inadequate information before AC report goes to Council	All Directors/AMM	All inadequate information was dealt with before the Council meeting		IMPLEMENTED
21/07/2020	Item 7.3	AR and APR preparation plan	A detailed preparation plan linked to the process plan be submitted to members and members comment and advise and submit their inputs to internal audit before the 28th July 2020	Director PDTA	The Draft APR was submitted in the meeting of 21 October 2020 and subsequently submitted to the Auditor General by due date		IMPLEMENTED
23/06/2020		Municipal Overview	- MM to provide list of incomplete projects - An item on clear Covid actions by the municipality	MM/Director Corporate Services/Director Technical	Was part of the meeting in July 2020		IMPLEMENTED

21/07/2020	Item 7.2	Cascading of PMS	• An implementation plan be revised and submitted on the Special Audit Committee meeting scheduled for August 2020 • A revised performance incentive plan be developed and submitted on the Special Audit Committee meeting scheduled for August 2020 • • Once the performance incentive plan is developed it be incorporated to the PMS framework of the municipality	Director PEDTA	A progress report was given in the meeting of 21 October that Council cannot afford an incentive plan yet and that all managers below Directors have signed Performance agreements apart from two that were off sick and the municipality is revoking medical boarding processes		IMPLEMENTED
21/07/2020	Item 8.4	Audit Action Plan	• That the report be submitted to internal audit to verify and internal audit report back on the special Audit Committee meeting to be held in August 2020	CFO	The report was submitted to Internal Audit for Verification and the final follow up report submitted to AC in October meeting		IMPLEMENTED
21/07/2020	Item 9.1	Internal Audit Plan	• Internal audit and Audit Committee charter to be reviewed to incorporate virtual meetings now in Quarter 1	CAE	The reviewed AC charter and IA charter were submitted to AC on the 21 October 2020		IMPLEMENTED
AUDIT COMMITTEE MEETING HELD 16 NOVEMBER 2017							
6/11/2017	AUD/16/11/2017 ITEM NO 5.2	Audit Committee Resolution 1. Eskom is still owing the municipality funds, and this is not on the resolutions register 2. A detailed report with the figures owed by Eskom is not yet furnished	Management to Ensure that the Eskom matter is followed up and provide an update Meeting in March to discuss payment resolution and twinning agreement That the willing agreement between Eskom and the Municipality come from Nersa.	MM/Director Technical	There was more payment expected from Eskom but has not been received. The twinning agreement has not been concluded Eskom had credited the municipal bulk electricity account with the amount due by Eskom in the 2018/19 financial year. This credit has been used up and municipality is now paying the bulk electricity account monthly. A willing agreement from Eskom, still waiting for SALGA and BCM to give direction. 4. A wheeling agreement was drafted by Eskom and provided to the municipality, but the municipality has asked NERSA to intervene as there is disagreement on tariff applicable 5. Nersa has agreed to assist the municipality but is still to organize an inception meeting between Nersa, Eskom and the Municipality 6. There has been no movement on this as NERSA has not advised the municipality on the way forward 7. Municipality was refunded R8 million however the municipality is not happy at all. A complaint has been logged to NERSA to review the process and assist the municipality on drafting willing agreement for Sinako and Mavuya township.	27 February 2018 25 April 2018 25 July 2019 22 November 2019 19 Feb 2020 21 July 2020 8 February 2021	IN-PROGRESS

16/1 1/20 17	AUD/16/11 /2017 ITEM NO 6.1	Section 52 d report There is an issue of tenants not paying rent and that was about lease agreements that were invalid. Notices to vacate premises have been sent to them, the attorneys are also involved and are to assist with eviction letters	1. stop order (garnish) should be done for Councilors or staff owing the municipality. An update on the execution of the notices or resolution of these tenants to the AC 2. Municipality to use the service of the appointed panel of attorneys for debt collection	MM/CFO/Community Services/Corporate Services	Tonise Attorneys was appointed and given the debt book. Two councilors that are in arrears One Councilor and staff members have made payment arrangements, however not all Councilors or staff owing the municipality have signed payment agreements. Community Services conducted an exercise of verifying Farm Properties and completed listing of all investment properties reflecting usage which was submitted to BTO Tonise Attorneys was appointed and given the debt book. However, no tangible progress has been made in terms of collections by them. The municipality has requested for a progress report and await such a report. Their contract has expired on 30 June 2020 with the municipality. The one Councilor pays his account over the counter and the current account is generally the amount outstanding. The municipality has served the other Councilor with a notice to make the necessary arrangements, but she had requested the municipality to serve the notice to her husband which the municipality did. No response has yet been received. Monthly deductions are done for staff with service accounts. The bulk of the outstanding amount is an arrears amount due by one staff member who rents a property from the municipality. Monthly deductions are done from the said employee for his monthly rental. The municipality had engaged him to increase the monthly deduction to cover the arrear amount, but he could not afford it he said. He promised to make a lump sum payment to clear the account. The employee has been requested to make a firm commitment with time frame as he had not yet made a payment. Legal Services is in the process of appointing a company that will conduct a due diligence study/report which will assist on the issue of rental. The monthly deductions are ongoing for employees who owe the municipality. There were 24 lease contracts which have all expired, of which 18 accounts have been written off by council in its sitting in April 2021 based on AG recommendations, the total write off is R 4 086 833.29. Legal Services is in the process of renewing the remaining 6 contracts of which the tenants are paying towards the accounts. The anticipated due date is end of May 2021.	27 February 2018 19 Feb 2020 1 July 2020 21 July 2020 21 July 2020 18 February 2021 20 May 2021	IN PROGRESS
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DATE OF MEETING	RESOLUTION No.	RESOLUTION	ACTION REQUIRED	RESPONSIBLE DIRECTOR	PROGRESS	DUE DATE	STATUS
AUDIT COMMITTEE MEETING HELD 28 February 2018							
28/02/2018	Item 9.1 OHS Report	Management should reconsider their Action plans to confirm if there is budget provided and actions are realistic	Management should reconsider their Action plans to confirm if there is budget provided and actions are realistic Management should resolve these issues as they are recurring	Director Corporate Services and Management	Management has serviced Fire extinguishers and will issue a tender for the continuous servicing. OHS reps are posted on notice boards. Issues at landfill site are still a challenge. Evacuation and Emergency plans and procedures still not communicated, workshopped and no fire drills. (Management states this is because of current construction of the new office building as an extension of the main building). Management has not serviced Fire extinguishers (Due for service since April 2019) and will now issue a tender for continuous servicing (3-year period) <u>Landfill Site</u> -Guard house has been constructed -The municipality has provided portable water tanks. -First Aid kit is provided and kept on site -There is improvement in access control (Padlocks are being used) Landfill site management plan has been developed for all three-landfill site. Dordrecht has been cleared with a plan to refence and ensure that the site is safeguarded. Lady Frere clearing is underway. The hired plant will be directed to Indwe whilst reinforcement of fence is done in Lady Frere. - Plans are afoot for the reinforcement of the fence.(Temporary employees were recruited and they had fixed the fencing which was later vandalized again) -Assembly point constructed -Signage for emergency exit are in place Advert for architectural drawings that will indicate suitable exit points and cost of erection has been issued. Inputs will be made in the budget process to fund the erection of the exit points in all 3 buildings in Cacadu main offices Costed designs have now been received and submitted to Building Control for comments. This will enable the directorate to make budget inputs for 2021/2022 budgeting cycle A tender calling for suitable service provider was issued twice, and no suitable service provider was found in 2019/2020 financial year up until the year end. The companies that mostly tendered did not have SANS 1475 permit. Their technicians were not registered as authorized persons with the SAQCC-Fir The service has now been procured. (See order attached signed demand form and order for your scrutiny The total number of existing fire extinguishers that required servicing were 66 and only 54 were done. Procurement for the remaining ones is underway. No signage was done due to the insufficient budget.	25 April 2018 27 February 2019 30 December 2019 18 FEBRUAR Y 2021 0 June 2020 19 Feb 2020 18 February 2021 21 July 2020 18 February 2021	IN PROGRESS

16/11/2018	ITEM 8.1	Municipal overview	The municipality to fill up all vacant position especially the head of departments for stability and proper governance The municipality to minimize or suspend the suspension before they create an environment that will put employee productivity at stake just to improve conduciveness of the work environment	Municipal Manager Municipal Manager	There is still an ongoing suspension of the SCM Manager, and a case of bribery was opened with the SAPS based on the Cogta Report The suspended Manager SCM has resigned and her resignation was effective from 30 April 2020. The SAPS case on Cogta report is still in progress. The Chief Financial Officer was appointed 1st April 2020 and also the Director Corporate Service was also appointed on the 1st of January 2021 which makes no head of departments vacant position.	22 November 2019 21 July 2020 18 February 2021	IMPLEMENTED
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13/12/2018	Item 5.3	ICT Audit	The ICT unit will be prioritized for the training in the upcoming financial year due to the complexity and ever improving environment of IT. Third party logs be included on the follow up audit by Internal audit and IT also to review those logs. The municipality to work together with third parties for security and control purposes. Distribution board on the temporary server to be removed and Technical services director to take up the matter and it be sorted as soon as possible.	Director Corporate Services Director Corporate Director Technical services CFO	Trainings could not be prioritised in the previous years due to the unavailability of funds and the fact that trainings were those responding to findings of Business Process Reengineering. In the year 2020/2021 training for ICT have been included in the WSP program and submitted online to LGSETA. Training targeted is COBIT 5 which is a three-day course that is internationally recognized. With the current issue of the COVID-19 pandemic we are also trying to find out if the trainings cannot be done online taking into consideration the continuous development of the managers and officers Delays to relocate the DB board were caused by financial constraints within the municipality. Budget for rewiring of main building to relocate the DB will be sourced from the operations and maintenance vote in this financial year. The estimated turn around is 1 month. MOU has been signed as per requirements of RT125 requirement. Report from the service provider is received monthly for services hosted by the service provider and where exceptions are identified SEBATA is engaged for corrections. The report is reviewed by ICT division including exceptions detected and strategic matters referred to ICT Committee. The report will consistently be tabled in the steering committee for further scrutiny. Internal audit performed an audit review in this section the closing meeting was in January 2021 and the comments have been provided in the report.	21 July 2020 18 February 2021	IN PROGRESS
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			Report on Sebata contract be submitted on the next Audit committee meeting. The time where Sebata will stop providing support and leave and the institution start to perform on its own must be identified, this must be done to avoid service provider dependency.				
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13/12/2018	Item no 5.4	Fleet management	•Management to give immediate attention to the fleet management unit as current control show major weaknesses. •A criminal case for theft to be opened for the fuel spending on FVL916EC. •An investigation to be held on fuel management for both requisition process and petrol cards. •All perpetrator be held accountable for the misconduct.	Municipal Manager/Corporate Services Director Corporate Services CAE	The Corporate Services Director to develop SOP for activities within fleets section Management has reported to SAPS. SAPS identified Detective R Prusent Case number CAS 64/12/2018 who is still busy with the investigation. Council took a resolution to refer the internal investigation on Fleet irregularities and fuel misappropriation to Internal Audit to work together with Labour Relations Officer. A report on Fleet Management investigations was an item for the meeting on 22/11/2019 The internal investigation was finalised, and recommendations made. The official has been issued with a letter of intention to institute disciplinary action against him. (See attached letter) During engagements with the employee, it was discovered that the employee had made a request to be considered for placement in other section due to capacity challenges. Process is underway to identify a suitable position to place the employee as per his request. Alongside that the directorate will follow its placement policy to feel the gap All controls are in place. Fleet Management is still experiencing the same internal control deficiencies according to the Internal Audit Tracking project in May	25 July 2019 25 July 2019 22 November 2019 19 February 2020 21 July 2020 18 February 2021 20 May 2021	IN PROGRESS
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	Item 11	Legal Report	• Pakade Lawyers to be monitored closely by the office of the AMM • A progress report on performance of the panel of lawyers be submitted to AC meetings quarterly • An investigation of possible fruitless and wasteful expenditure be lodged by the responsible directorate and a report submitted on the next AC meeting	Director Corporate Services; MM	An investigation has been lodged and submitted to Council and resolved that an adhoc committee should be established. Legal report is an item for the meeting on 22/11/2019 Legal report was presented in the previous AC meeting and will also be presented in the upcoming AC meeting. This remains not implemented because of the lack of update on the adhoc committee that was to investigate the award against the municipality on the disconnection of transgressors in illegal connections (Backstage). There has been no update in this regard.	25 July 2019 22 November 2019 20 May 2021	IN PROGRESS
	Item 6.3	Employee PMS implementation plan and draft Incentive Framework	• Management to present the framework to council structures to get buy in • Present the framework to Labour forum for deliberation	Director Planning	• Salga will be engaged to conduct a workshop on cascading of PMS before 13 December 2019 • Conduct a benchmarking with Joe Gqabi District Municipality as it is the municipality which is reported to have started the process before 13 December 2019 • BTO to lead the process of budget provision on the matter and be implemented during Budget Adjustment. • The cascading for now is still at the level of middle managers • Joe Gqabi shared strategies for employee PMS. Management requested BTO to cost the process and BTO has advised that there is not budget for this year. • ELM Executive Management agreed to cascade to Middle Management of the Municipality without incentive framework due to Financial position of the Municipality. The First Quarter for 2020/2021 Financial Year will focus on Signing of Performance Agreement, engagement of relevant stakeholders, workshop and all matters connected thereto • The municipality resolved to implement PMS to the level below directors with not incentives because of the economic condition	22 November 2019 19 Feb 2020 21 July 2020	IN PROGRESS

	Item 9	Risk management report	AC to monitor quarterly development against the risk of off-site disaster recovery	AC/Director Corporate Services	The disaster recovery plan was developed but to challenges of budget constraints it could not be implemented. In this financial year 2020/2021 the institution prioritised the connectivity project which also worth millions. So, it could not afford to set aside a budget for the site. (See letter from the employee) To mitigate that a specification for the licenses of the backup server and replication of backup server to off-site host was submitted to SCM to start procurement processes. (See attached) To mitigate that an off-site backup solution was advertised, and the bid was awarded to an external service provider to host the replication of data backups. The solution is in the implementation stages. A service provider for back up solutions by cloud was appointed	21 July 2020 18 February 2021 20 May 2021	IN PROGRESS
	Item 10.2	4th quarter performance	Management to review the reporting process to ensure adherence to timeframes and minimize the engagements with internal audit to prevent impairing their objectivity	All Directors	Management Reviewed the reporting process but delays were still noted with the APR Delays were still noted for Mid-year Delays further experienced in the preparation for 4th Quarter due to COVID 19 related incident. Deadlines to submit on Internal Audit Unit . were set to be 10th July 2020 but they were not met since offices have to be closed temporally	19 Feb 2020 21 July 2020	IMPLEMENTED
	Item 7.1	4th Quarter Financial report	An update on CHD debt and all other state debtors be given to the audit committee	ACFO/AMM	- The municipality has been in communication with the new acting CFO of CHDM and relevant documents have been provided to him. A meeting will be arranged should CHDM not agree to the outstanding debt to discuss such and finalise the issue. - Management has provided CHDM with all the records, but they still have not paid - CHDM has countered that the municipality must also pay their water accounts that are outstanding. They are still in process to consolidate a report with support of the total amount due by the municipality after the municipality had confirmed properties in its ownership. A list of municipal properties including RDP Houses have been consolidated with the assistance of the Town Planning Unit and this information was submitted to CHDM on 14 June 2020. The municipality awaits the feedback from CHDM. - A payment of R 1 195 813.61 was paid on 16 December 2020 after disconnection of electricity supply. Further disconnections will be implemented to force CHDM to pay.	22 November 2019 19 Feb 2020 21 July 2020 18 February 2021	IN PROGRESS

	Item 7.2	4th Quarter SCM report	The irregular expenditure of R334 675 be referred to the Disciplinary Board for investigation of Financial Misconduct	AMM	Irregular expenditure was reported to council via item and audit committee chairperson. MPAC has been task to investigate the matter now. Council rejected the request by Audit Committee to refer the matter at this stage to Disciplinary Board. The MPAC report will direct the further actions required MPAC has a council approved program which is constantly reviewed, MPAC is schedules to deal with all UIF expenditures before 15 June 2021 to prepare reports to council scheduled for the last week of June 2021. The municipality advertised the position of a chairperson of the Disciplinary Board, a Masterlist was created, and a process is now at the stage of conducting shortlisting	22 November 2019	IN PROGRESS
	Item 10	Legal Report	- Management and council to investigate the reason for the child accessing the substation and implement consequences to the directorate that was responsible for the station if this was due to negligence - Management to ensure that municipal insurance is included at the onset of a third part litigation against the municipality	AMM/Director Corporate Services/	The mater was reported to Council for consideration and council took a resolution for MPAC to investigate and the matter is still with the MPAC Internal Memo has been issued that when there are third party litigation that the lawyers of insurance be used. Director Technical has a prepared a report on the matter for consideration by the MM The MPAC could not continue with investigation as the matter had a court order/instruction and part of payment were made already. The matter was concluded	22 November 2019 19 Feb 2020 21 July 2020	IN PROGRESS

	Item 5.2	Resolutions Register	• Management to implement the resolutions that are still in progress • Management to implement the council resolution on Financial Misconduct Disciplinary board by appointing members	AMM/MM/All Directors/CAE	Members have been issued with letters of appointment and will convene to discuss and accept terms of reference before issues are referred to them No meeting has taken place yet due to January and February being the busiest period in the Municipality The need to source for an external person to serve in the board as a Chairperson has been identified. The process of appointing is underway. (See terms of reference attached) The municipality advertised the position of a chairperson of the Disciplinary Board, a Masterlist was created, and a process is now at the stage of conducting shortlisting	22 November 2019 19 February 2019 21 July 2020 20 May 2021	IN PROGRESS
	Item 6.5	Report on Risk Management	• Risk Management Committee to submit report at each Audit Committee meeting • Clarity on fraud Risk Assessment to be provided • Seek Assistance from Cogta on fraud risk identification • Follow up be done with the Risk Committee Chairperson as to the functionality of RMC	MM	Risk Management committee meeting held on 20 November 2019. Risk management report is an item for the meeting on 22/11/2019 Cogta has been requested to assist the municipality in Strat and /fraud risk assessment in March Risk Chairperson to give a report on the functionality of the committee Cogta has been requested to assist the municipality in Strat and /fraud risk assessment in March. Due to the lockdown this has been postponed and a date has been set for the 30th of July 2020 to conduct the Assessment The Municipality did its own fraud risk assessment and report on it quarterly to the Risk Management Committee. We could not get COGTA or Treasury to assist as they are only available virtually and we wanted an interactive session with council and management.	22 November 2019 19 Feb 2020 21 July 2020 20 May 2021	IMPLEMENTED
22/11/2019	Item 8.1	Municipal Overview	AC be given high level report on the Forensic report issued	Municipal Manager	Project Manager suspended and employment Contract expired on the 30th June 2020 while disciplinary processes were underway, so this one will be pursued outside the institution. Director for IDHS has been precautionary suspended, Municipality is in the process of Appointing Private Forensic Investigator for further processes regarding this case. Other officials implicated in the COGTA Report have since resigned and their matter will be dealt with by COGTA. A private investigator service provider was appointed, and report has been presented to council for processing	21 July 2020 20 May 2021	IN-PROGRESS

22/11/2019	Item 13	ICT Steering Committee report	Report to cover state of ICT governance as it now only reports operations. MM to investigate the terms of reference for the ICT committee and report to the next meeting regarding governance responsibilities.	MM and Director Corporate Services	The ICT committee has always been discussing governance issues in the meetings, where it has looked at policies of ICT, issues related to budget to fund ICT projects and performance of service providers. The Disaster recovery plan, Review of ICT strategic plan and recommendation for budget to fund ICT projects are examples of governance matters discussed. Reports reflecting governance matters discussed. New terms of reference were developed, adopted by the committee, and approved by the Municipal Manager.	21 July 2020 Completed	IN-PROGRESS
22/11/2019	Item 14	Legal Report	MM to give a detailed legal with expenditure in the next meeting (In committee)	Director Corporate and MM	Legal costs : 7 887 793.13 settlement Magwayi case : 5 284 501.50 total other legal costs : 2 603 291.63 Part of every Ordinary Audit Committee meeting	21 July 2020	IN-PROGRESS
23/06/2020		MSCOA report	Clear report on whether the Asset Module and Payroll Module have been invoiced by service provider and paid for by municipality	CFO	The Report was not clear Management has investigated and has noted the Asset and Payroll Module Implementation have not been invoiced on EMS. The billing for the implementation is anticipated in the 2021/22 financial year.	18 February 2021 20 May 2021	IMPLEMENTED
21/10/2020	Item 7.1	Cascading PMS	• The first quarter informal performance assessments for all the signed accountability agreements be conducted	Director PEDTA and all Directors	All Accountability agreements have been signed and performance reviews for first and second quarter are scheduled for 22 to 26 February 2021 Assessment was done in June 2021	18 February 2021	IMPLEMENTED

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

ANNEXURE I - SERVICE PROVIDER PERFORMANCE SCHEDULE FOR TECHNICAL PROJECTS

No	DESCRIPTION OF CONTRACT/ PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SERVI CE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
1	Construction of Municipal Offices Phase 1	ELM/5/9/2016T	Nubhana Trading JV Leshole Trading	R34 995 000,00	R9 004 113.23	Project being halted, further implementation will be based on budget.
2	Professional Services for the Installation of HighMast Lights.	ELM/4/7/2017T	Mekan Engineering	R679 668.00	R543 737.40	Performance poor Services of Consultant were terminated when the contractor after the forensic audit that identified fraudulent activities. There is no contractual obligation to the consultant.
3	Installation of Solar Street Lights	ELM1/11/2017T	Wegezi JV Teshani	R4 016 300.00	R3 063 422.40	The project was not completed in 2017/18 financial year. ELM met with the service provider and found that the Company is in liquidation.
4	Installation of HighMast Lights in Cacadu, Cacadu bridge and Dordrecht	ELM2/11/2017T	LT Ntloko JV Khubonga	R4 987 918.80	R4 574 386.25	Performance poor due to the fact that the project was stopped due to the forensic audit. The project was reinstated and handed over in Dec 2020. Retentions withheld and subsequently in June a completion certificate and close out report issued. Retentions to be paid pending Eskom connection fee.
5	Professional and Construction Services for the Rehabilitation of Indwe Sports Field Phase 1 Through Turnkey.	ELM/2/5/2018T	MBS Civils JV Cudjoe Quantity Surveying CC	R 11 000 000.00	R10 451 142.97	Performance poor. Project is not complete; however, the budget has been exhausted. Engagement with the Service Provider to return were unsuccessful. On the 26 May 2021, the project was terminated. The service provider was given 14 days to respond and therefore the contract is considered terminated.
6	Paving of Zakhele Location Phase 2 Ward 4 (Professional Services).	ELM/7/07/2019T	Nemorango Consulting Engineers	R1 293 043.99	R1 263 866.02	Performance was fair. The consultant made extra efforts to ensure that the project is completed. The anticipated close out report is expected during the first quarter 2021/2022.
7	Paving of Sinakho Location	Elm/6/07/2019T	Nemorango Consulting Engineers	R1 293 043.99	R1 240 600.03	Performance was fair. The consultant made extra efforts to ensure that the project is completed. The anticipated close out report is expected during the first quarter 2021/2022.

No	DESCRIPTION OF CONTRACT/ PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SERVICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
	(Professional Services).					
8	Construction of Cacadu Park Phase 2.	ELM/3/09/2019T	Engineering Aces	R454 000.00	R453 998.20	Performance was fair. Project Completed; Final completion certificate is due contractor is currently busy with defeats.
9	Cemetery Development Indwe (Ward 16) (Consultant).	ELM/5/07/2019T	Black Mountain Msavhen JV	R354 562.00	R354 206.47	Performance was fair as the consultant advised the municipality on dealing with the nonperforming contractor on site.
10	Construction of DDX Sport Field Phase 2	ELM/1/6/2019T	BVI Border (PTY) LTD	R962 090.00	R846 643.94	Performance Satisfactory. The planning processes were conducted as per contract.
11	Cemetery Development Indwe (Ward 16) (contractor)	ELM/3/10/2019T	Nontembiso Projects	R2 034 775.56	R1 463 594.34	Contract was terminated due to poor performance.
12	Paving of Zakhele Location in ward 4	ELM/4/11/2019T	Tshiya Infrastructure Development (Pty) Ltd	R9 722 104.31	R 8 756 699.71	Poor performance. Delays in the process and various Variation Order requested and approved and problems in paying of sub-contractors, resulting in the contractors voluntarily ceding the contract Completion certificate
13	Paving of Sinakho Location in ward 11 & 14	ELM/5/10/2019T	Tshiya Infrastructure Development (Pty) Ltd	R9 927 947.57	R 8 934 215.61	Poor performance. Delays in the process and various Variation Orders requested and approved and problem in paying of sub-contractors, resulting in the contractors voluntarily ceding the contract.
14	Professional and Construction Services for the Construction of Tsolokazi Access Road in ward 1 Through turnkey	ELM6/11/2019T	Mvi Construction & Maintenance JB Ibhotwe Lwezizwe	R6 819 705.62	R6 819 235.18	Performance Good. Project Completed, awaiting close out report from the consultant.
15	Construction of Cacadu Park	ELM/4/11/2019T	Tati Group	R 2 271 604.54	R2 163 794.83	Performance Good. Completed
16	Professional and Construction Services for the	ELM/5/11/2019T	BM Infrastructure JV Masiyabu Trading	R7 467 595.78	R6 832 637.38	Performance poor. Due to poor planning, Poor project management which resulted in delays in project completion. The

No	DESCRIPTION OF CONTRACT/ PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SERVICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
	Construction of Jinginja Access Road in ward 17 Through turnkey.					revised completion date is awaiting the application for extension of time.
17	Electrification of ward 1, 5,6 & 17 in Emalahleni LM	ELM/1/7/2020T	A1 Electrical	R 3 416 852.03	R2 873 466.04	Performance poor. Due to non-compliance with Eskom Electrification model which resulted in a mayhem that compromised the municipality with the municipality with the community. Dry connections are complete, awaiting Eskom to energize and retentions are still withheld.
18	Electrification of ward 7,8 and 9 in Emalahleni LM	ELM/2/7/2020T	Akal Genesis (Pty) Ltd	R 3 582 057.50	R 3 535 597.96	Performance satisfactory, delays were due to Eskom approval of designs. Variation order of R225 090.47 for transformers., Retentions are withheld.
19	Professional Services for Solar Street Lights Cacadu, DDX and Indwe.	ELM/1/6/2020T	Akal Genesis (Pty) Ltd	R 495 600.34	R495 600.33	Performance satisfactory. All designed works and monitoring were competed as per contract.
20	Professional Services And Construction Of Mavuya Paving At Emalahleni Local Municipality Area Through Turnkey	ELM/2/9/2020T	MBSA JV Thubalam	R10 681 793.07	R9 793 257.65	Fair performance. Progress sitting at 67%. Contractor managed to accelerate the work due to the additional funds that were availed on the project. However, there are challenges with the planning which threatens the successful implementation of the project.
21	DR08563 Cacadu to Machubeni	ELM/1/11/2020T	Masilakhe Consulting	R 13 185331.76	R 11 230 197.11	Good Performance at 52% and there was a variation order of R4 185 331.76 due to additional funding from DoT.
22	Installation of Solar Street Lights DDX- Zola	ELM/4/10/2020T	Koanim Trading	R1 620 289.91	R1 458 260.90	Fair Performance due to delays in orders material which resulted in delay in completion of the project. Practical completion issued. Retention are withheld
23	Installation of Solar Street Lights Cacadu –Hints and Mpangele	ELM/3/10/2020T	Amagavu General trading	R1 790 722.50	R1 611 650.19	Fair Performance due to delays in orders material which resulted in delay in completion of the project. Practical completion issued. Retention are withheld.
24	DR08563 Indwe to Machubeni	ELM,2/11/2020T	Masilakhe Consulting	R 13 314 412.32	R 3 340 248.56	Good Performance at 52% and there was a variation order of R4 314 412.32 due to additional funding from DoT.

No	DESCRIPTION OF CONTRACT/ PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SERVICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
25	Installation of Solar Street Lights in Indwe – Ezitandini.	ELM/1/3/2021T	T and N Contractors	R1 795 992.32	R1 616 393.09	Performance satisfactory. The have taken less than a month to start and complete the project. Retentions are withheld.
26	Cemetery Development of Indwe Unit	ELM/2/3/2021T	Tati Group	R1 653 207.63	R942 284.91	Performance satisfactory. There are no issues with currently on the project

Appendix J – Disclosures of Financial Interests

DECLARATION OF INTEREST/S - 2020/2021

LIST OF COUNCILLORS/EMPLOYEES WHO HAVE DECLARED THEIR COMPANIES/FINANCIAL INTERESTS

WARD/PR COUNCILLORS		
Name of Person	Name of company	Declared (Y/N)
Koni Nontombizanele	- NF Koni Zenzele SAB Shares - Suster Tavern - Spaza Shop	Yes
Mjezu Kwaaiman	None	Yes
Kraqa Nowandisile	None	Yes
Moshani Given Zolisile	None	Yes
Oyiya Mxolisi Peacemaker	None	Yes
Tyulu Nomzi Mary	None	Yes
Kulashe Thandeka	None	Yes
Makatesi Makhosandile	- Guba hoek co-op Monthly - Guba Community Hand Trust - Gumamhla Coal Trust	Yes
Twala Badikazi	None	Yes
Zama Sipo Ernest	None	Yes
Njadu Xolela Hendrick	None	Yes
Koto Zingisile Douglas	None	Yes
NdlelaThandiwe	None	Yes
Mahola Zenzile Dennis	- Funeral Parlour - Cash Loans	Yes
James Nicholas	None	Yes
Mapete Lumka	None	Yes
Liwani Sibha	None	Yes

Ziduli Nokwandisa	• Khazimla Holdings (Pty)Ltd • (Husband Company)	Yes
Bobotyana Cecil	• None	Yes
Kulashe Thandeka Gloria	• None	Yes
Mondile Thembi	• None	Yes
Nqono Nosibulelo	• None	Yes
Fatyela Linda	• None	Yes
Sixishe Thobeka	• None	Yes
Nkuzo N	• None	Yes
Kali Monwabisi	• None	Yes
Mrwebi Thozama	• None	Yes
Siyolo Peter Dalumzi	• None	Yes
Mziwakekile Kamteni	• None	Yes
Mtyobile Ncedisa	• None	Yes
Lali Nolitha	• None	Yes
Bongo Siyabulela	• None	Yes
Kalolo Dumisa	• None	Yes
Greyling Peter	• Owner Universal Garage Dordrecht	Yes
Kama Nolisten	• None	Yes
Fumanekile Mthandeni	• None	Yes
Paul Lizo Nelson	• None	Yes
Limba Mcebisi	• None	Yes
Qomoyi Mncedisi	• None	Yes
SECTION 56/57 MANAGERS		
Makedama Velile Castro	• ERF 22947 Southernwood, • Mthatha	Yes
Nyezi Nokulunga	• None	Yes
Njilo Dabula	• None	Yes
Sikobi Xolani	• 2312 Oasis Security Estate • Kempton	Yes

	46 5TH Street - Gonubie, East London	
Mntuyedwa Nkululo	26 Grey Street, Queenstown - Rental Accommodation (7 Units)	Yes
Javu Thobela	None	Yes
SUPPLY CHAIN STAFF		
Mpokela Vuyiseka	None	Yes
Majambe Fungiwe	None	Yes
Mejeni Zola	None	Yes
Stemela Nceba	None	Yes
Songelwa Akhona	None	Yes
BTO STAFF		
Name of Person	Name of company	Declared (Y/N)
Zindlu Andile	None	Yes
Ngeva Nomakhosazana	None	Yes
Juwele Lwandile	- Juwele Accounting & Tax - Solution (Pty) Ltd - Isibane Sethemba Social - Development	Yes
Manakaza Philisa	None	Yes
Mbombo Mamela	None	Yes
Matoti-Qambi Zola	None	Yes
Blaweni Xolisa	None	Yes
Qondela Nomvuyo	None	Yes
Xakwe Ntomboxolo	None	Yes
Boniwe Sinawo	None	Yes
Nobhula Andisiwe	None	Yes
Stuurman Lusanda	None	Yes
Mejeni Zola	None	Yes
Ziwele Lusanda	None	Yes
Madikizela Madodomzi	None	Yes
Mxhamli Zikhona	None	Yes
Makhasi Nqaba	None	Yes
Sam Asithandile	None	Yes
Njovane Indiphile	None	Yes
Bhuti Babalwa	None	Yes

COMMUNITY SERVICES STAFF		
Name of Person	Name of company	Declared (Y/N)
Owen Luyanda Ndyumbu	• None	Yes
Wayne Mccaskill	• None	Yes
Mbengo Thembela Sherol	• None	Yes
Welile Mbaliso	• None	Yes
Makoma Nomfundo	• None	Yes
Bizwaphi Sivuyisiwe	• None	Yes
Kalipha Phakama	• None	Yes
Hlangu Nkosiyabo	• None	Yes
France Nolusindiso	• None	Yes
Jack Mthandazo	• None	Yes
Mbono Mthunzi	• None	Yes
Mgemane Letshego Junior	• None	Yes
Mfihlo Asanda	• None	Yes
Gushelo Mncedisi	• None	Yes
Ntongana Nandipa Nwabisa Kwasa	• None	Yes
Nkwentsha Yandela	• None	Yes
Banca Luvuyo Lovemore	• None	Yes
Ngqele Trevor	• None	Yes
Khayingana Mathias	• None	Yes
Xuba Kunjulwa	• None	Yes
Qaba Andile	• None	Yes
Mphali Victor	• None	Yes
Hamza Mandla	• None	Yes
Mntuyedwa Nomsa Charity	• None	Yes
Magalati Nombulelo Eunice	• None	Yes
Mfihlo Asanda	• None	Yes
Matyalana Bonga	• None	Yes
Hleko Sima	• None	Yes
Chaza Mandlenkosi	• None	Yes
Ntlali Nomsindisi	• None	Yes
Siyeka Malibongwe	• None	Yes
August Nondumiso	• None	Yes
Tshazibane Douglas	• None	Yes
Ntshebe Sivuyile	• None	Yes
Songo Simphiwe	• None	Yes
Khethelo Lungelwa	• None	Yes
Manjo Xolisa	• None	Yes
Zibi Ntombizanele	• None	Yes

Makinana Thobeka	• None	Yes
Hotyelwa Ntobeko Elvis	• None	Yes
Bonga Xolisa Samuel	• None	Yes
Mzileni Zindlovu	• None	Yes
Fatyela Ncediswa	• None	Yes
Bendlela Zonwabele	• None	Yes
Liwani Siphiso	• None	Yes
Msebi Mzwabantu Andrew	• None	Yes
Bobotyana Makwenkwe	• None	Yes
Silwanyana Mandlenkosi	• None	Yes
Mtingeni Zolani	• None	Yes
Kanzi Pumlanzi	• None	Yes
Pijoos Mabuthi	• None	Yes
Sam Mandisa	• None	Yes
Dliwako Xolisa	• None	Yes
Magalati Akhona	• None	Yes
Myekwa Nkosifikile	• None	Yes
Yaphi Bukiwe	• None	Yes
INFRASTRUCTURE DEVELOPMENT AND HUMAN SETTLEMENTS STAFF		
Umanda Njuze	• None	Yes
Dofi Zovuyo	• None	Yes
Khanya Nomesi	• None	Yes
Duba Timoty	• None	Yes
Malusi Ludwe Anda	• None	Yes
Sawa Yanga Witness	• None	Yes
Ndamane Sango	• None	Yes
Nzima Bongani	• None	Yes
Soboyisi Ntozami	• None	Yes
Mati Zenzile Richard	• None	Yes
Nkololo Siyabonga	• None	Yes
Ganamfana Xolile Maxwell	• Twin Dog Construction cc • Sibanye Event Management	Yes
Siyekwana Isaac Vuyani	• None	Yes
Chasa-Maselana Yonela	• Amway Products • Property Development	Yes
Thenjwa Mhlozayo Elvis	• None	Yes
Ngacu Onke	• None	Yes
Mapoma Nocwaka	• None	Yes

Yawani Akhona	• None	Yes
Hobongwana Zolani	• None	Yes
Nkasela Amanda Nosisa	• None	Yes
Petse Luhle	• None	Yes
Ndyalvan Patrick	• None	Yes
Sabatha Zolani	• None	Yes
CORPORATE SERVICES STAFF		
Masabata Swayena	• Tsimo Transports and Furniture Installations (PTY) Ltd • Dorrington Dynamic Trading (PTY) LTD	Yes
Madotyeni Simphiwe	• None	Yes
Gqada Ziyanda	• None	Yes
Klaas Sivuyile	• None	Yes
Maqungo Ntombizodwa	• None	Yes
Mpokela Noluthando	• None	Yes
Baza Azola	• None	Yes
Kelembe Buyiswa	• None	Yes
Peter Nonkosikho	• None	Yes
Zangwa Sanelisiwe	• None	Yes
Jentile-Phopho Lindelwa	• None	Yes
Xozumthi Eric	• None	Yes
Lujabe Vuyo	• None	Yes
Bushula Nelisa	• None	Yes
Rozlyn Plaatjies	• None	Yes
Skoti Mzukisi	• None	Yes
Kamteni Ziyanda	• None	Yes
Bakana Lunga	• None	Yes
Boniswa Neliswa	• None	Yes

IT STAFF		
Matinise Phakamisa	• None	Yes
Sivenathi Cwathi	• None	Yes
PEDTA		
Vanqa Aphiwe	• None	Yes
Xhego-Madubela Nomabhaca	• None	Yes
Mfundisi Joseph	• None	Yes
Mfobo Qaqamba	• None	Yes
Mciteka Bathandwa	• None	Yes
Tshona Sonwabile	• None	Yes
Makaula Lungile	• None	Yes
Cobokwana Sikhusele	• None	Yes
Mkefa Daluxolo	• None	Yes
Mantyi Dolly Lumka	• None	Yes
Ncede Noxolo	• None	Yes
Tikana Masonwabe	• None	Yes
MUNICIPAL MANAGER OFFICE		
Yawa Vuyelwa	• None	Yes
Soko Thembinkosi	• None	Yes
Tyembile Sandiso	• None	Yes
Mbotyi Zamuxolo	• None	Yes
Matoti Misikhaya	• None	Yes
Nqumkana Luthando	• None	Yes
Mrwebi Nwabisa	• None	Yes
Smith Yolanda	• None	Yes
Mzwana Noluntu	• None	Yes
Tiwani Luxolo	• None	Yes
Madini Xola	• Jele Accounting Services – Assisting on holidays and certain weekends.	Yes
Ngqola Andiswa	• None	Yes

Plaatjie/Nyati Wanga	• None	Yes
Nyila Nande	• None	Yes
Pika Abongile	• None	Yes
DORDRECHT UNIT		
Mayaka Sizeka	• None	Yes
Kalolo Thabisa	• None	Yes
Mayekiso Thamsanqa John	• None	Yes
Ramasehla Mabhuti	• Boarding house for school children	Yes
Elefu Spiti Mbulelo	• None	Yes
Sam Mzwakhe Richbalt	• None	Yes
Futshane Vusumzi	• None	Yes
Laaistok Monwabisi	• None	Yes
Manjiya Vuyani	• None	Yes
Stoffel Thmbalethu	• None	Yes
Nkumenge Sinethemba	• None	Yes
Nazo Malixole	• None	Yes
Boniswa Anele Patrick	• None	Yes
Pikoko Lindile	• None	Yes
Bentele Maboyi	• None	Yes
Mntwana Mzoxolo	• None	Yes
Msitshana Buntubanti	• None	Yes
Mbam Mandla	• None	Yes
Liwani Zoliswa	• None	Yes
Mkhosana Zolisa	• None	Yes
Bekker M.J.	• None	Yes
Teka Zukile	• owner of zuk's tarven	Yes
Masiza Lungiswa Gloria	• None	Yes
Marotya Lindiwe	• None	Yes
Mketo Tembela	• None	Yes
Phondoyi Lesi	• None	Yes
Gaji Phumzile	• None	Yes
Ngantweni Thulani Cristopher	• None	Yes
Sizani Thobeka Hazel	• None	Yes
INDWE UNIT		
Nziweni Malibongwe Advocate	• None	Yes
Peti Andisiwe	• None	Yes
Siteto Sindephi	• None	Yes
Jacobs Phumzile	• None	Yes
Mangena Mandla	• None	Yes

Dyantyi Thembinkosi Thomas	• None	Yes
Swelindawo Lindelwa	• None	Yes
Hlekiso Thembisile	• None	Yes
Fuma Vuyisile	• None	Yes
Gwatyu Mlungisi	• None	Yes
Elefu Thembani	• None	Yes
Diko Xolile	• None	Yes
Naka Elvis	• None	Yes
Khayingana Mafiyosi Iholho	• None	Yes
Poni Mlungisi	• None	Yes
Makamba Sekiwe	• None	Yes
Noganta Sindiswa	• None	Yes
Siyoyo Asanda	• None	Yes
Nonambana Zanenkosi	• None	Yes
Mbekwa Ntombizodidi	• None	Yes
Magalati Akhona	• None	Yes
Kwatshana Mzwethu	• None	Yes
Dyantyi Phumeza	• None	Yes
Nxenywe Nosakhele	• None	Yes
Tyuka Nothemba	• None	Yes
Ntangani Zukile	• None	Yes
Nofemele Gerdrude	• None	Yes
Bomvana Zukile	• None	Yes

Appendix K: Revenue Collection Performance by Vote and By Source

Appendix K (i): Revenue Collection Performance by Vote

Service Type	Sum of Amount	Sum of Vat	Sum of Interest	Sum of Total
Advance Payment	R 43,103.76	-	-	R 43,103.76
Advance Payment	-R 35,737.09	-	-	-R 35,737.09
Advance Payment Allocation	R 77,482.01	-	-	R 77,482.01
Billing Normal Receipt Cancel Journal	R 1,119.44	-	-	R 1,119.44
Billing Transfer Receipt Journal	R 239.40	-	-	R 239.40
Agency Fees	-R 0.07	-	-	-R 0.07
Billing Payments	-R 0.07	-	-	-R 0.07
Electricity Basic	-R 3,801.64	-R 570.29	R 768.08	-R 3,603.85
Advance Payment Allocation	-R 2,362.53	-R 354.39	-R 0.08	-R 2,717.00
Basic Charge Electricity	R 15,477.74	R 2,321.62	R -	R 17,799.36
Billing Interest	R -	-	R 1,298.12	R 1,298.12
Billing Normal Interest Journal	R -	-	-R 119.86	-R 119.86
Billing Normal Journal (Earlier Year)	-R 3,638.96	-R 545.84	R -	-R 4,184.80
Billing Payments	-R 11,809.24	-R 1,771.39	-R 410.10	-R 13,990.73
Departmental Credit Journal	-R 1,468.65	-R 220.29	R -	-R 1,688.94
Electricity Metered	-R 726,376.42	-R 108,956.48	-R 7,875.01	-R 843,207.91
Advance Payment Allocation	-R 24,578.58	-R 3,686.78	R -	-R 28,265.36
Billing Interest	R -	-	R 45,237.93	R 45,237.93
Billing Normal Interest Journal	-R 38,379.75	-R 5,756.97	-R 8,170.60	-R 52,307.32
Billing Normal Journal (Earlier Year)	-R 152,501.12	-R 22,875.17	-R 513.88	-R 175,890.17
Billing Payments	-R 1,020,683.88	-R 153,102.58	-R 44,423.42	-R 1,218,209.88
Departmental Credit Journal	-R 44,342.41	-R 6,651.38	-R 5.04	-R 50,998.83
Metered – Electricity	R 554,109.32	R 83,116.40	-	R 637,225.72
Property Rates	-R 295,563.01	-	R 119,713.81	-R 175,849.20

Advance Payment Allocation	-R 6,804.87	-	-R 263.59	-R 7,068.46
Billing Interest	-	-	R 153,792.02	R 153,792.02
Billing Journal ATTP Write Off	-R 30,567.71	-	-	-R 30,567.71
Billing Normal Interest Journal	-R 1.14	-	-R 18,516.22	-R 18,517.36
Billing Normal Interest Journal (Earlier Year)	-	-	-R 1,239.79	-R 1,239.79
Billing Normal Interest Journal (Previous Year)	-	-	-R 1,223.02	-R 1,223.02
Billing Normal Journal	-R 845.87	-	-	-R 845.87
Billing Normal Journal (Earlier Year)	-R 10,302.50	-	-	-R 10,302.50
Billing Normal Journal (Previous Year)	-R 4,601.00	-	-	-R 4,601.00
Billing Normal Receipt Cancel Journal	R 725.18	-	R 24.18	R 749.36
Billing Payments	-R 243,908.73	-	-R 12,819.95	-R 256,728.68
Billing Transfer Normal Journal	R 127.47	-	-R 39.82	R 87.65
Billing Transfer Receipt Journal	R 616.16	-	-	R 616.16
Instalment (Property)	-	-	-	-
Rental(H003)	R 15,810.70	-	R 2,379.40	R 18,190.10
Additional Billing	R 23,443.92	-	-	R 23,443.92
Advance Payment Allocation	-R 4,428.90	-	-	-R 4,428.90
Billing Interest	-	-	R 3,011.98	R 3,011.98
Billing Payments	-R 3,204.32	-	-R 632.58	-R 3,836.90
Waste Disposal	R 552,043.98	R 82,872.65	R 261,721.65	R 896,638.28
Advance Payment Allocation	-R 29,735.80	-R 4,448.47	-R 818.02	-R 35,002.29
Basic Charge Waste Disposal	R 748,770.41	R 112,294.39	-	R 861,064.80
Billing Interest	-	-	R 272,846.32	R 272,846.32
Billing Journal Bad Debt Write Off	-R 4,521.90	-R 660.04	-R 797.97	-R 5,979.91
Billing Normal Interest Journal	-R 1,992.21	-R 296.69	-R 1,030.09	-R 3,318.99
Billing Normal Journal	R 13,399.68	R 2,009.95	-	R 15,409.63
Billing Normal Journal (Earlier Year)	-R 4,590.20	-R 688.52	-	-R 5,278.72
Billing Payments	-R 161,236.60	-R 24,130.77	-R 8,464.28	-R 193,831.65
Billing Rebate Journal	-R 2,081.05	-R 312.15	-R 14.31	-R 2,407.51
Departmental Credit Journal	-R 5,968.35	-R 895.05	-	-R 6,863.40
Grand Total	-R 414,782.70	-R 26,654.12	R 376,707.93	-R 64,728.89

Appendix K (ii): Revenue Collection Performance by Source

MONTH	JUNE			TOTALS		
	BILLING	COLLECTION	COLL. %	BILLING	COLLECTION	COLL. %
RATES	R 80,879.48	R -256,728.68	317.42%	R10,087,408.48	-R9,006,419.11	89.28%
REFUSE REMOVAL	R 1,090,469.93	R -193,831.65	17.78%	R4,362,192.79	-R2,057,731.02	47.17%
RENTAL	R 22,027.00	R -3,836.90	17.42%	-R3,313,687.27	-R213,953.21	-6.46%
ELECTRICITY	R 385,388.85	-1,232,200.61	319.73%	R4,823,708.83	-R8,009,781.51	166.05%
TOTALS	1,578,765.26	-1,686,597.84	106.83%	R15,959,622.83	-R19,287,884.85	120.85%

Appendix L: Conditional Grants Received

APPENDIX FOR GRANTS RECEIVED IN 2020/2021 FINANCIAL YEAR								
		Conditions met						
Opening balance	Allocation	Capital	Operating	Transfers In / (Out)	Balance Spent	Balance unspent	Check Difference	Funder
-	153,900,000.00		153,799,000.00	101,000.00	153,799,000.00	-	307,699,000.00	National Revenue Fund
-	3,000,000.00		3,000,000.00		3,000,000.00	-	-	National Government
	41,410,000.00	38,439,968.59	2,555,931.67		40,995,900.26	414,099.74	414,099.74	National Government
-	2,091,000.00	-	2,091,000.00		2,091,000.00	-	-	National Government
-	950,000.00		950,000.00		950,000.00	-	-	Provincial Government
-	7,224,000.00	7,224,000.00	-		7,224,000.00	-	-	National Government
-	28,000,000.00	17,954,988.71		1,400,000.00	17,954,988.71	8,645,011.29	8,645,011.29	Provincial Government
-	3,000,000.00	-	-		-	3,000,000.00	3,000,000.00	Provincial Government
12,174.00	-	-	12,174.00		12,174.00	-	12,174.00	District Mun

342,572.50	-	-	342,573.00		342,573.00	-	-	District Mun
424,125.50	-	181,980.00	242,146.00	- 110,502.00	313,624.00	-	-	District Mun
300,000.00	-	-	300,000.00		300,000.00	-	-	District Mun
30,000.00	-	-	30,000.00		30,000.00	-	-	District Mun
300,000.00	488,000.00	-	788,000.00		788,000.00	-	-	District Mun
1,408,872.00	240,063,000.00	63,800,937.30	164,110,824.67	1,188,498.00	227,801,259.97	12,059,111.03	318,349,238.03	

APPENDIX M: CAPITAL E

XPENDITURE – NEW AND UPGRADE/RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

CAPITAL EXPENDITURE ON NEW ASSET PROGRAMMES										
No	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S /SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF APPOINTMENT LETTER SIGNED	COMPLETION DATE	CONTRACT AMOUNT	VARIANCE AMOUNT	NEW CONTRACT AMOUNT	PAYMENTS DURING 2020/21	TOTAL EXPENDITURE INCURRED TO DATE
1	Electrification of ward 1, 5,6 & 17 in Emalahleni LM	A1 Electrical	ELM/1/7/2020T	07/09/2020	31/08/2021	R 3 416 852,03	R 0,00	R 0,00	R 3 075 166,84	R 3 075 166,84
2	Electrification of ward 7,8 and 9 in Emalahleni LM	Akal Genesis (Pty) Ltd	ELM/2/7/2020T	01/09/2020	31/08/2021	R 3 582 057,50	R 225 090,47	R 3 807 147,98	R 3 535 597,99	R 3 535 597,99
3	Professional Services for Solar Street Lights Cacadu, DDX and Indwe.	Akal Genesis (Pty) Ltd	ELM/1/6/2020T	18/08/2020	30/06/2021	R 495 600,34	R 0,00	R 0,00	R 495 600,33	R 495 600,33
4	Professional Services and Construction of Mavuya Paving At Emalahleni Local Municipality Area Through Turnkey	MBSA JV Thubalam	ELM/2/9/2020T	28-Oct-20	03-Nov-21	R 9 016 556,04	R 1 665 237,03	R 10 681 793,07	R 9 793 257,65	R 9 793 257,65
5	Installation of Solar Street Lights DDX Zola	Komanim Trading	ELM/4/10/2020T	07-Dec-20	11-Mar-21	R 1 620 289,91	R 0,00	R 0,00	R 1 458 260,90	R 1 458 260,90
6	Installation of Solar Street Lights Cacadu -Hintsu and Mpangele	Amagavu General Trading	ELM/3/10/2020T	10-Dec-20	11-Mar-21	R 1 790 722,50	R 0,00	R 0,00	R 1 611 650,20	R 1 611 650,20
7	UPGRADING OF DR08563 FROM GRAVEL TO SURFACED ROAD BETWEEN CACACDU & MACHUBENI THROUGH TURNKEY CONTRACT	Masilakhe Consulting	ELM/1/11/2020T	2021/01/15	31-Mar-21	R 9 000 000,00	R 4 185 331,76	R 13 185 331,76	R 11 230 197,11	R 11 230 197,11
8	UPGRADING OF DR08563 FROM GRAVEL TO SURFACED ROAD BETWEEN INDWE & MACHUBENI THROUGH TURNKEY CONTRACT.	Masilakhe Consulting	ELM/2/11/2020T	2021/01/15	31-Mar-21	R 9 000 000,00	R 4 314 412,32	R 13 314 412,32	R 3 340 248,56	R 3 340 248,56
9	Installation of Solar Street Lights in Indwe – Ezitandini	T and N Contractors	ELM/1/3/2021T	12-May-21	22-Jun-21	R 1 776 548,38	R 19 443,94	R 1 795 992,32	R 1 616 393,10	R 1 616 393,10

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

CAPITAL EXPENDITURE_ UPGRADE\RENEWAL PROGRAMME PROGRAMMES										
N O.	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF APPOINTMENT LETTER SIGNED	COMPLETION DATE	CONTRACT AMOUNT	VARIANCE AMOUNT	PAYMENTS DURING 2019/20	PAYMENTS DURING 2020/21	TOTAL EXPENDITURE INCURRED TO DATE
1	Installation of High-Mast Lights in Cacadu, Cacadu Bridge & Dordrecht	LT Ntloko JV Khubonga	ELM2/11/2017T	2017-12-20	2018/07/30	R 5 577 586,80	R 0,00	R 0,00	R 1 252 320,57	R 5 348 084,77
2	Professional and Construction Services for the Construction of Cacadu Sports Field Phase 3 in Ward 4 Through Turnkey	Nemorango JV Nakiseni Business	ELM9/5/2018T	2018/07/13	31-May-19	R 7 250 249,98	R 496 000,00	R 893 732,85	R 633 997,88	R 7 586 730,38
3	Professional & Construction Services for the Construction of Maqwathini to Thembelihle Access Road through Turnkey	Counterpoint JV Sizoo	ELM/2/07/2018T	2018/09/27	27-Aug-19	R 5 024 999,75	R 0,00	R 1 551 991,51	R 433 500,00	R 4 781 376,78
4	Professional & Construction Services for the Construction for DDX.	Counterpoint JV Sizoo	ELM1/08/2018T	2018/09/27	27-Aug-19	R 7 533 650,00	R 0,00	R 1 354 322,37	R 518 307,00	R 7 181 745,05
5	Professional & Construction Services for the Paving of Indwe Internal Street	Cotterrell's JV THM	ELM/2/08/2018T	2018/10/02	01/08/2019	R 8 114 237,85	R 339 651,35	R 1 162 401,16	R 408 190,74	R 7 710 194,37
6	Paving of Zakhele Location Phase 2 Ward 4 (Professional Services)	Nemorango Consulting Engineers	ELM/7/07/2019T	2019/09/10	2020/05/31	R 1 293 043,99	R 0,00	R 1 072 655,01	R 191 211,01	R 1 263 866,02
7	Paving of Sinakho Location (Professional Services)	Nemorango Consulting Engineers	Elm/6/07/2019T	2019/09/10	2020/05/31	R 1 293 043,99	R 0,00	R 1 077 468,42	R 163 131,61	R 1 240 600,03
8	Construction of Cacadu Park Phase 2	Engineering Aces	ELM/1/06/2019T	2019/10/29	30-Apr-20	R 454 000,00	R 0,00	R 325 537,44	R 128 460,76	R 453 998,20

CAPITAL EXPENDITURE_ UPGRADE\RENEWAL PROGRAMME PROGRAMMES

N O.	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF APPOINTMENT LETTER SIGNED	COMPLETION DATE	CONTRACT AMOUNT	VARIANCE AMOUNT	PAYMENTS DURING 2019/20	PAYMENTS DURING 2020/21	TOTAL EXPENDITURE INCURRED TO DATE
9	Cemetery Development Indwe (Ward 16) (Consultant)	Black Mountain Msavhen JV	ELM/5/07/2019T	2019/09/10	31-Mar-20	R 354 562,00	R 0,00	R 282 135,18	R 72 071,29	R 354 206,47
10	Professional Service of DDX Sport Field Phase 2	BVI Boarder (PTY) LTD	ELM/1/6/2019T	2019/09/30	30 April 2020	R 962 090,00	R 0,00	R 632 257,06	R 214 386,88	R 846 643,94
11	Cemetery Development Indwe (Ward 16) (Contractor)	Nontembiso Projects	ELM/3/10/2019T	2019/11/18	30 April 2020	R 2 034 775,56	R 0,00	R 1 415 839,79	R 47 754,55	R 1 463 594,34
12	Cemetery Development Indwe (Ward 16) (Contractor)	Tati Group	ELM/2/3/2021T	2021/06/03	06/08/2021	R1 653 207,63	R 0,00	R 0,00	R 942 284,91	R 942 284,91
13	Paving of Zakhele Location in ward 4	Tshiya Infrastructure Development (Pty) Ltd	ELM/4/11/2019T	2019/11/26	27/10/2020	R 8 274 461,14	R 1 452 643,17	R 3 730 757,08	R 5 025 942,63	R 8 756 699,71
14	Paving of Sinakho Location in ward 11 & 14	Tshiya Infrastructure Development (Pty) Ltd	ELM/5/10/2019T	2019/11/26	27/10/2021	R 8 762 624,64	R 1 165 322,93	R 5 434 580,54	R 3 499 635,07	R 8 934 215,61
15	Construction of Cacadu Park	Tati Group	ELM/4/11/2019T	2020/01/23	31/05/2020	R 2 262 174,54	R 0,00	R 1 422 457,57	R 2 163 794,83	R 2 163 794,83
16	Professional and Construction Services for the Construction of Tsolokazi Access Road in ward 17 Through turnkey	Mvi Construction & Maintenance JB Ibhutwe Lwezizwe	ELM6/11/2019T	2020/01/16	30/09/2020	R 6 245 811,00	R 573 894,62	R 3 647 481,08	R 0,00	R 6 819 235,18
17	Professional and Construction Services for the Construction of Jinginja Access Road in ward 1Through turnkey	BM Infrastructure JV Masiyabu Trading	ELM/5/11/2019T	2020/01/23	31/07/2020	R 6 618 118,85	R 849 476,93	R 4 398 462,67	R 2 434 174,71	R 6 832 637,38

CAPITAL EXPENDITURE_ UPGRADE\RENEWAL PROGRAMME PROGRAMMES

N O.	DESCRIPTION OF CONTRACT/PROJECT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	DATE OF APPOINTMENT LETTER SIGNED	COMPLETION DATE	CONTRACT AMOUNT	VARIANCE AMOUNT	PAYMENTS DURING 2019/20	PAYMENTS DURING 2020/21	TOTAL EXPENDITURE INCURRED TO DATE
18	Electrification of ward 1, 5,6 & 17 in Emalahleni LM	A1 Electrical	ELM/1/7/2020 T	07/09/2020	31/08/2021	R 3 416 852,03	R 0,00	R 0,00	R 3 075 166,84	R 3 075 166,84
19	Electrification of ward 7,8 and 9 in Emalahleni LM	Akal Genesis (Pty) Ltd	ELM/2/7/2020 T	01/09/2020	31/08/2021	R 3 582 057,50	R 225 090,47	R 0,00	R 3 535 597,99	R 3 535 597,99
20	Professional Services for Solar Street Lights Cacadu, DDX and Indwe.	Akal Genesis (Pty) Ltd	ELM/1/6/2020 T	18/08/2020	30/06/2021	R 495 600,34	R 0,00	R 0,00	R 495 600,33	R 495 600,33
21	Professional Services And Construction Of Mavuya Paving At Emalahleni Local Municipality Area Through Turnkey	MBSA JV Thubalam	ELM/2/9/2020 T	28-Oct-20	03-Nov-21	R 9 016 556,04	R 1 665 237,03	R 0,00	R 9 793 257,65	R 9 793 257,65
22	Installation of Solar Street Lights DDX Zola	Komanim Trading	ELM/4/10/2020 T	07-Dec-20	11-Mar-21	R 1 620 289,91	R 0,00	R 0,00	R 1 458 260,90	R 1 458 260,90
23	Installation of Solar Street Lights Cacadu -Hints and Mpangele	Amagavu General Trading	ELM/3/10/2020 T	10-Dec-20	11-Mar-21	R 1 790 722,50	R 0,00	R 0,00	R 1 611 650,20	R 1 611 650,20
24	UPGRADING OF DR08563 FROM GRAVEL TO SURFACED ROAD BETWEEN CACADU & MACHUBENI THROUGH TURNKEY CONTRACT	Masilakhe Consulting	ELM/1/11/2020 T	2021/01/15	31-Mar-21	R 9 000 000,00	R 4 185 331,76	R 0,00	R 11 230 197,11	R 11 230 197,11
25	UPGRADING OF DR08563 FROM GRAVEL TO SURFACED ROAD BETWEEN INDWE & MACHUBENI THROUGH TURNKEY CONTRACT.	Masilakhe Consulting	ELM/2/11/2020 T	2021/01/15	31-Mar-21	R 9 000 000,00	R 4 314 412,32	R 0,00	R 3 340 248,56	R 3 340 248,56
26	Installation of Solar Street Lights in Indwe – Ezitandini	T and N Contractors	ELM/1/3/2021 T	12-May-21	22-Jun-21	R 1 776 548,38	R 19 443,94	R 0,00	R 1 616 393,10	R 1 616 393,10

APPENDIX N – CAPITAL PROGRAMME BY PROJECT 2020/2021

PROJECTS LIST 2020/2021	PROJECT REGISTRATI ON NO.	MIG REGISTERED AMOUNT	AWARD AMOUNT	VARIATIO N ORDER	NEW AWARD AMOUNT	SAVINGS
Construction of Cacadu Sport Field Phase 3	EC/2013/370	R 7,979,000.00	R 7,250,249.98	R 496,000.00	R 7,746,249.98	R 232,750.02
Construction of Motor Vehicle Testing Station Phase 2 W4	CS/EC/15539/18/19	R 36,750,000.00		R	R	R36,750,000.00
Paving of Dordrecht Internal Streets	R/EC/15352/18/19			R	R	R -
Paving of Indwe Internal Streets	R/EC/15353/18/19	R 10,392,850.00	R 654,750.00	R	R 654,750.00	R 9,738,100.00
Rehabilitation of Indwe Sports Field Phase 1	CS/EC/1534/18/19					R -
Paving of Zakhele Location Phase 2 Ward 4	EC2018/19/11/121	R 11,413,290.00	R 9,567,505.13	R 1,452,643.17	R 11,020,148.30	R 393,141.70
Paving of Sinakho Location	EC2018/19/11/122	R 11,413,290.00	R 10,055,668.63	R 1,165,322.93	R 11,220,991.56	R 192,298.44
Construction of Cacadu Park Phase 2	CS/EC/15832/19/21	R 2,600,000.01	R 2,716,174.54	R 9,430.00	R 2,725,604.54	-R 125,604.53
Cemetery Development Indwe (Ward 16)	CS/EC15831/19/21	R 2,480,000.00	R 2,389,337.56	R	R 2,389,337.56	R 90,662.44
Construction of DDX Sport Field Phase 2	CS/EC/15830/19/20	R 8,219,383.60	R 8,219,383.60	R	R 8,219,383.60	R -
Jinginja Access Road at Ngqoko Village Ward 17	EC2019/20/11/139	R 8,400,000.00	R 6,618,118.85	R 849,476.93	R 7,467,595.78	R 932,404.22
Tsolokazi Access Road Ward 1	EC2019/20/11/138	R 7,800,000.01	R 6,245,811.00	R 573,894.62	R 6,819,705.62	R 980,294.39
Solar Street lights Dordrecht Zola	L/EC/17438/20/22	R 1,966,666.67	R -	R	R	R 1,966,666.67
Solar Street lights Cacadu -Post office & Mpangele street	L/EC/17436/20/22	R 1,966,666.67	R -	R	R	R 1,966,666.67
Solar Street lights in Indwe -Ezitandini	L/EC/17437/20/22	R 1,966,666.67	R 1,925,264.48	R -	R	R 41,402.19
Paving of Mavuya	R/EC/15899/19/22	R 10,927,173.83	R 9,016,556.04	R 1,665,237.03	R 10,681,793.07	R 245,380.76
		R 69,153,137.46	R 56,753,819.83	R 5,716,004.68	R 60,544,560.03	R 6,683,312.95

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2020/2021

PROJECTS LIST 2020/2021	WARD	PROJECT REGISTRATION NO.	MIG REGISTERED AMOUNT	AWARD AMOUNT	VARIATION ORDER	NEW AWARD AMOUNT	SAVINGS
Construction of Cacadu Sport Field Phase 3	4	EC/2013/370	R 7,979,000.00	R 7,250,249.98	R 496,000.00	R 7,746,249.98	R 232,750.02
Construction of Motor Vehicle Testing Station Phase 2 W4	4	CS/EC/15539/18/19	R 36,750,000.00		R -	R -	R36,750,000.00
Paving of Dordrecht Internal Streets	14	R/EC/15352/18/19			R -	R -	R -
Paving of Indwe Internal Streets	15	R/EC/15353/18/19	R 10,392,850.00	R 654,750.00	R -	R 654,750.00	R 9,738,100.00
Rehabilitation of Indwe Sports Field Phase 1	16	CS/EC/1534/18/19					R -
Paving of Zakhele Location Phase 2 Ward 4	4	EC2018/19/11/121	R 11,413,290.00	R 9,567,505.13	R 1,452,643.17	R 11,020,148.30	R 393,141.70
Paving of Sinakho Location	14	EC2018/19/11/122	R 11,413,290.00	R 10,055,668.63	R 1,165,322.93	R 11,220,991.56	R 192,298.44
Construction of Cacadu Park Phase 2	4	CS/EC/15832/19/21	R 2,600,000.01	R 2,716,174.54	R 9,430.00	R 2,725,604.54	-R 125,604.53
Cemetery Development Indwe (Ward 16)	16	CS/EC15831/19/21	R 2,480,000.00	R 2,389,337.56	R -	R 2,389,337.56	R 90,662.44
Construction of DDX Sport Field Phase 2	14	CS/EC/15830/19/20	R 8,219,383.60	R 8,219,383.60	R -	R 8,219,383.60	R -
Jinginja Access Road at Ngqoko Village Ward 17	17	EC2019/20/11/139	R 8,400,000.00	R 6,618,118.85	R 849,476.93	R 7,467,595.78	R 932,404.22
Tsolokazi Access Road Ward 1	1	EC2019/20/11/138	R 7,800,000.01	R 6,245,811.00	R 573,894.62	R 6,819,705.62	R 980,294.39
Solar Street lights Dordrecht Zola	14	L/EC/17438/20/22	R 1,966,666.67	R -	R -	R -	R 1,966,666.67
Solar Street lights Cacadu - Post office & Mpangele street	4	L/EC/17436/20/22	R 1,966,666.67	R -	R -	R -	R 1,966,666.67
Solar Street lights in Indwe -Ezitandini	16	L/EC/17437/20/22	R 1,966,666.67	R 1,925,264.48	R -	R -	R 41,402.19
Paving of Mavuya	15	R/EC/15899/19/22	R 10,927,173.83	R 9,016,556.04	R 1,665,237.03	R 10,681,793.07	R 245,380.76
			R 69,153,137.46	R 56,753,819.83	R 5,716,004.68	R 60,544,560.03	R 6,683,312.95

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Not applicable

APPENDIX S - Declaration of Returns not Made in due Time under MFMA s71

SECTION 71 REPORTS SUBMISSION FOR 2020/2021 FINANCIAL YEAR

		Reporting month	Date of Submission	Compliant: Y or N
Jul-20	Schedule C Grants		22-Aug-20 17-Aug-20	N N
Aug-20	Schedule C Grants		14-Sep-20 14-Sep-20	Y Y
Sep-20	Schedule C Grants		13-Oct-20 14-Oct-20	Y Y
Oct-20	Schedule C Grants		13-Nov-20 13-Nov-20	Y Y
Nov-20	Schedule C Grants		14-Dec-20 14-Dec-20	Y Y
Dec-20	Schedule C Grants		15-Jan-21 15-Jan-21	Y Y
Jan-21	Schedule C Grants		12-Feb-21 12-Feb-21	Y Y
Feb-21	Schedule C Grants		12-Mar-21 12-Mar-21	Y Y
Mar-21	Schedule C Grants		16-Apr-21 16-Apr-21	Y Y

Apr-21	Schedule C Grants		14-May-21	Y
			14-May-21	Y
May-21	Schedule C Grants		14-Jun-21	Y
			14-Jun-21	Y
Jun-21	Schedule C Grants		14-Jul-21	Y
			14-Jul-21	Y

Signatures:

.....
MR V.C MAKEDAMA
MUNICIPAL MANAGER

.....
DATE

.....
CLLR N KONI
HONORABLE MAYOR

.....
DATE

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OVERSIGHT REPORT ON THE ANNUAL REPORT FOR 2020/2021
FINANCIAL YEAR**

DATE: 31 MAY 2022

MUNICIPAL PUBLIC ACCOUNTS MEETING: 19 March 2022

MPAC CHAIRPERSON FOREWORD

In terms of MFMA Act no 56 of 2003- Circular no 32 and 11, MPAC is required to also oversee the annual report of the municipalities. As well as mandated by Council to review and scrutinize the 2021/2022 draft Annual Report. As an oversight committee we have fulfilled the obligation.

The annual report is one of the key instruments of transparent governance and accountability. It is a post financial year document which provides an overview process of financial and non-financial performance in respect of the previous financial year. The adoption of an Annual report is a legislative requirement in terms of the Local government: Municipal Finance Management Act (MFMA) 2003 (Act 56 of 2003).

The Annual Report is submitted to Council by the Accounting officer and the Mayor and is part of the process for discharging accountability by the executive and administration for their performance in achieving the goals and objectives set by the municipality for the financial year. The oversight report is considered to be a report of the Municipal council reflecting on the annual report. Council is responsible to oversee the performance of the municipality as required by the constitution, the Municipal finance management act, act no 56 of 2003 (MFMA), and the municipal systems act. The oversight responsibility of council is particularly important for the process of considering annual reports. In terms of Section 129 (1) of the MFMA, the Council of a municipality must consider the annual report of the municipality and adopt an oversight report containing the Council's comments on the annual report.

MPAC would like to thank the Executive Committee led by the Office of the Mayor including the Municipal Manager as well as senior management for their cooperation while performing this task.

INTRODUCTION

Oversight is a concept that refers primarily to the crucial role of legislatures in reviewing and monitoring the actions of the executive organs of government. The executive in carrying out its tasks, whether by implementing legislation or policy, acquires considerable power (the ability to influence or determine a person's conduct). A condition of the exercise of that power in a constitutional democracy is that the administration or executive is checked by being held

accountable to an organ distinct from it (the legislature). This notion is inherent in the concept of the separation of powers, which simultaneously provides for checks and balances on the exercise of executive power, making the executive more accountable to an elected legislature.

PURPOSE

Section 129 of the Municipal Finance Management Act requires a municipality to prepare an oversight report over the annual report and to publish the same. However, no further formal oversight requirements are contained in the legislation. Section 129(4) of the MFMA only provides for the assurance of guidance on the way municipal councils should consider annual reports and conduct public hearings, and the functioning and composition of any public accounts or oversight committees established by the council to assist it to consider an annual report. Thus, the purpose of this report is to present to Council the final audited report for 2021/2022 as well as the Oversight report on the Annual Report as required in terms of section 129 of the Municipal Finance Management Act of 2000.

LEGAL FRAMEWORK

Herewith are the extracts from the key legislative requirements as stipulated in the Local Government Municipal Finance Management Act 56 of 2003 relating to the Annual report.

"121" Preparation and adoption of annual reports

- (1) Every Municipality and every Municipal entity must for each financial year prepare an annual report in accordance with this chapter. The council of the municipality must within 9 months after the end of the financial year deal with the annual report of the municipality and of any entity under the municipalities sole or shared control in accordance with section 129.
- (2) The purpose of an Annual report is:
 - (a) To provide a record of the activities of the municipality during the financial year to which the report relates.
 - (b) To provide a report on performance against the budget of the municipality for the financial year, and
 - (c) To promote accountability to the local community for the decisions made throughout the year by the municipality.

"127" SUBMISSION AND TABLING OF ANNUAL REPORTS

- (1) The Mayor of the Municipality must within seven months after the end of the financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's control.

"129" OVERSIGHT REPORTS AND ANNUAL REPORTS

- (1) The Council of a municipality must consider the annual report of the municipality under the municipality's control, and by no later than 2 months from the date on which the Annual Report was tabled in the Council's comments on the annual report, which must include a statement whether the Council.
 - (a) Has approved the Annual Report with or without reservations
 - (b) Has rejected the annual report or
 - (c) Has referred the annual report back for revision of those comments that can be revised.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The Municipal Public Accounts committee (MPAC) is a committee of Council established in terms of section 79 of the Local Government Municipal structures act of 1998 (Act 117 of 1998) according to the terms of reference MPAC has the responsibility to inter alia, perform oversight over the process of preparing the annual report of council and produce an oversight report based on the Annual report. Thus the committee is delegated the responsibility to conduct meetings and hold public hearings to receive and hear public submissions on the Annual report on behalf of council. The current MPAC Members were elected and its members are:

CLLR PB TWALA	(CHAIRPERSON)
CLLR M OYIYA	MPAC MEMBER
CLLR U MZANDISI	MPAC MEMBER
CLLR M LIMBA	MPAC MEMBER

LEGISLATIVE/ STATUTORY REQUIREMENTS

The following legislative framework is applicable.

- (a) The Constitution of the Republic of South Africa Act 108 of 1996
- (b) The Local government Municipal Structures Act 117 of 1998
- (c) The Local government Municipal Systems act 31 of 2000, as amended.

- (d) The Local Government Municipal Finance Management Act, Circular 11
- (e) The Local Government Municipal Finance Management Act, Circular 32 and 63
- (f) National treasury and Department of Corporate governance and Traditional Affairs final guidelines for the establishment of the Municipal public Accounts Committee, August 2011.

CONSULTATION AND ADOPTION PROCESS

The Draft Unaudited Annual Report was submitted to Council and was referred to the Municipal Public Accounts committee for oversight in terms of relevant legislation. The community was advised through the print media on the availability of the annual report and further encouraged to submit representations. Copies of the annual report were made available to all municipal libraries and community halls. Copies are further circulated to all councillors. Office of the auditor general, the Provincial Treasury and the Department of Corporate governance and traditional Affairs.

Members of the MPAC interrogated the annual report and the minutes thereof are attached for formal records of the proceedings in accordance with the provisions of section 129 (b) of the MFMA 56 of 2003.

In considering the Draft Unaudited Annual Report, the committee assessed the following documents:

- (a) Draft Annual report
- (b) Auditor General's Report

PUBLIC PARTICIPATION IN THE OVERSIGHT PROCESS

Section 136 of the MFMA provides that the meetings of the Municipal Council or Committee established by Council at which an Annual Report is to be discussed or at which decisions concerning on the Annual Report are to be taken and must be open to the public and any organ of state. This is in promotion of public participation in the municipal process. As part of promoting public participation in the oversight process, municipalities are obliged to undertake the following additional actions:

- (a) Invite written submission from the local community on the Annual Report
- (b) Make public all meetings or which the Annual Report will be discussed.
- (c) Representatives of the Auditor General are entitled to attend and to speak at any meeting that deals with the Annual Report.
- (d) Engage in the process of public participation on the Annual Report.

An Imbizo has been organised to present this report and solicit inputs on the Annual report and oversight.

The Municipality undertook the following activities to promote public participation in considering the Annual Report.

MECHANISIMS TO PUBLIC PARTICIPATION	STATUS	COMMENTS
Invitation to the public to submit comments on the annual report	Done	The public was invited to submit comments on the Annual Report.
Make public all MPAC meetings that will consider the Annual report	Not done	There was no invitation that was published inviting members of the public to participate in the MPAC meetings due to the COVID- 19 pandemic that gripped the nation.
Representation of the Auditor General invited to meetings of Council that consider the Annual Report	Done	Auditor General made the report to council.

OVERSIGHT ON THE ANNUAL REPORT 2019/2020 FINANCIAL YEAR

ACTIVITY	RESPONSE
Chapter Two: Governance, Risk Management and Compliance. • Does the municipality have a policy which governs the declaration of interest of employees and councilors.? • If the answer to the above is yes, have all employees and councilors made the said declarations? • Have these declarations been analyzed and captured by the municipality.? • Has the municipality identified potential or actual conflict of interest? • What has the municipality done in relation to these potential or actual conflict of interest? • Was the customer satisfaction survey conducted during the 2020/2021 financial year? if not why? and if yes what were the outcomes of the survey? • How many litigations were recorded by the municipality in the 2020/2021 financial year?	Yes, there is a declaration form provided to both officials and Councilors. Not all employees have brought back the forms and follow up is in progress. Yes, they are captured and analyzed. There are no identified potential or actual conflict of interest. Not applicable The Customer satisfaction survey was not conducted during 2020-2021 financial year. The Municipality has recorded 12 cases for this current financial year. Seven of these matters have been finalized and five are still pending before court.

Risk Management • When was the last risk assessment undertaken by the municipality? • Are risk mitigation plans in place to deal with the key risks within the municipality? • What is the status of progress made in addressing audit findings and are they included in the audit action plan? • Are these monitored by internal Audit and the Audit Committee, and what is their assessment of progress?	The last assessment was done in June 2021 for the strategic Risk Register. Mitigation action plans are drafted, and directorates implement, and the Risk Management unit monitors the progress quarterly. Audit action plan is monitored continuously. Progress at 82% by end of the third quarter. Internal audit to review the Audit Action Plan in the 4th Quarter ending June 2022, Unaudited report was submitted to the Audit Committee held on the 26th of April 2022
Compliance and by laws. • Does the municipality have strategies and by laws in place which deal with compliance with laws and regulations, fraud, and corruption? • Has the Disciplinary Board provided recommendations on matters they were investigating? • During the year under review has there been any disciplinary measures/or criminal prosecution in fraud and corruption matters against the municipal employees and councilors?	Yes, the Municipality has these laws, and existing by-laws. however, these by laws are due to be reviewed in the next financial year. The Disciplinary -Board is currently in the process of investigating the matters that were referred to it by MPAC. The DC Board sent clarity seeking questions to the affected directorates and is expecting the said responses on the 13th day of May 2022 is scheduled to sit on the 25th of May 2022. No, the municipality did not have any criminal cases in the current financial year either for councilors or employees. Yes, the municipality has embarked on a process of recovery on two ex-senior managers. The process has started, and the municipality has briefed Taleni, Kupiso attorneys to move a civil claim of recovery against these parties and we are waiting for summons to be issued.

• Has the municipality embarked on a process of recovering losses resulting from fraud and corruption matters within the municipality? • If the answer is yes having these recoveries and or losses been recorded in the AFS?	
Chapter 3 Basic Service Delivery (Solid waste and electricity) • MPAC notes from the draft annual report that, the targets that were set have not been met by the municipality. • Why were these targets not met? Please provide reasons for not achieving these targets. • MPAC also noted that there were backlogs, especially when it comes to the electricity department, please provide reasons of what led to these backlogs? • When can the municipality expect to eliminate these backlogs? • MPAC also notes from the draft annual report that there are performance targets which were not supported by adequate evidence? Why was is evidence not produced to the auditors? • MPAC notes that the Draft Annual report has flagged the targets on roads and storm water. What has led to these targets not being reached by the municipality? And what	Breakdowns to construction plant machinery, that caused the delays to the maintenance of access roads Poor performance by the Contractor and cashflow problems. The electrification program paused for a period of 2 years owing to access limit that was believed to have been reached in 2017-2018 and 2018-2019. The electrification program paused for a period of 2 years owing to access limit that was believed to have been reached in 2017-2018 and 2018-2019. The backlogs are expected to be resolved probably by 2030 (looking at the current list of connections versus the progress made). During audit, the electrical projects were not finalized yet in terms of outages by ESKOM, therefore, completion books were still utilized by ESKOM. Breakdown of Construction machinery. The plant machinery is under repairs, some will be auctioned, and new machinery will be purchased in 2022-2023.

remedies has the municipality introduced to ensure that all these targets are met? • What remedies has the municipality developed to address the issue of landfill sites within the municipality? • The committee has noticed that the municipality has still registered electricity loss in the year under review. What plan has the municipality developed to curb this ongoing finding? • MPAC has noted that the municipal Policy on indigent, credit control and collection levels were flagged by the A-G. Clarity is requested on the following, how much of the equitable share went towards the funding for the indigent? • What measures are in place to verify and validate the indigent information, to ensure that integrity of information which is captured in the register. • MPAC further notes in the AR that the collection level of the municipality has been flagged. What strategies are in place to address these challenges when it comes to the collection level?	An action plan was developed and engagements with DEDEAT were initiated. The Municipality plans at doing prepaid data cleansing, tariff alignment, metering upgrades, own consumption quantification and willing agreement with ESKOM. Flagged because of the credibility of the Indigent register. R 7 348 000.00 Indigent register reviewed. Services from the external verification agency are used to ensure integrity of information which is captured on the register. Data cleansing exercise on the system, the municipality sends statements to customers and demand letters are issued on debts that are in arrears. Bilateral with customers especially government and businesses on the status of their accounts. For municipal employees and councilors there are plans to deduct outstanding debts from their salaries as per code of conduct for employee's and councilors.
Chapter 4 Management of workforce	

➤ Are there staff members that are on suspension? ➤ If yes how many? and the duration that they have been on suspension. ➤ Are there suspensions which have exceed the time limit as provided by the policy? If yes provide reasons why? ➤ Has the municipality developed a strategy of ensuring that it puts measures to ensure that the disciplinary processes /investigations are finalized without delays? ➤ What is the value of salaries that are being paid to staff on suspension?	Yes, There are three (Ms. O Ngacu = 12 Months, Messrs. Ganamfana and Masiza = 9 months) Yes, the cases have not been concluded yet due to delays caused by postponements and unavailability of representatives. Yes, the plan is to capacitate internal staff to be able to preside and prosecute over cases. R 877 940.88 on Ms Ngacu, R 228 100.80 on Mr Masiza and R 310 306.60 on Mr Ganamfana.
Chapter 5 Financial Matters	
➤ Has the municipality managed to address the unfunded budget status it had in the previous financial year? ➤ What is the status of the municipal Income and Revenue? has it decreased or increased.	Yes, the municipal budget for 2020/21 was assessed as funded (Treasury confirmation is attached) Grant Revenue for 2019/20 was R 170 559 million, whereas in 2020/21 it was R 219 618 million, this constitutes a 29% increase. Own Municipal Revenue was R 52 644 million in 2019/20 as compared to R 35 965 million in 2020/21, this constitutes a 32% decrease. Unrealistic projections in 2019/20 contributed to the unfunded budget status, this was corrected by reducing the 2020/21 revenue budget.

➤ Has the Unauthorized, Irregular expenditure gone down in the year under review? If yes, please provide the mechanisms which the municipality use. ➤ What is the municipal strategy of ensuring that unauthorized and irregular expenditure are mitigated? ➤ Has the municipality managed to monitor the budget vs the actual expenditure? ➤ Has the municipality managed to attend to the issues that were raised in the Management Report? ➤ Has the municipality developed a detailed plan to address these issues?	Unauthorized expenditure- has gone down from R 41 745 268 in 2019/20 to R 10 373 137 in 2020/21, this constitutes 75% decrease. This was achieved by adopting a funded budget and finalising previous investigations referred to MPAC by writing off expenditure. Irregular expenditure – has decreased from R 7 520 870 in 2019/20 to R 45 053 in 2020/21, this constitutes 99% decrease. This was achieved By introducing internal controls like irregular expenditure checklist as well as finalising previous investigations referred to MPAC and subsequent write-offs. Yes, monthly Section 71 reports are monitored, and budget consumption reports are sent to each department monthly. There is an Audit Action Plan in place which addresses all issues contained in the Management Report. As at end April 2022, 80% of the issues have been addressed. The plan is to address all issues by 30 June 2022.
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AUDIT OPINION: CHAPTER 6

- The committee notes that the municipality has received a qualified audit opinion.
- What has led to the municipality regressing?

- Has the municipality developed a plan to address this finding? If yes how has the municipality implemented and monitored this plan?

The regression was due to quality of the previous Annual Financial Statements done by the consultants, these were only identified in the 2020/21 due to the municipality preparing AFS in house. There was no sufficient time to address the historical issues.

There is an Audit Action Plan in place which addresses all issues contained in the Management Report. As at end April 2022, 80% of the issues have been addressed. The plan is to address all issues by 30 June 2022.

1. OVERSIGHT RESOLUTIONS

The Municipal public Accounts Committee having fully considered the Emalahleni local Municipality Annual Report for 2020/2021 Financial Year, resolves to Council that:

- (a) The Council having fully considered the Oversight Report on the Annual report 2020/2021 financial year, adopts the Oversight Report.
- (b) The Oversight Report be made public in terms of Section 129(3) of the MFMA.
- (c) The Oversight Report be submitted to the Eastern Cape Legislature in terms of Section 132(2) of the MFMA.

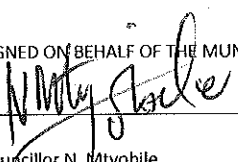
SIGNED ON BEHALF OF THE COMMITTEE:



Councillor B.P Twala

MPAC Chairperson

SIGNED ON BEHALF OF THE MUNICIPAL COUNCIL:


Councillor N. Mtyobile
Council Speaker


Mr V.C. MAKEDAMA
Municipal Manager

