

2021/2022

DR AB XUMA
LOCAL
MUNICIPALITY
FINAL ANNUAL
REPORT



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REVISED ANNUAL REPORT TEMPLATE

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

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

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

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

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

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

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

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

Chapter 1

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

MAYOR’S FOREWORD

Engcobo Local Municipality adopted its’ vision “a Flourishing Municipality”.

I therefore, take great pleasure in introducing this Draft Annual Report for 2020/21 financial year. The report highlights the achievements and challenges experienced by the municipality for the year under review. The municipality takes pride in serving the community as an extension of good governance and all decisions that are taken are in the best interests of the people of Ngcobo.

The report is honest about its challenges and achievements. The challenges are not unique to Engcobo Local Municipality and I am confident that with the existing leadership and collective wisdom of other political parties in Council, and the Administration these challenges are not insurmountable.

It is therefore recognized that continued efforts must be put in order to maintain and improve the current status of the performance throughout the municipal areas. The municipality already has a functional intergovernmental relation with the sector departments as a result the development of the Integrated development planning take into cognizance of the national, provincial and district agenda and priorities. There is a need to improve those relations which the municipality is currently working on, in strengthening the technical intergovernmental structure.

Every effort must be made to maintain a culture of service delivery and to maintain and enhance sound fiscal and administrative functioning in all costs in the following municipality services which focus on the five developmental local government key performance areas: Basic Service Delivery; Municipal Institutional Transformation and Development; Local Economic Development and Planning; Municipal Financial Viability, and Good Governance & Public Participation.

The Municipality within the ambits of developmental local government shall continue to perform effectively and efficiently, while providing the community with the required and expected levels of service delivery, local economic development, infrastructure development, fiscal control and sustainability as well as good governance within all spheres. Every effort will be made to meet and sustain community needs at all identified levels as dictated and defined by the constraints of available infrastructure and resources.

As a municipality it is incumbent upon the political and administrative leadership to provide what may be described as a vibrant local economy that is able to sustain financial independence and growth. By so doing it will be ensured that both local enterprises and community members are and remain empowered – creating a community of motivated and capable individuals who are able to contribute towards the growth and sustainability of the community as well as the environment.

The day to day struggles of ageing and poor infrastructure and limited financial resources continues to put the strain on the ability of Engcobo Municipality so as to provide and improve its service delivery. These challenges are clearly reflected within service delivery initiatives and every effort is being made

Chapter 1

to improve service delivery performance at every level. It is also noteworthy to highlight the serious threat and challenges imposed by emergence of Covid-19 pandemic which certainly is a worldwide catastrophe. The municipality has established structures and systems to effectively respond to this new world order.

Furthermore, the municipality has encountered challenges in revenue collection and electrification however; there are interventions to address those.

Despite many achievements, challenges always abound and as a result the following areas will receive a particular focus;

Revenue collection

Roads maintenance and construction initiatives in order to minimize extensive challenges

Electrification

Ngcobo poultry value chain

Building of municipal offices

Network infrastructure

Eradicating or minimizing cases of irregular, wasteful and fruitless expenditure

The implementation of SPU programs

The achievement of the service delivery targets and deliverables is obviously also required to be viewed together with the municipality's financial performance and our ability to comply with a whole suite of municipal legislation.

This report is therefore intended to attest to the collective efforts of the municipal administration and Council to progressively address the expectations of our people. The municipal structures, district and local forums, municipal website, newspapers, community radios and municipal social media have been instrumental in ensuring that service delivery is accounted for be it financial or non-financial performance. As a local government we will always be evaluated by our ability to meet the growing needs of our residents through rendering quality services, promoting economic development, fiscal discipline, ensuring that we govern effectively and facilitating the growth of our municipality.

To note that the initiatives committed for service delivery improvement as some are indicated above as challenges are as follow; the implementation of audit action plan, maintenance and construction roads, bridges and the new municipal offices as well as the network infrastructure.

I therefore, want to thank our political leadership and staff led by the Municipal Manager, for ensuring political and administrative stability in our municipality. I thank them for everything they do to make our municipality work each and every day.

I also want to relay a special thanks to the Chris Hani District Municipality, Chris Hani District Agency, Chris Hani Co – operative Development Centre, Local Tourism Organization and Services Seta for the partnerships lodged with them as this is also responding to the needs of the Engcobo communities.

COUNCILLOR. S. ZANGQA
MAYOR



T 1.0.1

Chapter 1

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

The 2021/2022 financial year has provided Engcobo Local Municipality with many challenges on all fronts. Despite this, we have ensured that we deliver services to our people. Despite significant successes we have also experienced challenges. However, I am very pleased to say that these have been managed professionally well.

The five (5) year Integrated Development Plan (IDP) is revised on annual basis post evaluating highlighted priorities and current plans available, without mentioning the available budget and resources/ infrastructure for the year – an annual set of IDP strategic objectives are then created for each current year. These then represent a realistic set of IDP strategic objectives for the current year. In order to ensure that these are successfully achieved, a Service Delivery and Budget Implementation Plan (SDBIP) for the organization as a whole (reflected within each Directorate) is created – aligned to both Budget and IDP.

From the SDBIP, performance targets are created for each s56 Director and this is aligned to the SDBIP, the IDP and Budget. This then culminates into the scorecards for each directorate. In each instance it is ensured that the service delivery targets created are aligned to the level above which ultimately means alignment with the IDP, Budget and SDBIP.

It is therefore critically important that every effort is made to ensure that realistic service delivery targets are created / formulated, and this is required to occur using what is formally known as the "SMART" principle. Targets are therefore written in such a way that they are considered to be "SMART" i.e.: **Simple, Measurable, Achievable, Realistic and Time bound**. This is one area that the municipality had performed very well in the 2020/21 financial year and which it needs to maintain moving forward.

It must be emphasized that the IDP is informed by inputs from public participation initiatives and the final documents not only reflecting the needs of the community, but are required to take into account the **pre-determined objectives** (with emphasis on service delivery) that are required nationally as a matter of compliance.

In terms of performance, the municipality has recorded major progress in delivering the objectives of the IDP. This will be explicitly substantiated in detail in subsequent sections of this report, in particular Chapter 5. The capacity and support received through intergovernmental cooperation also enabled us to discharge our constitutional responsibilities with reasonable efficiency.

Chapter 1

Engcobo municipal communities are satisfied with the speed the Municipality is running with regard to construction of access roads and their maintenance given the limited resources and plant the municipality is in possession of. Also, the Municipality has made remarkable progress in the construction of bridges in the respective communities. As the Municipality is closely monitoring the performance of the contractors, the Contractor that was constructing Didi bridge, had its contract terminated due to poor performance and another Contractor was employed to perform the task.

. Whilst in other villages where the municipality finished its scope of work, Eskom still needs to energize those areas for them to be fully electrified however the challenge is still the access to the areas. The municipality has now prioritized those access roads in their maintenance plan.

SMME development – the municipality does not compromise in giving work to the SMME's as part of local economic development and job creation

Building Control remains a serious challenge in Engcobo especially in the townships where people are building without following the building regulations and as a result of this there is a potential that the municipality may be losing a lot of revenue and the households who are contravening the building regulations are exposed to danger because they are living in houses that have not been approved by the relevant authorities. The municipality is doing by all means to overcome this challenge as it is one of the highest risks.

The financial health of the municipality is in good state despite the low revenue collection which is due to rate payers withholding payments and the outbreak of Covid-19 which has had negative impact.

The importance and relevance of an annual report in an accountable, participatory and developmental orientated local government as a valuable assessment tool cannot be over-emphasized. The 2020/2021 financial year has come to an end and, as required by section 127 of the Municipal Finance Management Act, 2003 (Act 56 of 2003), we must table and adopt an annual report for the 2020/2021 financial year within the prescribed time frames. The report is not only a compliance matter but provides a fair presentation of the performance of the municipality for the year under review.

I therefore affirm or assert that the draft annual report is to my best knowledge the true reflection of what the municipality has managed to do in the 2021/2022 financial year.

MUNICIPAL MANAGER



T 1.1.1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Engcobo Local Municipality is located in the Chris Hani District of the Eastern Cape, the second largest province in terms of land coverage on the south-eastern seaboard of South Africa. Engcobo consists of 20 wards, extends over 2 258,78km² with a population of 164 000, and constitutes 19,6% of the total population of the district, as per the Census 2016 information. The majority of the population is female (56%). There are about 66 people per square kilometre. The population is predominantly black African, followed by an insignificant number of Asians/Indians, coloureds and whites.

Chapter 1

With 164 000 people, the Dr AB Xuma Local Municipality housed 0.3% of South Africa's total population in 2019. Between 2009 and 2019 the population growth averaged 0.43% per annum which is significant lower than the growth rate of South Africa as a whole (1.61%). Compared to Chris Hani's average annual growth rate (0.70%), the growth rate in Engcobo's population at 0.43% was close to half than that of the district municipality.

When compared to other regions, the Dr AB Xuma Local Municipality accounts for a total population of 164,000, or 18.8% 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 2019. The ranking in terms of the size of Engcobo compared to the other regions remained the same between 2009 and 2019. In terms of its share the Dr AB Xuma Local Municipality was slightly smaller in 2019 (18.8%) compared to what it was in 2009 (19.3%). When looking at the average annual growth rate, it is noted that Engcobo ranked fifth (relative to its peers in terms of growth) with an average annual growth rate of 0.4% between 2009 and 2019.

Based on the present age-gender structure and the present fertility, mortality and migration rates, Engcobo's population is projected to grow at an average annual rate of 0.8% from 164 000 in 2019 to 171 000 in 2024.

In terms of the percentage of people living in poverty, Dr AB Xuma Local Municipality has the highest percentage of people living in poverty, with a total of 80.1%. using the upper poverty line definition. In 2009, 14.7% of the total population in Dr AB Xuma Local Municipality were classified as economically active which increased to 19.7% in 2019.

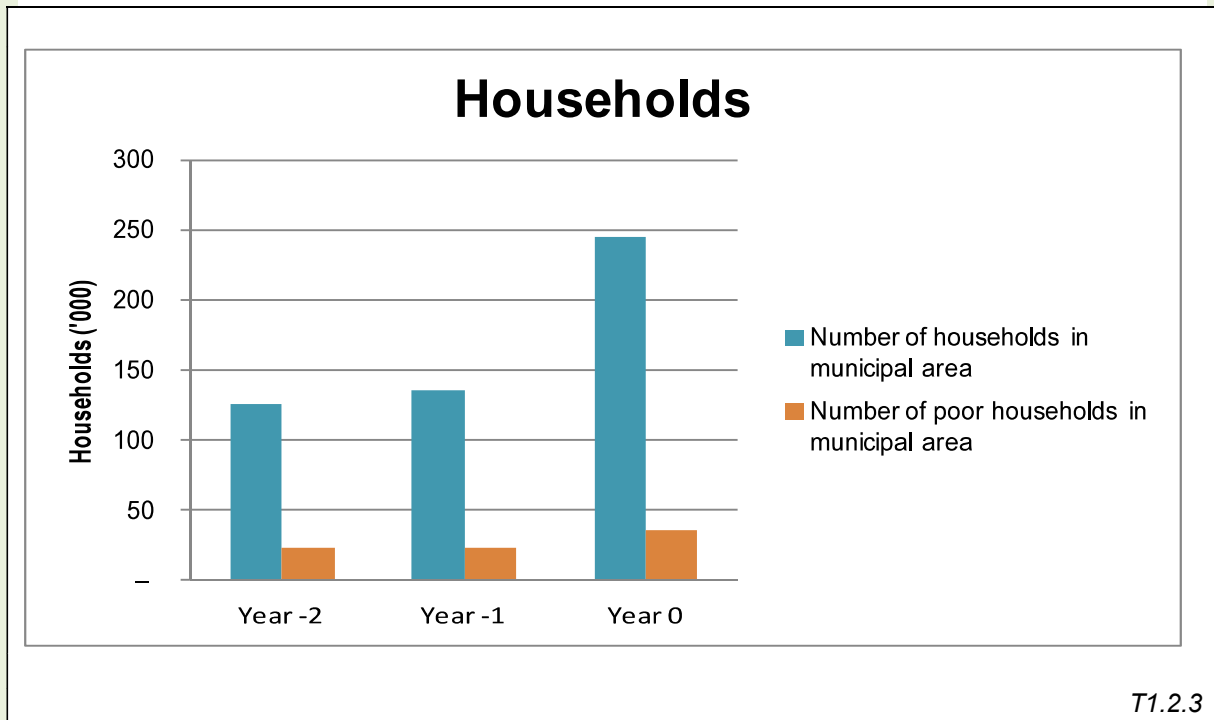
The economic state of Dr AB Xuma Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, Chris Hani District Municipality, Eastern Cape Province and South Africa. With a GDP of R 3.13 billion in 2019 (up from R 1.57 billion in 2009), the Dr AB Xuma Local Municipality contributed 10.01% to the Chris Hani District Municipality GDP of R 31.3 billion in 2019 increasing in the share of the Chris Hani from 10.29% in 2009. The Dr AB Xuma Local Municipality contributes 0.80% to the GDP of Eastern Cape Province and 0.06% the GDP of South Africa which had a total GDP of R 5.08 trillion in 2019 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2009 when it contributed 0.06% to South Africa, but it is lower than the peak of 0.06% in 2012.

T 1.2.1

Chapter 1

Age	Population '000					
	2011			2016		
	Male	Female	Total	Male	Female	Total
Age: 0 - 4	12041	12179	24220	10500	9800	20300
Age: 5 - 9	12480	11554	24034	10500	10000	20500
Age: 10 - 19	20856	20478	41334	173340	15050	188390
Age: 20 - 29	25710	12760	38470	124420	13290	137710
Age: 30 - 39	19250	8079	27329	8600	10650	19250
Age: 40 - 49	3221	5216	8437	3700	6360	10060
Age: 50 - 59	2753	5572	8325	3460	6850	10310
Age: 60 - 69	1612	2302	3914	3350	5110	8460
Age: 70+	2477	6348	8825	3200	5280	8480

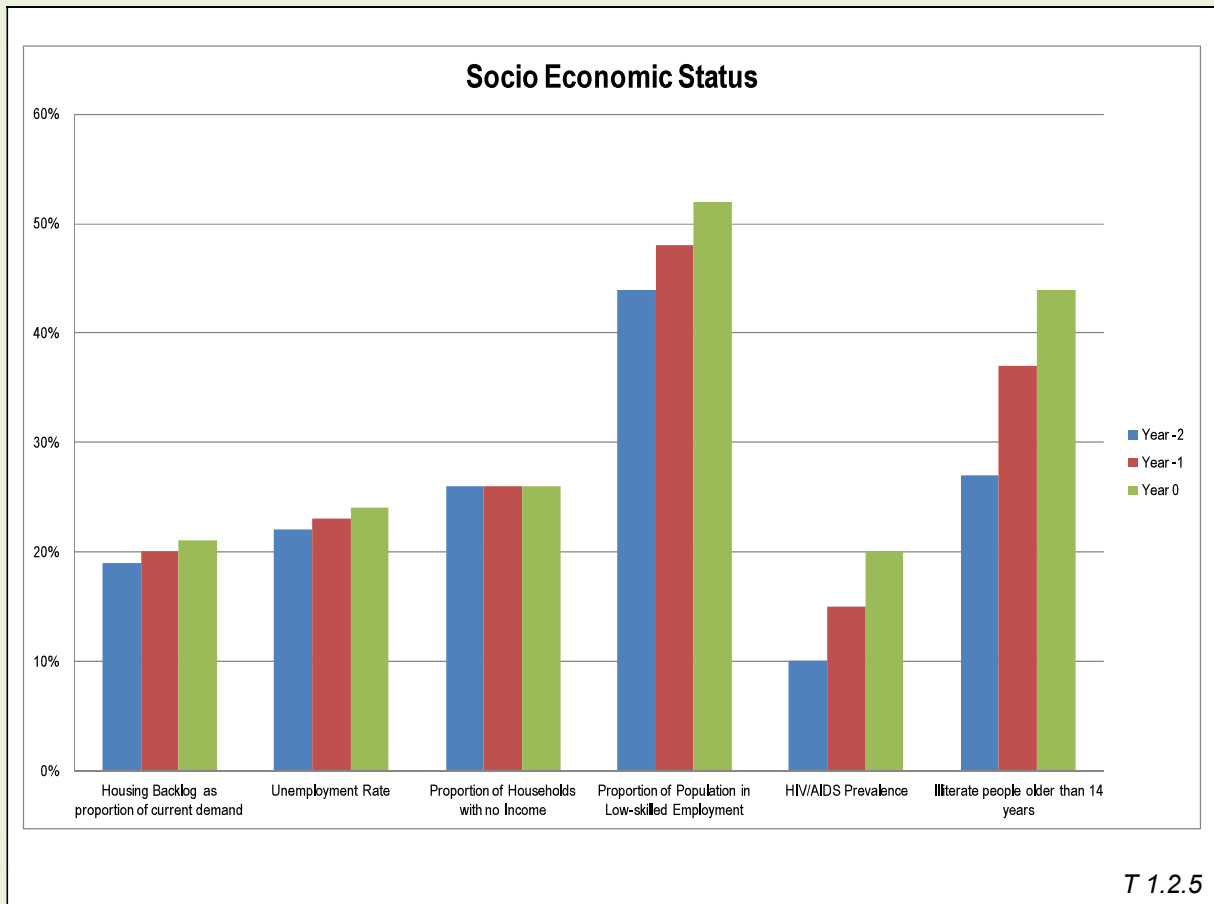
Source: Statistics SA T 1.2.2



Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2016	16.4%	45.7%	30.7%	53.3%	10%	27%
2011	20%	46%	26%	48%	15%	37%
0	0%	0%	0%	0%	0%	0%

T 1.2.4

Chapter 1



Overview of Neighbourhoods within 'DR AB XUMA LOCAL MUNICIPALITY'		
Settlement Type	Households	Population
Towns		
Engcobo town	50	200
Sub-Total	50	200
Townships		
Timehouses	150	2400
Sub-Total	150	2400
Rural settlements		
20 Wards	38 500	164 000

Chapter 1

Sub-Total	38500	164000	
Informal settlements			
Msawawa	500	1900	
Maxelegwini	200	851	
Forestview	120	248	
Ndevu	267	461	
New Rest	300	985	
Sub-Total	1387	4445	
Total	38700	166600	
		T 1.2.6	

Natural Resources	
Major Natural Resource	Relevance to Community
Arable Land	Crop production, Livestock Grazing, Access to Ploughing
Forestry	Energy Production, Manufacturing and Processing
Small Scale (Sand, Quarry and Charcoal)	Construction, Energy, Manufacturing and Processing and Revenue Generation
Livestock	Meat, Mohair, Revenue Generation, Agriculture and Cultural Heritage
Land for development	Household settlements, Industries and future town developments
	T 1.2.7

COMMENT ON BACKGROUND DATA:

- A) Lack of skills – Result to high unemployment rates, skills shortage in the municipality which result from the migration of critical skills to other areas.
- B) Migration - more economically active groups out-migrate the municipality in search of better wages, job opportunities, education, or the availability and affordability of housing or food.
- C) Inadequacy of business acumen/entrepreneurship (more than 80% of SMMEs are survivalist).
- D). Inadequacy of developed infrastructure (impacting on cost of transacting in the province i.e. sourcing of goods outside the province).
- E) Shrinking economy with low growth figures in provincial GDP reported i.e. EC is a lagging economy, economic activity declines, minimum opportunity for growth to exploit, funding opportunities become scarce.

T 1.2.8

Chapter 1

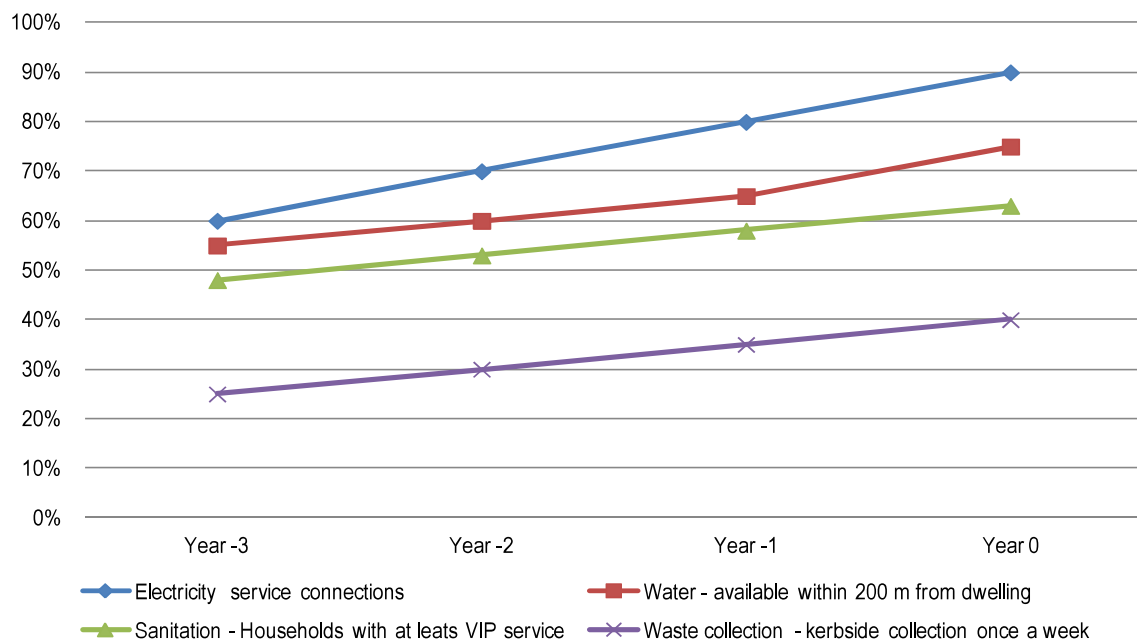
1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

Delete Directive note once comment is completed - Provide a brief introduction to basic service delivery achievements and challenges including a brief specific comment on service delivery to indigents.

T 1.3.1

Proportion of households with access to basic services



T 1.3.2

COMMENT ON ACCESS TO BASIC SERVICES:

Delete Directive note once comment is completed - Explain the shortfalls in service contained in the diagram above.

T 1.3.3

Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The DR.AB. Xuma Local Municipality has improved its financial position substantially during the year under review. The liquidity position has increased slightly from the previous year as a result of the successful implementation of the municipality's credit control policy and revenue enhancement strategy and the municipality is doing the VAT returns in house to decrease spending on consultants. In 2021/22 financial year the municipality have received an unqualified audit opinion.

T 1.4.1

Financial Overview: Year 0				
				R' 000
Details	Original budget	Adjustment Budget	Actual	
Income:				
	222	283		258
Grants	433	841	660	
Taxes, Levies and tariffs	8	7	899	7
	681	976		
Other	26	46	558	12
	400	683		
Sub Total	257	338	117	279
	514	500		
Less: Expenditure	249	255	313	253
	619	816		
Net Total*	7	82	804	25
	895	684		
* Note: surplus/(defecit)				T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	44%
Repairs & Maintenance	2%
Finance Charges & Impairment	1%
	T 1.4.3

COMMENT ON OPERATING RATIOS:

The employee cost norm is above the norm of 40%, the municipality has reduced spending on travels claims, payment of overtime and the spending for EPWP casuals must be with the funds allocated by

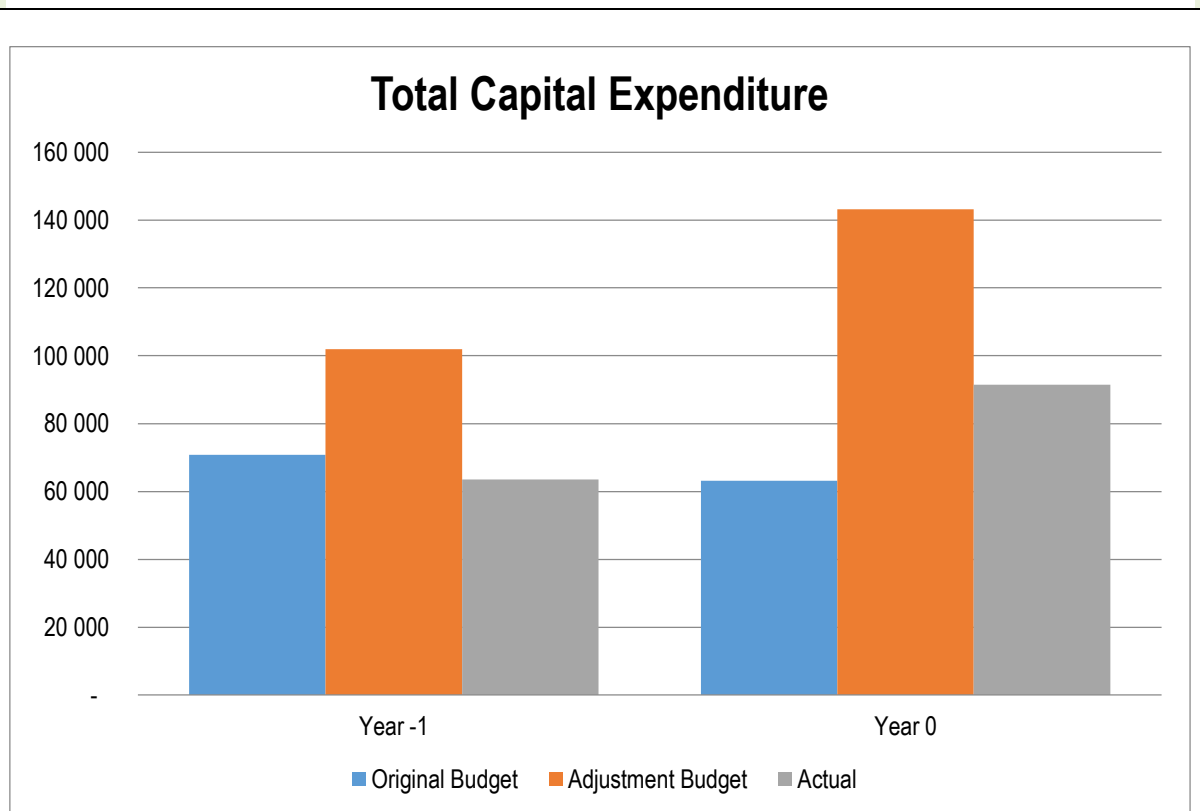
Chapter 1

department of public works. Repairs & finance are below the treasury norms because there are items that can't be allocated to repairs i.e fuel & oil, sleep out allowance and salaries paid to employees responsible for maintenance, these cost are allocated to employee related costs and operational expenditure.

T 1.4.3

Total Capital Expenditure: Year -2 to Year 0			
			R'000
Detail	Year -2	Year -1	Year 0
Original Budget	69 128	70 849	63 197
Adjustment Budget	57 288	101 985	143 187
Actual	45 335	63 541	91 496

T 1.4.4



T 1.4.5

COMMENT ON CAPITAL EXPENDITURE:

Chapter 1

Actual on year 0 is below the adjusted budget due to funds that are not fully spent on conditional grants, budget for construction of buildings that has not been spent and additional allocation that we received in March 2022 and it was not fully spent by 30th June 2022. The capital expenditure is funded by MIG, INEP, OTP and own revenue

T 1.4.5.1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

Delete Directive note once comment is completed – Provide an overview of key Organisational Development issues based on information contained in Chapter 4.

T 1.5.1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT: YEAR 0 (CURRENT YEAR)

DR.AB XUMA local Municipality received a unqualified audit opinion for the 2021/2022 financial year. The basis of the qualified audit opinion is outlined in Chapter 6 of this document.

T

1.6.1

Chapter 1

1.7. STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	July
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	August
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	November
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	
17	Oversight report is made public	December
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January

T 1.7.1

Chapter 1

COMMENT ON THE ANNUAL REPORT PROCESS:

Delete Directive note once comment is completed –Explain the importance of achieving the above deadlines to prepare the Annual Report nearer the end of the financial year and to provide the next budget process with a wide range of data from the outset. Include a statement to explain the importance of alignment between the IDP, Budget and Performance Management System as dealt with at item 1 or the schedule. Explain any failures to achieve the above timescales.

T 1.7.1.1

Chapter 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

The municipality as the local sphere it has relationship with other spheres of government in terms of Intergovernmental Relations, community support and engagement and Integrated Development Plan alignment with National Development Plan, National and Provincial Strategies and Outcomes.

The municipality is a category B municipality with 20 wards and 39 Councilors; there is a political wing headed by the Honorable Mayor and on the other hand the administrative wing headed by the Municipal Manager who oversees the five departments namely Budget and Treasury Office, Integrated Planning and Economic Development, Corporate Services, Community Services and Infrastructure Services.

T 2.0.1

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

By necessity and design, formal political and administrative frameworks and infrastructure have been created both internally and externally in order to facilitate operational performance. To this end the required policy has been created and updated; structures (political and administrative) have been created and are functional, procedures and compliance prescriptions have been developed to aid and direct day-to-day operations; and an infrastructure and support system has been created. All of these ensure that operations occur in a sound, effective and efficient manner. In every instance, efforts are continuously made to meet community needs in an ordered and structured manner, while ensuring optimum levels of efficiency and effectiveness.

Engcobo Local Municipality's operational focus is determined by its strategic objectives as reflected within its Integrated Development Plan (IDP). These objectives are initially translated into the performance targets that are reflected within the Service Delivery and Budget Implementation Plan (SDBIP). These targets are translated further on an operational level by being cascaded into operational and management targets within the relevant performance scorecards within each directorate. This process facilitates that performance targets are monitored and achieved over a designated period of time and in the manner prescribed. The successful achievement of these objectives is dependent on the available resources i.e. operational, human and financial.

Functions of the political arm are as follows;

Advocating and protecting the needs of the community, and in this manner facilitating the possibility of a better quality of life for all.

Communicating effectively and involving all the members of the community in decision making wherever practical and possible, in order to give new meaning to the concept of "people centered government".

Functions of an administrative arm are as follows;

Chapter 2

Ensuring that there is sufficient infrastructure, human capital resources, policies and procedures in order to ensure that the strategic objectives can be met through effective management and control of operations, service delivery and matters of compliance, and
Providing and supportive and administrative role for the functioning of the overall institution

T 2.1.0

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Note: MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality

As per the MFMA section 52 (a); The Mayor must provide the general political guidance over fiscal and financial affairs of the municipality.


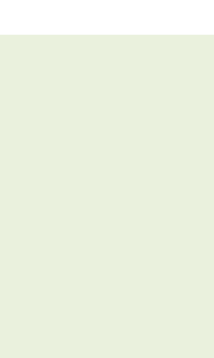
The Council is the Legislative decision body of the municipality, its' proceedings are chaired by the Speaker. There is an Executive Committee (EXCO) that is chaired by the Mayor which provides the oversight to the functions and services rendered by the administration to the people of Engcobo as pre-approved IDP. The Executive Committee of Engcobo has eight-members, seven portfolio heads and the Mayor.

The Portfolio Councilors are allocated to oversee the functioning of each directorate including the Office of the Municipal Manager thus enhancing the oversight role. By so doing, formal decision making is enhanced. In this manner, Councilors are better placed to make "informed decisions" and appropriate recommendations to Council for final approval where necessary.

The Council has established Municipal Public Accounts Committee (MPAC) as well as Audit Committee (AC) according to section 79 (1a) and (b) of the Municipal structures. MPAC assist the Council to effectively and efficiently exercise its functions and powers. Members serving in the MPAC are all non-executive councillors of the Council from different political parties. The oversight role of the MPAC is to review the municipality's Annual Report with specific focus on the financial aspects as contained in the Auditor General's report on the Annual Financial Statements of the municipality and also when instructed by Council to advise Council in respect of unauthorised, irregular or fruitless and wasteful expenditure. Audit committee of the municipality provides the opinions and recommendations on financial processes and performance and provide comments to the MPAC for them to be incorporated into the Annual report. The MPAC prepares the oversight report and that report is adopted by Council and published.

T 2.1.1

Chapter 2

Photos	POLITICAL STRUCTURE	Function
	<p>MAYOR Councillor Siyabulela Zangqa</p> <p>The Mayor provides general political guidance of the fiscal and financial affairs of the municipality. The Mayor takes all reasonable steps to ensure the municipality performs its Constitutional and statutory functions within the limits to the municipality's approved budget; co-ordinating the annual revision of the Integrated Development Plan (IDP), and the preparation of the annual budget, and determining how the IDP is to be taken into account, or revised, for the purpose of the budget.</p>	
	<p>SPEAKER Councillor Mandilakhe Archmore Kondile</p> <p>The Speaker chairs the Council, looks on the welfare of the council, and makes sure that the council committees are in place through coordination of public participation processes and programs.</p>	
	<p>CHIEF WHIP Nomadama Nobuntu Mgidi</p> <p>The Council Chief Whip's role spans both the political and administrative domains of the council, with the emphasis on the political aspect. A range of political parties has representation on council and the council Chief Whip has to ensure that relationships are constructive and focused on the key issues at hand This required as approach in which the efficient functioning to the municipality has to be prioritised</p>	
<p><i>Photos (optional)</i></p>	<p>MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE</p> <p>Cllr. Siyabulela Zangqa – Mayor and Chairperson</p> <p>Cllr. Nkoliseko Qotoyi – Budget and Treasury Office</p> <p>Cllr. Nokuzela Ngwangwa - Corporate Services</p> <p>Cllr. Sandiso Ngxangu - IPED</p> <p>Cllr. Nompando Sipendu - Community Services</p> <p>Cllr Nomadama Mgidi– Technical Services</p> <p>Cllr Nomsa Dayisi – Special Programmes Unit</p> <p>Cllr Nokwayiyo Mpoyi- Waste and Refuse</p>	<p>T 2.1.1</p>

Chapter 2

COUNCILLORS

The Engcobo Local Municipality Council is comprised of 39 Councilors (Ward Councilors and Party Representatives) and this is reflected as follows:

The Council has 39 seats (19 Proportional Representative (PR) Councilors and 20 Ward Councilors). All seats in the Council are filled.

The Speaker is the Chairperson of Council. The party-political and demographic representation of Councilors is reflected in the table below:

Political Party	Number of Councilors	Gender of distribution	
		Male	Female
African National Congress (ANC)	32	16	16
Economic Freedom Fighters (EFF)	2	1	1
United Democratic Movement (UDM)	2	1	1
Pan African Movement (PAC)	1	1	0
Democratic Alliance (DA)	1	1	0
ATM	1	0	1
AIC	1	1	0

The municipality is a category B municipality with 20 Wards with 39 Councilors. There are 20 ward councilors and 19 part representatives. The municipality has 7 standing committees' which are Cooperate services, infrastructure, IPED, SPU, BTO, waste and refuse and social needs. They are also section 79 committee's these are MPAC, Public Participation, Rules and Women's Caucus Committee. All the 39 councilors are serving in their respective committees.

T 2.1.2

POLITICAL DECISION-TAKING

The Engcobo Local Municipality's decisions are taken by the politicians in the council. 100% of all council resolutions are implemented and reported on quarterly basis through departmental Standing Committees and MPAC Oversight meetings. In addition, Management Committee sits on weekly basis for feedback purposes.

T 2.1.3

Chapter 2

2.2 ADMINISTRATIVE GOVERNANCE

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 Municipal Manager is the Accounting Officer of administrative governance and he reports to the Mayor and advises him on administrative matters. He has a signed performance agreement in a form of a contract between himself (the Municipal Manager) and the Mayor. He further oversees the five (05) directorates which are headed by the s56 Managers responsible for the development, implementation, monitoring and reporting of Service Delivery Budget and Implementation Plans. All these s56 Managers have signed performance agreements with the Municipal Manager for the financial year in question (2020/2021 financial year).

The political leadership and the administration complement each other to achieve the objectives of the IDP. The organogram of the municipality showing filled, vacant funded and unfunded and proposed positions will be attached when the Draft Annual Report goes to Council.

T 2.2.1

Chapter 2

Photo	TOP ADMINISTRATIVE STRUCTURE	Function
<i>Photo Executive Directors Directors Optional</i>	<p>TIER 1 ACTING MUNICIPAL MANAGER Zibele Xuba</p> <hr/> <p>TIERS 2 AND 3</p> <p>SENIOR MANAGERS Nontobeko Faith Siwahla Chief Financial Officer</p> <p>Mountain Siqaza Senior Manager Corporate Services</p> <p>Zibele Xuba Senior Manager IPED</p> <p>Nonzukiso Matiwane Senior Manager Community Services</p> <p>Siseko Mkhondweni Acting Senior Manager Technical Services</p>	
		T2.2.2

Chapter 2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Note: MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution section 41.

It is recognized that organizations benefit from both individual and shared experiences. In this manner, opportunities are created for organizations to share and learn from each other and to develop more effective skills in handling day to day operations and specific challenges.

Efforts to improve and facilitate these relationships have led to the development of IGR (intergovernmental relations) structures which have been put in place and are driven at the local level. The IGR Forum has been established in order to formally promote and to improve this process.

In order to govern and facilitate this process further, an Intergovernmental Relations Policy with Terms of Reference were developed by the municipality.

Existing and Functional Structures

Additionally, the following structures exist to enhance IGR:

The District Municipal Manager's Forum

The District Mayor's Forum (DIMAFU)

MUNIMEC Meetings

Presidential Hotline

IDP and Budget Representative Forum

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

All the programs that are developed by Engcobo Local Municipality are derived from the legislative policies that are approved by National and Provincial Government.

T 2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

MUNIMEC – Information sharing on municipal progress, vision and mission implementation and good practice

SALGA Working Groups – Municipality participates and benefit from annual information and reporting on all municipalities within the Province

Chapter 2

LED Forum – Discuss LED initiatives, challenges and good practice at Provincial level **Chris Hani District IDP Representative Forum** – Preparations, planning and implementation of IDP through all IDP stages

HR Working Group – A HR progress reporting

Communicators Forum – Environmental scanning and marketing strategies on government programs

CFO Forums – Financial information sharing of progress and challenges

T 2.3.2

RELATIONSHIPS WITH MUNICIPAL ENTITIES

Delete Directive note once comment is complete – Explain how your municipal entities take decisions at the top and how they are held accountable to your municipality and your citizens for the quantity, quality and value for money of the services they deliver. Refer to policy development, coordination and monitoring arrangements used to support your entities. A complete list of entities and delegated functions should be set out in **Appendix D**.

T 2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

MUNIMEC – Information sharing on municipal progress, vision and mission implementation and good practice

SALGA Working Groups – Municipality participates and benefit from annual information and reporting on all municipalities within the Province

LED Forum – Discuss LED initiatives, challenges and good practice at Provincial level **Chris Hani District IDP Representative Forum** – Preparations, planning and implementation of IDP through all IDP stages

HR Working Group – A HR progress reporting

Communicators Forum – Environmental scanning and marketing strategies on government programs

CFO Forums – Financial information sharing of progress and challenges

T 2.3.4

Chapter 2

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Every year formal opportunities are created in order to provide the public with opportunities to input into organizational objectives and the manner in which services need to be and are addressed. In addition, they are given opportunities to “interact” with information regarding service delivery, operational and financial performance (IDP and Budget meetings, SDBIP reporting, Performance and Annual Reports and the like). In this manner, a “people centered” organization is created – one in which the needs of the community are noted and plans are made to address these through processes of interaction and inclusion.

The IDP Process and Budget Plan have been created in order to ensure that public participation occurs effectively thereby ensuring that the needs of the public are met.

Note: MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

T 2.4.0

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Historically, it is noted that the Communication Strategy was adopted and implemented successfully.

Communication continues through Ward Committee meetings, radio talk shows and printed media. Additionally, the Presidential Hotline and the manual receipt of complaints are also being utilized in order to address all complaints received from communities and other stakeholders

In an effort to heighten the success of customer care initiatives, the municipality has a register for complaints raised by communities. The EXCO outreaches provide a forum for community complaints and it is here that many community complaints are received. The Public Participation Officer register the complaints in the Complaints Register, facilitating that this is then formally handled.

Efforts to improve public participation and communication have involved the extensive use of other communication media. These include;

Newspapers;

Broadcast media such as, Vukani Community Radio which is used for advertising the Executive Committee outreaches that are used for communicating with the communities of Engcobo.

IDP/ Budget consultations which are done in order to collect the needs of the communities and for feedback on allocation and or facilitation of those community needs. T 2.4.1

Chapter 2

2.5 IDP PARTICIPATION AND ALIGNMENT

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

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Delete Directive note once comment is completed - Please explain in brief the scope of corporate governance.

T 2.6.0

2.6 RISK MANAGEMENT

RISK MANAGEMENT

The municipality is required in terms of MFMA section 62 (i) (c) to have and maintain an effective, efficient and transparent system of risk management.

In discharging this requirement, the Council adopted a Risk Management Framework Policy, a Risk Strategy and Risk Management Plan to guide the work of the risk management. The Council further constituted a Risk Management Committee, with its independent Chairperson reporting to the Audit Committee. Other members of the Risk Management Committee comprised of the MM, Senior Managers and other key officials (Chief Audit Executive, IT Manager and Risk Officer).

Chapter 2

Mr L Galada served as the Chairperson of the Risk Management Committee from the beginning of the financial year end of October 2021. The Council appointed Mr M Tshofela (who was an Audit Committee member) to be the Chairperson of the Risk Management Committee from January 2022.

The Risk Management Officer, under the guidance of the Chief Audit Executive coordinates the work of Risk Management assisted by trained Risk Management Champions.

During the 2012/22 financial year, the municipality undertook a risk assessment process, which culminated to a Risk Register both at the strategic and operational level. The risk registers listed all the operational risks strategic. Management developed a Risk Mitigation plan to treat the risks identified for the institution.

On quarterly basis, the progress on the implementation of the risk mitigation plan is followed up. Reports on the results of the follow up are submitted to the Risk Management Committee and Internal Audit for review.

The work of risk management helps internal audit in the development and review of its audit plans

T 2.6.1

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The Council adopted a Fraud Prevention Plan and Whistle Blowing Policy

As part of developing the Risk Management Strategy, the function incorporated fraud and anti-corruption strategies. Fraud risks were identified and included in the municipal risk register.

Fraud risk awareness campaigns were conducted during the financial year with staff and municipal Councillors to create awareness on fraud, unethical risks and conduct that will have a detrimental effect in the achieving IDP strategies. Risk Management office assisted by Internal Audit facilitated the implementation of the fraud risk awareness workshop.

The Municipality subscribes to the Code of conduct policy is in place and disciplinary cases are handled in accordance to human resource policies. Head of Corporate Services ensures that all employees and councilors sign the policy. Chief Financial Officer ensures that declaration of interest is also signed by all municipal officials and Councilors in order to reduce fraud risk in Supply Chain Management processes.

The municipality has developed Disciplinary Board Charter for financial misconduct. However, the Disciplinary Board's expired at the end of January 2022. The Council is yet to appoint a new Disciplinary Board. The Disciplinary Board did not have any meetings during the 2021/22 financial year

Chapter 2

As part of assurance and to detect any fraud, the municipality has an Internal Audit and Audit Committee functions, which review and report on all financial and performance matters. The Audit Committee was functional and reported to Council on a quarterly basis.

The Audit Committee is supported by the Internal Audit.

T 2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The DR.AB. Xuma Municipality Supply Chain Management policy's is aligned to the MFMA, SCM regulations and related circulars. The municipality fully implement the SCM regulations and related circulars for the period from 1 July 2021 to 30 June 2022. The SCM policy was subsequently reviewed and revised accordingly to ensure that it is fully aligned to the applicable laws and regulations. The SCM policy was reviewed and approved by Council on the 31 May 2021. The effective date of the SCM policy is 1 July 2021.

T 2.8.1

2.9 BY-LAWS

By-laws Introduced during Year 0

Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
bylaws relating to cemeteries	no	yes	Sep-21	yes	20-06-2022
bylaw for open spaces	no	yes	Sep-21	yes	20-06-2022
bylaw for road traffic	no	yes	Sep-21	yes	20-06-2022
bylaw for property rates	no	yes	Sep-21	yes	20-06-2022
bylaw for indigent support	no	yes	Sep-21	yes	20-06-2022
bylaw for liquor trading hours	no	yes	Sep-21	yes	20-06-2022
bylaw for street trading	no	yes	Sep-21	yes	20-06-2022
bylaws for refuse removal	no	yes	Sep-21	yes	20-06-2022

*Note: See MSA section 13.

T 2.9.1

Chapter 2

COMMENT ON BY-LAWS:

Municipal stakeholders were furnished with copies of draft bylaws for comments. Also, a public meeting was organized by the legal unit in time to discuss such comments but attendance was very poor. Copies of bylaws were placed in public places and municipal offices for public to access them. On the Municipal website, the copies were loaded and stakeholders were contacted telephonically to participate in the development process. Copies were also given to Ward Councillors to make them available for public to interact and make comments. Enforcement will be done through the relevant department by law enforcement officers.

T 2.9.1.1

2.10 WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents		
All current budget-related policies		
The previous annual report (Year -1)		
The annual report (Year 0) published/to be published		
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards		
All service delivery agreements (Year 0)		
All long-term borrowing contracts (Year 0)		
All supply chain management contracts above a prescribed value (give value) for Year 0		
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1		
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section		
Public-private partnership agreements referred to in section 120 made in Year 0		
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0		
<p><i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i></p>		

T 2.10.1

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

Delete Directive note once comment is completed – Refer to the requirement for Municipal websites as set out in MFMA section 75. Explain plans to address the shortfall in content. Comment on progress made in placing personal computers in accessible locations to the public so that Council web based information can be accessed. The municipality should monitor and report on the use of its website by the public, for example, by measuring the number of hits on the website.

T 2.10.1.1

Chapter 2

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFCATION LEVELS

Delete Directive note once comment is completed - Provide a brief overview of public satisfaction with municipal service delivery.

T 2.11.1

Satisfaction Surveys Undertaken during: Year -1 and Year 0				
Subject matter of survey	Survey method	Survey date	No. of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:				
(a) Municipality				
(b) Municipal Service Delivery				
(c) Mayor				
Satisfaction with:				
(a) Refuse Collection				
(b) Road Maintenance				
(c) Electricity Supply				
(d) Water Supply				
(e) Information supplied by municipality to the public				
(f) Opportunities for consultation on municipal affairs				
* The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory				T 2.11.2

Concerning T 2.11.2:

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

T 2.11.2.1

Chapter 2

COMMENT ON SATISFACTION LEVELS:

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

T 2.11.2.2

Chapter 3

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

INTRODUCTION

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

T 3.0.1

COMPONENT A: BASIC SERVICES

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

INTRODUCTION TO BASIC SERVICES

It is very important that the municipality meets the service delivery targets as this is one of the mechanisms that the municipality can use to improve the lives of its citizens. The municipality does not have any entities within the municipality.

T 3.1.0

Chapter 3

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

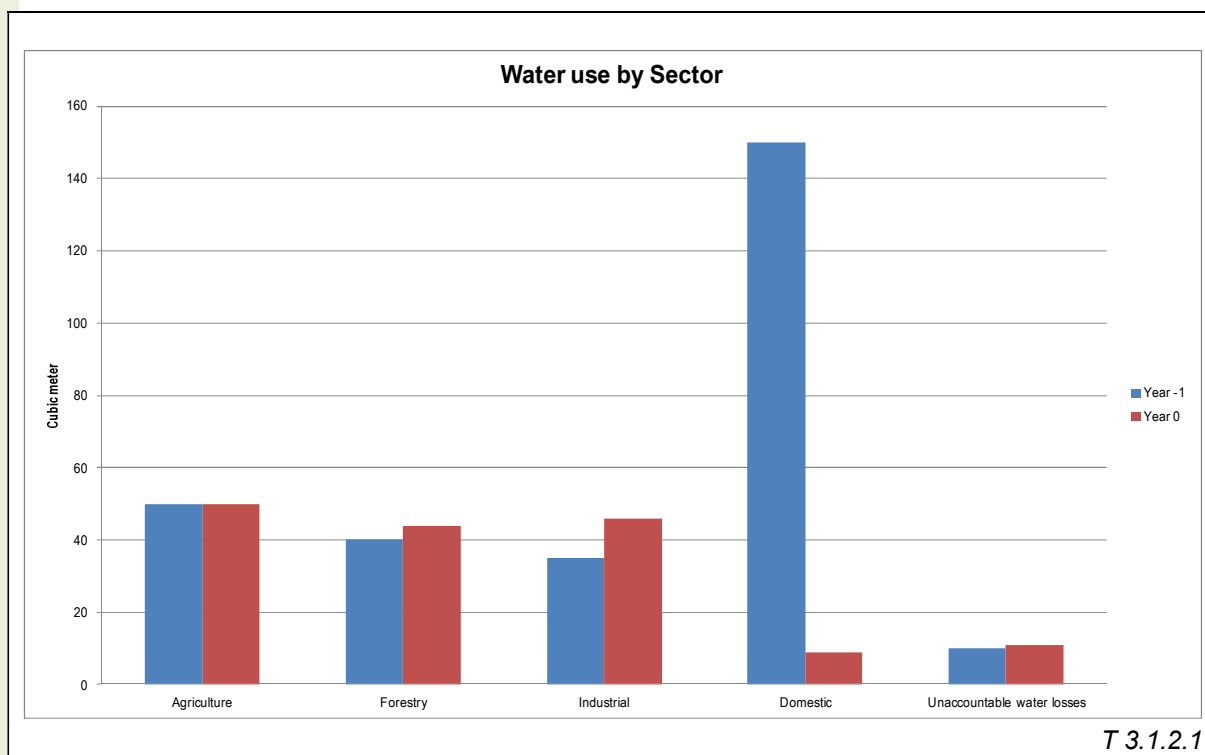
Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005

The district municipality Chris Hani is the water services authority (WSA) and is thus also performing the water service provider (WSP) function as from 1st July 2014. Provision of water service is done on behalf of the municipality by the district and both municipalities do not have a service level agreement (SLA) in place.

T 3.1.1

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
Year -1	50	40	35	150	10
Year 0	50	44	46	9	11

T 3.1.2



COMMENT ON WATER USE BY SECTOR:

Chapter 3

There are no industries within the Engcobo Local Municipal area, the water used by forestry and agriculture is unknown and has not been measured. The main use of water within the municipality is for domestic use and is measured monthly.

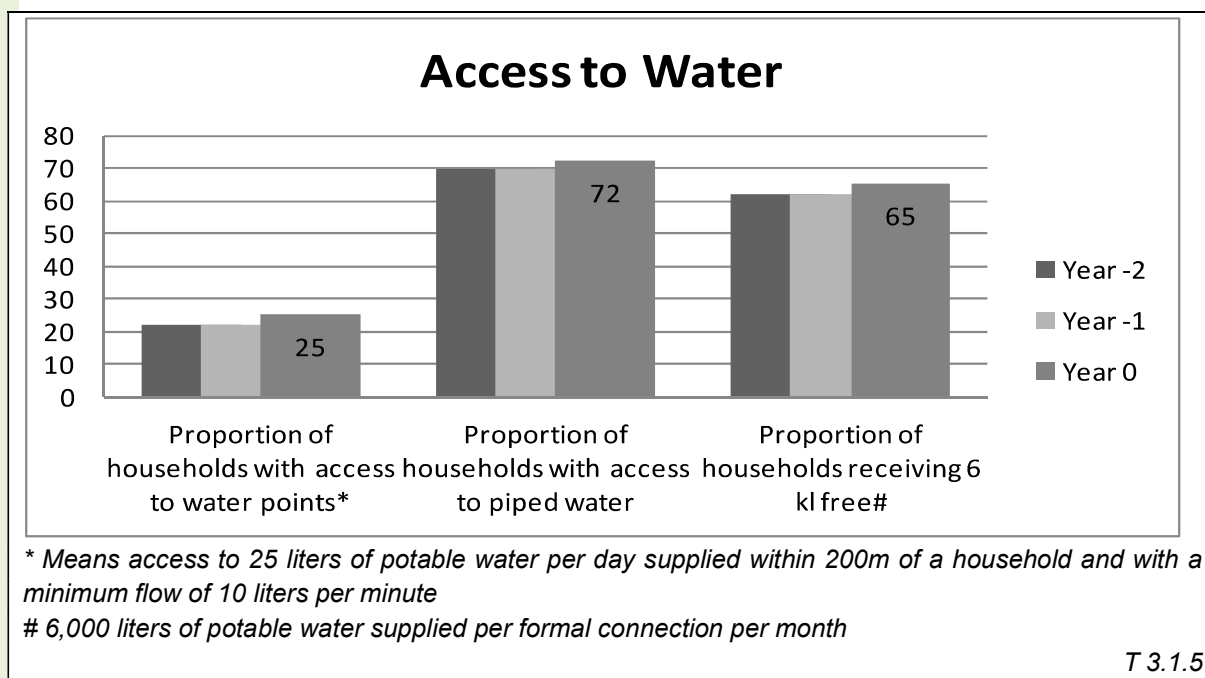
T 3.1.2.2

Water Service Delivery Levels				
Description	Households			
	Year -3	Year -2	Year -1	Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
Water: (above min level)				
Piped water inside dwelling	857	546	655	846
Piped water inside yard (but not in dwelling)	647	865	456	486
Using public tap (within 200m from dwelling)	486	486	465	546
Other water supply (within 200m)				
<i>Minimum Service Level and Above sub-total</i>	1,990	1,898	1,576	1,879
<i>Minimum Service Level and Above Percentage</i>	80%	80%	76%	79%
Water: (below min level)				
Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)	486	486	486	486
No water supply				
<i>Below Minimum Service Level sub-total</i>	486	486	486	486
<i>Below Minimum Service Level Percentage</i>	20%	20%	24%	21%
Total number of households*	2,476	2,384	2,062	2,365
* - To include informal settlements				T 3.1.3

Chapter 3

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

T 3.1.4



T 3.1.5

Chapter 3

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

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.1.7

Financial Performance Year 0: Water Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.1.8

Capital Expenditure Year 0: Water Services	
R' 000	
Capital Projects	Year 0

Chapter 3

	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	
		-	-	-	
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.1.9

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The district municipality Chris Hani is the water services authority (WSA) and is thus also performing the water service provider (WSP) function as from 1st July 2014. Provision of water service is done on behalf of the municipality by the district and both municipalities do not have a service level agreement (SLA) in place.

T 3.1.10

3.2 WASTE WATER (SANITATION) PROVISION

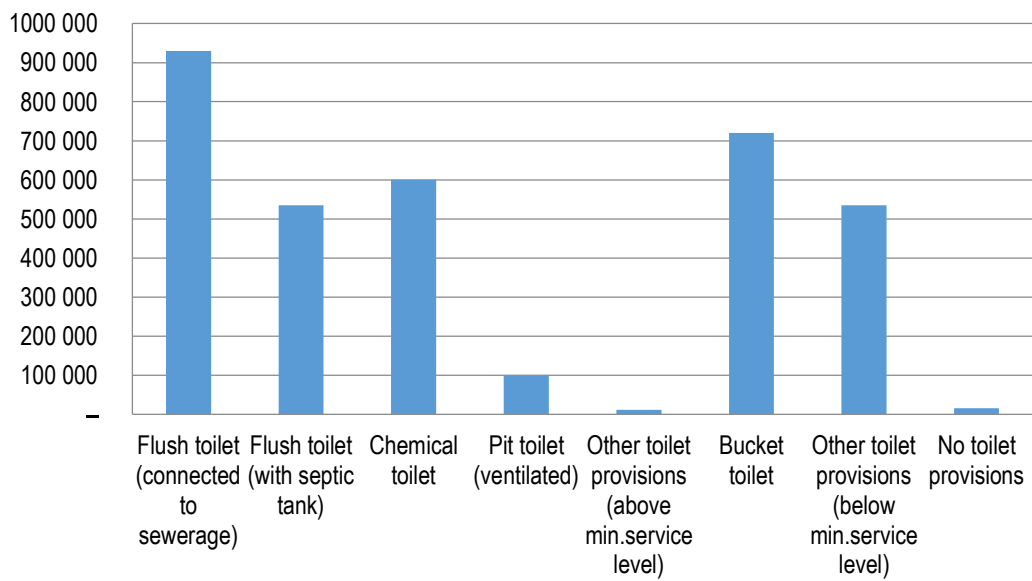
INTRODUCTION TO SANITATION PROVISION

Sanitation provision is the function of the (WSA) water service authority the Chris Hani District Municipality.

T 3.2.1

Chapter 3

Sanitation/Sewerage (above minimum level): Year 0

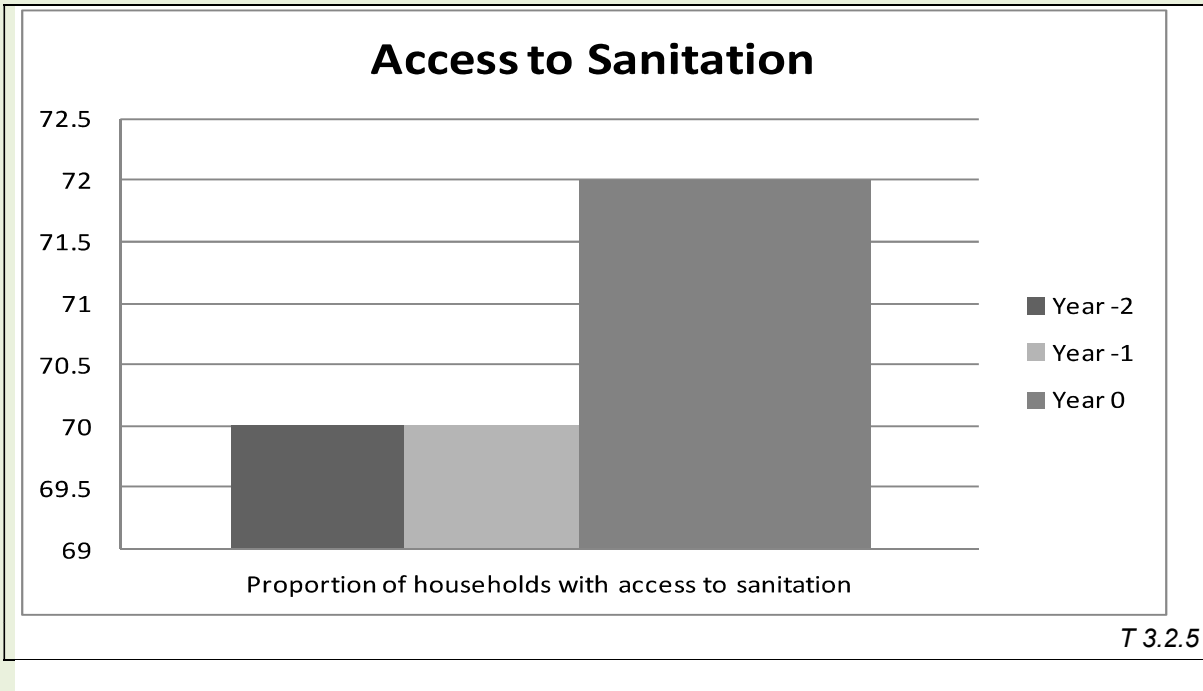


Chapter 3

Sanitation Service Delivery Levels				
Description	*Households			
	Year -3	Year -2	Year -1	Year 0
	Outcome No.	Outcome No.	Outcome No.	Actual No.
Sanitation/sewerage: (above minimum level)				
Flush toilet (connected to sewerage)	942	600	720	930
Flush toilet (with septic tank)	712	952	502	535
Chemical toilet	535	535	511	601
Pit toilet (ventilated)	124	135	103	100
Other toilet provisions (above min.service level)	13	13	15	11
<i>Minimum Service Level and Above sub-total</i>	2 325	2 236	1 851	2 178
<i>Minimum Service Level and Above Percentage</i>	68.9%	59.9%	55.5%	63.1%
Sanitation/sewerage: (below minimum level)				
Bucket toilet	502	952	938	720
Other toilet provisions (below min.service level)	535	535	535	535
No toilet provisions	10	11	12	15
<i>Below Minimum Service Level sub-total</i>	1 047	1 498	1 485	1 271
<i>Below Minimum Service Level Percentage</i>	31.1%	40.1%	44.5%	36.9%
Total households	3 372	3 734	3 336	3 449
*Total number of households including informal settlements				T 3.2.3

Households - Sanitation Service Delivery Levels below the minimum						
Description	Households					
	Year -3	Year -2	Year -1	Year 0		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	100 000	100 000	100 000	100 000	100 000	100 000
level	25 000	25 000	25 000	25 000	25 000	25 000
Proportion of households below minimum service level	25%	25%	25%	25%	25%	25%
Informal Settlements						
Total households	100 000	100 000	100 000	100 000	100 000	100 000
Households ts below minimum service	25 000	25 000	25 000	25 000	25 000	25 000
Proportion of households ts below minimum service level	25%	25%	25%	25%	25%	25%
						T 3.2.4

Chapter 3



Chapter 3

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

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

T 3.2.7

Financial Performance Year 0: Sanitation Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	-	-	-	-	0%
Repairs and Maintenance	-	-	-	-	0%
Other	-	-	-	-	0%
Total Operational Expenditure	-	-	-	-	0%
Net Operational Expenditure	-	-	-	-	0%

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

T 3.2.8

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

Chapter 3

Total All	-	-	-	-	
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

Sanitation provision is the competence of the district municipality and the LM maintained the sanitation infrastructure within the Ngcobo Town

T 3.2.10

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.6

The municipality did not receive funding for 2018 – 2019 financial year from DOE. The council approved R 15 million and later approved R 18 353 429.97 million.

The projects that were electrified on 2018 – 2019 financial year are as follows:

Tsalaba Phase 2 Electrification – 151 connections

Kwa-Ngqondo Electrification – 206 connections

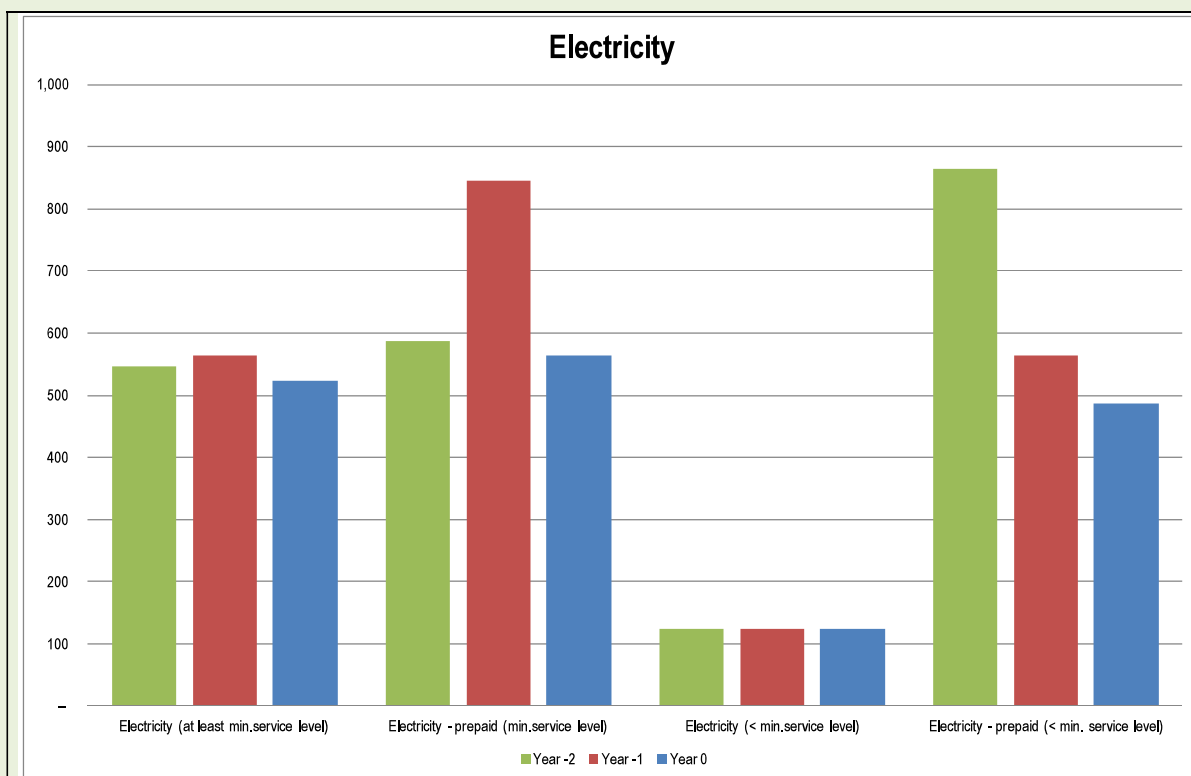
Silindini Electrification – 237 connections

The projects costed R 18 353 429.97 million for 594 households, which is only a fraction of the municipal backlog. The grant has to be used as per the conditions of the departments which is namely, to achieve connections with the funding received in order to achieve universal access.

During the 2018/19 financial year the following villages were electrified: Tsalaba village, Kwa-Ngqondo village and Silindini village.

T 3.3.1

Chapter 3



T 3.3.2

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

T 3.3.3

Chapter 3

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

Chapter 3

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

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

T 3.3.6

Financial Performance Year 0: Electricity Services					
					R'000
Details	Year -1	Year 0			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	-	-	-	-	0%
Repairs and Maintenance	-	-	-	-	0%
Other	-	-	-	-	0%
Total Operational Expenditure	-	-	-	-	0%
Net Operational Expenditure	-	-	-	-	0%

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

T 3.3.7

Capital Expenditure Year 0: Electricity Services	
R' 000	
Capital Projects	Year 0

Chapter 3

	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	5249	5249	3313	-58%	
Electrification Deberha Phase 2	2 530	2 530	2024	-25%	280
Electrification Mbekeni Phase 2	400	400	375	-7%	150
Electrification Rasmeni Phase 2	1 280	1 280	74	-1630%	320
Electrification Bhokleni/Yawa Phase 2	1 039	1 039	840	-24%	90
Electrification Ngcacu	750	750	618	-21%	90
Electrification Maqanda	700	700	655	-7%	90
Electrification Ntsungezini	800	800	763	-5%	90
Electrification Ngqurhu Phase 2	600	600	469	-28%	90
Electrification Mpompeni	1 300	1 300	709	-83%	90
Electrification of Gqobonco Phase 2	600	600	600	0%	90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.3.8

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The municipality is implementing projects within various wards of the municipality the projects have been divided into 3 projects namely: Silindini Electrification, Tsalaba Phase 2 Electrification and Kwa-Ngqondo Electrification. During the 2018/19 financial year electrification within the municipality has been implemented by both the municipality and Eskom. The priority of electrification within the municipality is prioritized by council through inputs from the community. Construction was performed on the above mentioned projects implemented by the municipality. The current funding model by the Department of Energy is not enough to ensure universal access to the municipal area. The role that the municipality performs on electrification is that of facilitation with Eskom and construction of electrification infrastructure and hand over to Eskom for maintenance of that infrastructure.

T 3.3.9

Chapter 3

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

INTRODUCTION TO WASTE MANAGEMENT

Solid waste management section is one of the service delivery sections of the municipality in the community services department. The section provides waste management services to over 14 thousand households and a significant number of businesses daily across the town of Engcobo. This is to ensure that residents leave in an environment that is not harmful to their health. Clean-up and awareness campaigns on waste management are also conducted to change behaviour of communities towards issues of waste management. One of the key priorities is establishment of waste transfer stations and expansion of refuse collection to unserved areas of Engcobo.

T 3.4.1

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

T 3.4.2

Chapter 3

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

Chapter 3

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

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

T3.4.5

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

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

T3.4.6

Financial Performance Year 0: Solid Waste Management Services					
					R'000
Details	Year -1	Year 0			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	903	27 713	33 663	32 422	15%
Expenditure:					

Chapter 3

Employees	15 345	16 986	16 553	15 345	-11%
Repairs and Maintenance	501	530	530	501	-6%
Other	10 920	10 700	11 220	10 920	2%
Total Operational Expenditure	26 766	28 216	28 303	26 766	-5%
Net Operational Expenditure	25 863	503	-5 360	-5 656	109%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T 3.4.7

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

Capital Expenditure Year 0: Waste Management Services						R' 000
Capital Projects	Year 0					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	850	4 553	4 553	81%		
SWIMMING POOL	-	2 870	2 870	100%	2870	
REFURBISHMENT OF INDOOR SPORT CENTRE		480	480	100%	480	
MASONWABECOMMUNITY HALL		350	350	100%	350	
GRASS CUTTING MECHINES	100	100	100	0%	100	
COMPUTER EQUIPMENT	50	23	23	-117%	23	
CHAIRS FOR COMMUNITY HALLS	300	130	130	-131%	130	

Chapter 3

GRASS CUTTING MECHINES	200	100	100	-100%	100
SKIP BINS	200	200	200	0%	200
REFURBISHMENT OF HALLS		300	300	100%	300
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.4.9

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

Despite the challenges experienced in waste management section, the directorate has made significant progress in provision of waste management services, such as; establishment of recycling initiative, weekly clean-up campaigns and awareness campaigns. In terms of projects the directorate has managed to implement two waste management projects (eradication of illegal dumps and review of the IWMP).

T 3.4.10

3.5 HOUSING

INTRODUCTION TO HUMAN SETTLEMENTS

Human Settlement is a right that is enshrined in the constitution of the Republic of South Africa. The function is committed to the delivery of diversified habitable houses, with all social amenities in a secure and development friendly environment. The mandate of which has been delegated to the department of Human Settlement. Local municipality however has a role to play in availing land as well as beneficiaries. The Department of Human Settlements has embarked on a number of housing projects both urban and rural areas. The provision of houses is the competency of the Department of Human Settlements in the province.

In terms of the Municipal Systems Act (MSA) 32 of 2000, Municipalities are required to prepare a Housing Sector Plan (HSP) as a component of the Integrated Development Plans (IDP's). The housing sector plan that is needs to be reviewed for the Engcobo Local Municipality was developed in 2018

T 3.5.1

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year -3	560000	350000	62.5%
Year -2	654000	450000	68.8%
Year -1	654000	500000	76.5%
Year 0	684000	540000	78.9%
			T 3.5.2

Chapter 3



Chapter 3

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

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

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

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.5.5

Chapter 3

Capital Expenditure Year 0: Housing Services					
R' 000					
Capital Projects	Year 0				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.5.6

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The Department of Human Settlements has completed and hand-over 1159 houses to beneficiaries, the list below indicates the number of houses per project:

RECTIFICATION 666 HOUSING PROJECT

547 units have been handed over to beneficiaries

ALL SAINTS 700 HOUSING PROJECT

652 units have been handed over to beneficiaries

NKONDLO 500 HOUSING PROJECT

278 are handed-over to beneficiaries

NKWENKWEZI 300 HOUSING PROJECT

260 are handed-over to beneficiaries

Lastly in running projects

GOBOTI 300 HOUSING PROJECT

231 units are handed to beneficiaries

MTINTLONI 1500 HOUSING PROJECT

Mahira Construction appointed service provider for phase 1: 200 units at planning stage. 171 beneficiaries verified and approved

QEBE/SLINDINI 500 HOUSING PROJECT

Mahira Construction appointed service provider for phase 1: 150 units at planning stage. 91 beneficiaries verified and approved.

Chapter 3

DEBERA 706 HOUSING PROJECT

MMS Construction appointed service provider for phase 1: 277 units completed and handed over to beneficiaries.

ENGCOCO 150 DISASTER

MMS Construction appointed service provider is on site at planning stage.

ENGCOCO 288 VULNERABLE AND DESTITUTE

Ayavelisa Construction appointed service provider for phase 1: 144 units. Service provider at planning stage.

NATIONAL UPGRADING SUPPORT PROGRAMME

HDA Appointed as implementing agent and appointed MIB as consultants to plan the upgrading of Ndevu, MSawawa, Police Camp, New Rest and Maxelegwini informal settlement for installation of services: project at planning stage.

TEMPORARY RELIEF SHELTER

47 Temporary Shelters were installed and handed over to needy beneficiaries.

ENGCOCO MILITARY VETERANS HOUSING PROJECT

Project is at application stage 19 beneficiaries have pre-approved by Department of Military Veterans

T 3.5.7

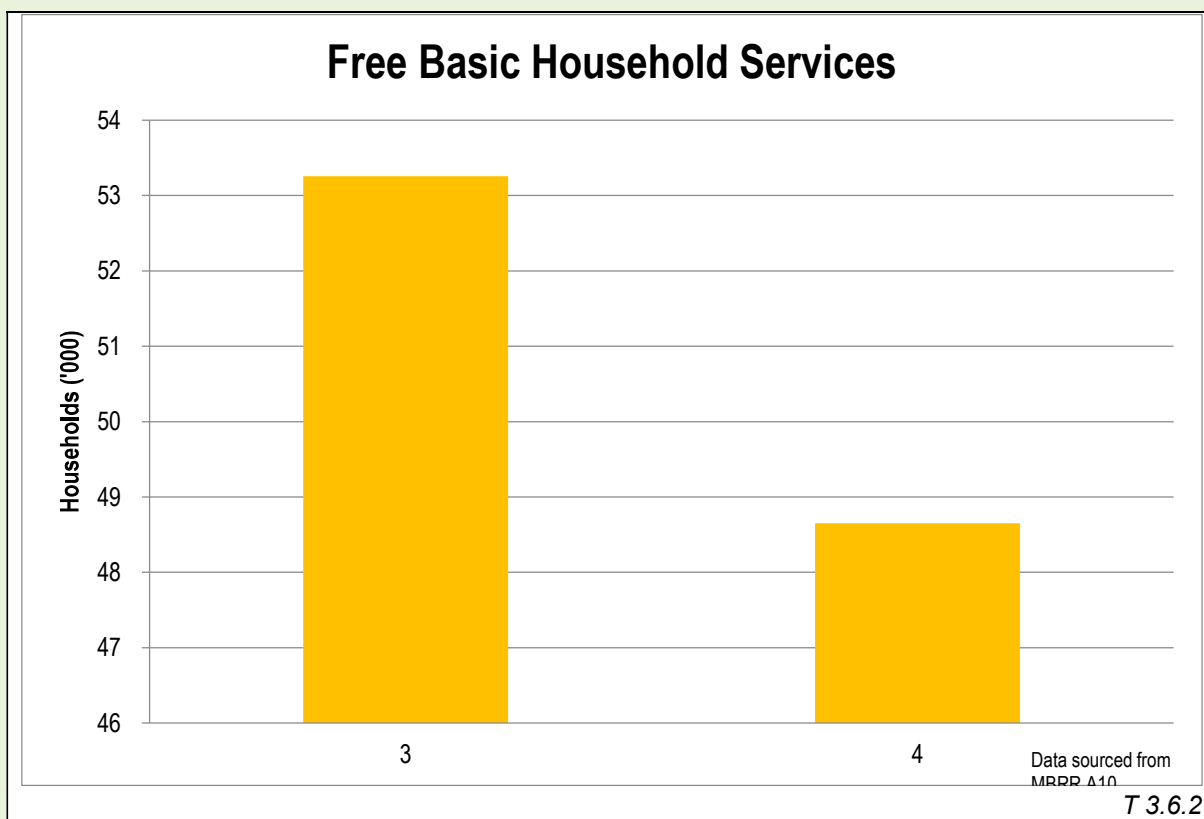
3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

In terms of its Constitutional obligation, the municipality provides a monthly indigent subsidy to registered indigent customers. The municipality has an Indigent Support Policy in place that governs the application process and financial aspects. Council reviewed the Indigent Policy for 2021/22. The policy stipulates and prescribes the qualifying criteria for a domestic household based on gross household income equal to two social grants per month. The subsidy relates to electricity (50kWh), refuse removal, property rates. Every month, with the monthly billing, the indigent subsidy is granted on the Indigent Beneficiaries' accounts.

T 3.6.1

Chapter 3



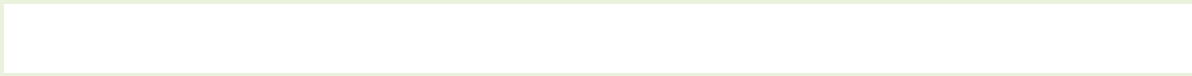
Free Basic Services To Low Income Households											
	Number of households										
	Total	Households earning less than R3,600 per month									
		Total	Access	%	Access	%	Access	%	Access	%	
Year -2	2 387	2 387	0	0%	0	0%	2 378	100%	9	0%	
Year -1	3 254	3 254	0	0%	0	0%	3 245	100%	9	0%	
Year 0	5 887	5 887	0	0%	0	0%	5 878	100%	9	0%	

T 3.6.3

Financial Performance Year 0: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year -1	Year 0			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Electricity	3 155	4 000	3 000	2 228	74%
Waste Management (Solid Waste)	10	10	10	10	0%
Total	3 165	4 010	3 010	2 238	-79%

T 3.6.4

Chapter 3



Chapter 3

Free Basic Service Policy Objectives Taken From IDP									
Service Objectives	Year -1		Year 0		Year 1		Year 3		Target
	Target	Actual	Target	Actual	*Current Year	*Current Year	*Current Year	*Following Year	
	*Previous Year (iii)	(iv)	*Previous Year (v)	(vi)	(vii)	(viii)	(ix)	(x)	
Service Indicators (i)	(ii)								
Service Objective xxx									
Provision of alternative support to low income households that do not receive all Free Basic Services	Low income households (LIHs) who do not receive all the free basic services but <u>do</u> receive alternative support (Total number of LIHs not in receipt of free basic services)	xxxx LIHs receiving support (out of xxx LIHs in total)	xxxx LIHs receiving support (out of xxx LIHs in total)	xxxx LIHs receiving support (out of xxx LIHs in total)	xxxx LIHs receiving support (out of xxx LIHs in total)	xxxx LIHs receiving support (out of xxx LIHs in total)	xxxx LIHs receiving support (out of xxx LIHs in total)	xxxx LIHs receiving support (out of xxx LIHs in total)	xxxx LIHs receiving support (out of xxx LIHs in total)
The municipality is providing FBS for electricity and providing gel stoves.		2850	2850	2850	2850	2850	2850	2850	2850
Refuse		15	15	15	15	15	15	15	15
Property rates		15	15	15	15	15	15	15	15
<p>Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.</p>									
									T 3.6.5

Chapter 3

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The municipality provides free basic services for refuse, property rates, alternative energy and electricity. Households who earn less than R3 600.00 are the ones who are entitled to the free basic services. The free basic services are guided by the indigent policy which has been adopted by the council. The Indigent Steering Committee is responsible for coordinating the registrations of indigents working hand-in-hand with the municipal officials and ward committees. Each registered indigent household receives electricity fully subsidised to a maximum of 50 kWh per month. The municipality is also providing gel stoves for those households that have electricity.

T 3.6.6

COMPONENT B: ROAD TRANSPORT

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

INTRODUCTION TO ROAD TRANSPORT

The municipality has established a transport forum of all stakeholders within Engcobo area of jurisdiction. The transport forum meeting are held on a quarterly basis to discuss matters that are affecting road transport services. Department of Transport under Chris Hani District participates in our transport forum meeting and they are a point of reference. There are public bus services, mini buses/ taxis and long distance buses that are utilised by Engcobo community as a forum of transport. The institution has completed phase one of the Engcobo Taxi rank is being utilised, phase two is under construction.

The main function of the forum meeting is to assist in the prioritization of maintenance works within the municipality and only assist the municipality and the department on areas of concern from the stakeholders as well as make recommendations on issues related to roads and transportation. T 3.7

3.7 ROADS

INTRODUCTION TO ROADS

The municipality has been receiving grant fund for infrastructure since the 2004/5 financial year. The municipality has developed a three year capital plan as a strategy to assist the municipality in successfully implementing roads projects within the municipality. The three year capital plan is approved by the Council taking into account the inputs taken from the different wards during the IDP road shows.

The biggest achievement for the year has been the construction of seven bridges which are multiyear projects, construction of four access road, one community hall and planning and design development of two bridges. All infrastructure related projects were tasked with the employment of local labour from

Chapter 3

within the areas that the projects are in. The employment of local labour has been that of creating employment. The implementation of the three year capital plan has seen the municipality being able to plan better for future projects, the grant that the municipality receives i.e. MIG (municipal infrastructure grant) is a conditional grant which has conditions attached to it before expenditure is incurred like the projects should be approved by council and registered with the department before expenditure is incurred.

Following is a list of projects constructed by the Municipality

1. Didi-Sithebe Bridge
2. Sidadeni Bridge
3. Dumrhana Bridge
4. Nogqala Bridge
5. Machibini Bridge
6. Malangazana- Ngqubusini Bridge
7. Lahlangubo Bridge
8. Badi-Fama Access Road
9. R58- Mkhengeni Access Road
10. Matiwane- Tankini Access Road
11. Mpompeni via Mangxongweni- Mhlophekazi JSS Access Road
12. Ngxingweni Bridge (Planning and Design development)
13. Nqokoqweni Bridge (Planning and design development)
14. Gqobonco Community Hall

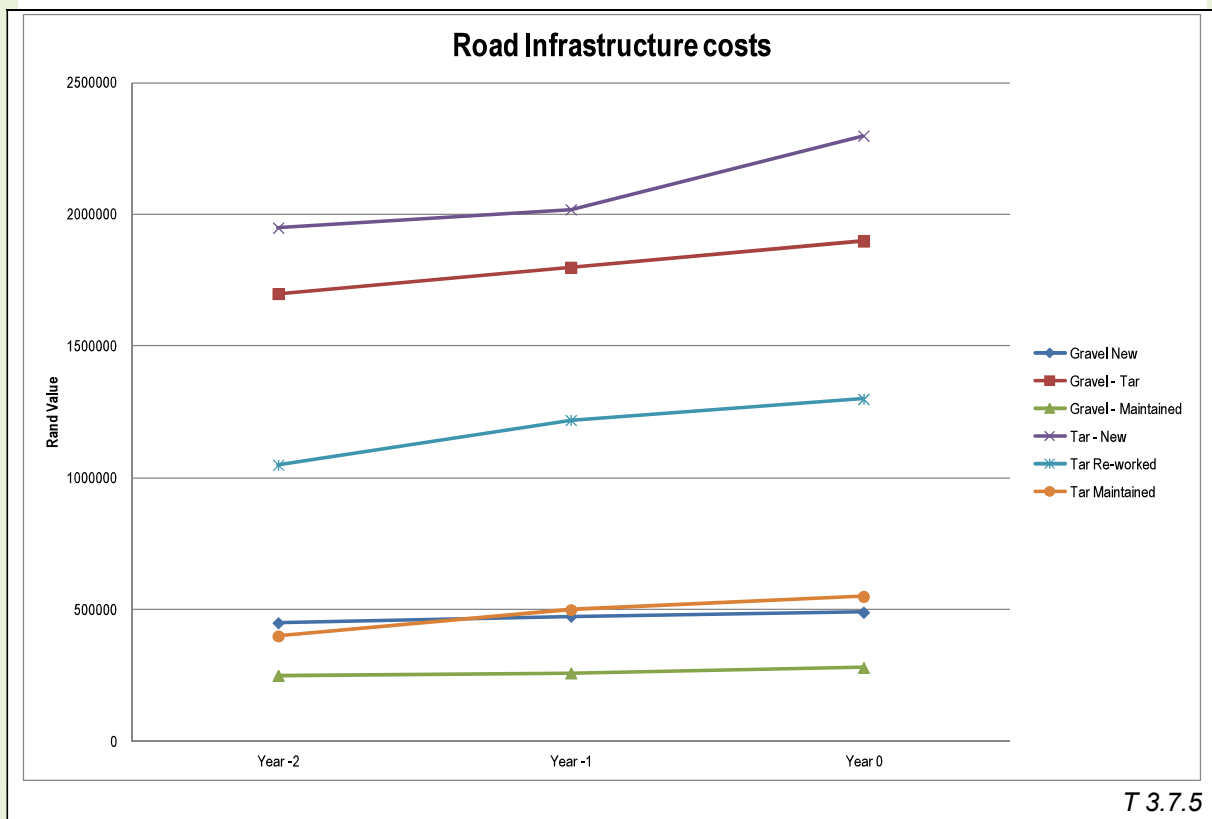
T 3.7.1

Gravel Road Infrastructure				
	Kilometers			
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year -2	145	15	10	43
Year -1	160	20	12	55
Year 0	170	29	0	77.8
				T 3.7.2

Tarred Road Infrastructure					
	Kilometers				
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
Year -2	85	10	23	18	100
Year -1	98	14	25	15	120
Year 0	114	1	0	45	185
					T 3.7.3

Chapter 3

Cost of Construction/Maintenance						
R' 000						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
Year -2	-	3 456	2 464	-	-	10
Year -1	-	2 205	3 145	-	-	13
Year 0	2 344.00	4 899	4 653	-	-	83
						T 3.7.4



Chapter 3

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

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

Financial Performance Year 0: Road Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	141 012	103 602	153 082	133 957	23%
Expenditure:					
Employees	16 477	17 297	23 267	22 191	22%
Repairs and Maintenance	2 600	3 500	3 073	2 039	-72%
Other	5 639	5 242	7 934	5060	-4%
Total Operational Expenditure	24 716	26 039	34 274	29 290	11%
Net Operational Expenditure	-116 296	-77 563	-118 808	-104 667	26%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.7.8					

Capital Expenditure Year 0: Road Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	48 807	104 682	70 111	34 571	33%

Chapter 3

COMPUTER EQUIPMENT	80	21	22	-1	-5%
MUNICIPAL OFFICES		7 901	-	7 901	100%
PAVING MACHINE	150	-	-	-	0%
TOOLS FOR DISEAL NECHANIC	10	-	-	-	0%
LOWBED TRAILER	900	-	-	-	0%
BOMAC MACHINE	30	-	-	-	0%
CONCRETE CUTTING MACHINE	100	-	-	-	0%
SURGACING OF GREENLAND FARM ROADS	2 500	10 855	10 072	783	7%
UPGRADING OF ENGCOBO PRIMARY RELIEF ROAD	2 500	2 500	491	2 009	80%
Sdadeni Bridge	-	7 317	4 216	3 101	42%
Mntuntloni STORWATER PIPES	-	199	199	-	0%
Goboti Bridge	-	690	690	-	0%
Didi Sithebe Bridge	-	8 151	7 603	548	7%
MACHIBINI BRIDGE	3 370	9 578	4 379	5 199	54%
DUMRHANA BRIDGE	6 739	10 699	9 303	1 396	13%
NOGQALA BRIDGE	4 781	9 977	6 243	3 734	37%
MALANGAZANA- NGQUBUSINI BRIDGE (PLANNING)	6 000	10 849	5 841	5 008	46%
LAHLANGUBO BRIDGE	4 531	9 845	4 952	4 893	50%
BADI - FAMA ACCESS ROAD	3 000	2 847	2 847	-	0%
MATIWANE - TAKINI ACCESS ROAD	3 279	3 470	3 470	-	0%
MPOMPENI Vai MANGXONGWENI TO MHLOPHEKAZI	3 558	2 929	2 929	-	0%
R58 MKENQENI ACCESS ROAD	3 279	3 523	3 523	-	0%
GQOBONCO COMMUNITY HALL	2 600	1 931	1 931	-	0%
NGQOKOKWENI BRIDGE (PLANNING)	700	700	700	-	0%
NGXINGWENI BRIDGE	700	700	700	-	0%
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.7.9

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The biggest achievement for the year has been the construction of seven bridges which are multiyear projects, construction of four access road, one community hall and planning and design development of two bridges. All infrastructure related projects were tasked with the employment of local labour from within the areas that the projects are in. The employment of local labour has been that of creating employment.

3.7.10

Chapter 3

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

Delete Directive note once comment is completed – Explain in brief the transport strategy and the steps taken towards the implementation of the strategy and discuss the major successes achieved and challenge faced in year 0. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the major efficiencies achieved by your service during the year. Outline approach to Public Bus Operation. Refer to support given to those communities that are living in poverty. Give the name and extent of service provision of any municipal entity(ies) responsible for rendering Transport Services within the municipality.

T 3.8.1

Municipal Bus Service Data

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

T 3.8.2

Concerning T 3.8.2

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

T 3.8.2.1

Chapter 3

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

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

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

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.8.5

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

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

T 3.8.7

Chapter 3

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

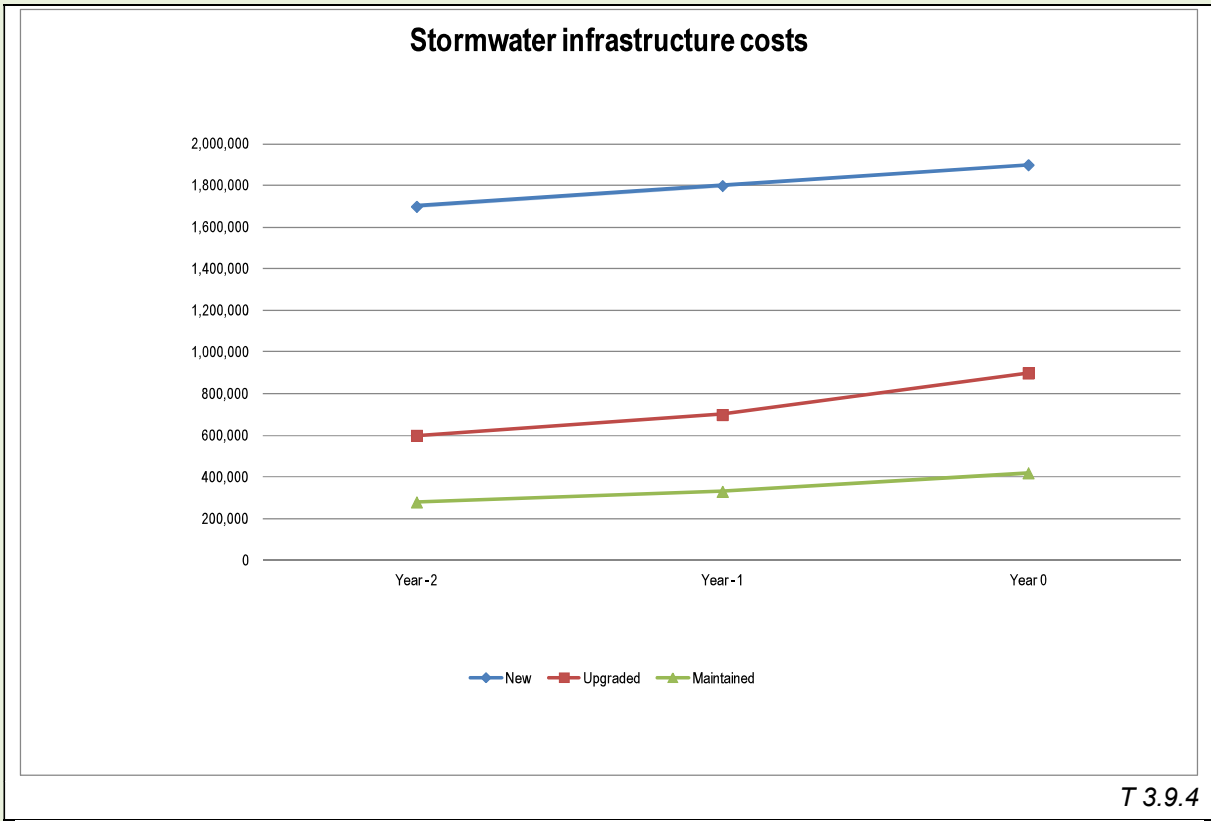
Delete Directive note once comment is completed – Provide brief introductory comments on the progress being made to improve stormwater drainage and discuss the major successes achieved and challenges faced in year 0 (include your top 3 service delivery priorities and the impact you have had on them during the year). Set out measures taken to improve performance and the major efficiencies achieved by your service during the year. Refer to support given to informal settlement and rural development. Refer to support given to those communities that are living in poverty. Give the name and extent of service provision of any municipal entity(ies) responsible for rendering Stormwater Drainage Services within the municipality.

T 3.9.1

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

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

Chapter 3



Chapter 3

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

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

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

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

Chapter 3

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

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

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

T3.9.9

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

The Spatial Planning Section situated under Integrated Planning and Economic Development Department.

The Unit is tasked with facilitating the development of integrated spatial proposals and programs with emphasis on the desirability and progressive development initiatives of planning for the future to providing guidance to the development community.

The section has achieved in ensuring that the municipality complies with the relevant legislations such as SPLUMA Act of 2014 and the National Building Regulation Act.

The municipality has managed to gazette the SPLUMA Bylaw and has developed policies to guide land management and development in town. However, the section is facing a challenge of resistance of communities to the bylaws and the municipal policies. The land claims and land invasions are also a major challenge in the municipality as they hinder development of the town. T 3.10

Chapter 3

3.10 PLANNING

INTRODUCTION TO PLANNING

The section has to date been involved directly and indirectly in the introduction and implementation of the following projects:

1. The formulation of spatial planning plans which include but not limited to the following:

- Review of Engcobo Broad Spatial Development Framework
- Development of Engcobo Town Urban Design Framework
- Subdivision of municipal land
- Township establishment (Extension 7)
- Establishment of a new cemetery

2. Other projects that the section is currently busy with include the following:

- Mall development
- Small town revitalization program

3. In support of fulfilling the mandate of the section in ensuring that integration of land use within the Municipal area is achieved. The section also plays a significant role in the development of land use policies which include:

- SPLUMA Bylaw
- Wall to Wall land use scheme
- Land invasion policy and
- Land disposal policy

In addition, the section's day to day work also includes but not limited to the following: -

- Office walk-in Public Consultations
 - Issuing of Zoning Certificates
 - Pre-scrutiny of land use applications (to ensure that applications are complete and information submitted is in order before an application is submitted with an intention of improving turnaround time for development applications)
 - Meetings with attorneys where legal action has been instituted
 - Comments on lease of municipal Land
 - Comments on applications for encroachment into municipal land and/ or road reserve boundaries
 - Comments on applications for business licenses
 - Approving of development applications through the Spatial Planning Land Use Management Act, 2016 (Act No.16 of 2013) Joint-Municipal Planning Tribunal
- Operating systems such as the GIS

T 3.10.1

Chapter 3

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	Year -1	Year 0	Year -1	Year 0	Year -1	Year 0
Planning application received	1	0	7	2	12	4
Determination made in year of receipt	1	0	4	2	12	4
Determination made in following year	0	0	3	0	0	0
Applications withdrawn	0	0	0	0	0	0
Applications outstanding at year end	0	0	0	0	0	0
						T 3.10.2

Chapter 3

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

Chapter 3

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

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

Financial Performance Year 0: Planning Services					
					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	13 611	14 636	14 636	14 636	0%
Expenditure:					
Employees	4 885	5 253	5 253	4 887	-7%
Repairs and Maintenance	-	-	-	-	0%
Other	2 996	3 221	3 221	2 063	-56%
Total Operational Expenditure	7 881	8 474	8 474	6 950	-22%
Net Operational Expenditure	-5 731	-6 162	-6 162	-7 686	20%

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

Chapter 3

Capital Expenditure Year 0: Planning Services					
					R' 000
Capital Projects	Year 0				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	150	300 ¹	042 ¹	86%	
FENCING TECHNICAL SERVICES & IPED	-	150	-	0%	150
COMPUTER EQUIPMENT	150	150	92	0%	150
Taxi Rank	-	1 000	950		1 000
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.10.6

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

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

T 3.10.7

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

Dr A.B Xuma LM's Local Economic Development seeks to introduce an economic development road map that will create an enabling environment for social and economic development with an emphasis on enterprise development, job creation and poverty alleviation programmes.

In fulfilling the Local Economic Development Key Performance Area, Dr A.B Xuma LM has developed a five-year Local Economic Development Strategy (2021 - 2026) that considers several national, provincial

Chapter 3

and regional economic legislative and policy imperatives that are critical in ensuring higher levels of policy and programmatic integration and alignment.

The principal objective of the LED strategy suggests that the municipality must grow its economy by 1.5% – 3% year on year economic growth rate over the next five years.

SMME DEVELOPMENT

The main outputs for SMME development was through a SMME training and capacity building sessions throughout the municipal areas as well as management of informal trade and Spaza shops permitting. This service is primary focused on assisting poor communities to access entrepreneurial opportunities.

TOURISM DEVELOPMENT

The key outputs for this service was overseeing of tourism destination marketing, tourism information services and tourism development activities such as marketing of the History and heritage of Ngcobo through Ubuntu Bethu Cultural festival, Dr AB Xuma month Marathon and Local Hiking activities. The noteworthy interventions were that, tourism establishments support with Covid-19 relief funds and development of the website for Local Tourism organisation.

AGRICULTURE DEVELOPMENT

This service involves a comprehensive suite of services such as Mechanisation support to local/communal farmers and cooperatives, capacity building programmes, support with capital inputs. This service is primary focused on assisting striving communities and farmers to improve agricultural production to impact positively towards the growth and development of Ngcobo.

T 3.11.1

R '000			
Sector	2019/20	2020/21	2021/2022
Agric, forestry and fishing	15	14	33
Mining and quarrying	1	2	11
Manufacturing	1	1	5
Wholesale and retail trade	42	40	52
Finance, property, etc.	13	12	21
Govt, community and social services	7	7	25
Infrastructure services	1	3	41
Total	80	79	188

T 3.11.2

Economic Employment by Sector			
Sector	Year		Jobs
	Year	Year	Year
	2019/20	2020/21	2021/22.
Agric, forestry and fishing	388	380	401
Mining and quarrying	12	10	33
Manufacturing	3	3	33
Wholesale and retail trade	309	313	333
Finance, property, etc.	38	41	44

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Govt, community and social services	5 500	5 350	3 010
Infrastructure services	109	99	111
Total	6359	6196	1965
			T 3.11.3

COMMENT ON LOCAL JOB OPPORTUNITIES:

In the year under review (2021), a modest job recovery was witnessed after negative impact of the Covid-19, notably, the municipality has a potential for long term prospects for economic growth, development and job opportunities through infrastructure projects, Community Works Programme which had beneficiaries of around 1044, Heroes' Park maintenance, Clarkebury heritage site, Transido renovations and extension, Forestry, Agricultural projects. Hawker and Spaza shops permits are done on an ongoing basis and administered by the economic development department.

T 3.11.4

Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Total (all initiatives)				
2019/20	176	146	322	Register/timesheets/ appointment letters
2020/21	201	25	226	Register/timesheets/ appointment letters
2021/22	199	3	201	Register/timesheets/ appointment letters
Initiative A (2021-22)	Tractor Drivers, CWP, Transido renovations, 4 coops empowered through crop production with inputs (Izithwalandwe ward 10 & Lelona agric co-op ward 12, Siyazama poultry project ward 07& Bumbhano siyaquba co-op ward 09)			
Initiative B (2020-21)	Tractor Drivers, CWP, Transido, Taxi Rank Phase 2, Engcobo Youth Car Wash, 5 cultural groups support with Cultural equipment and materials (Ah Nosizwe Beadwork an Sewing in ward 20, Ta Mzu Muzical and Instruments in ward 13, Limise Beadwork in ward 02, Esemihla Traditional group in ward 13 & Imveli Yethu in ward 18), 2 coops empowered through crop production with inputs Mageza Primary in ward 06 and Ndununu Coop in ward 12, 2 Coops support with Mechanisation/ploughing Bhakileni Coop in ward 03, Ntabanzolo Coop in ward 14.3 Vegetable Co-ops supported with inputs (Ziviwe Coop in ward 09, Cobosi primary coop in ward 04 and Dwathi's Coop in ward 10)			

Chapter 3

Initiative C (2019/20)	Tractor Drivers, CWP, Paliso Agricultural Co-op ward 8, , Nkalweni Co-op ward 10, Mcutu Ulimo ward 16, Vazini Agric Co-op Ward 12, All Saints Land care Project ward 10, No 6 Agric Co-op ward 19, Chithindlala Co-op ward 19, Bekileni Farmers Project, Lahlangubo Feedlot Ward 12, Silima Sonke ward 18 and Etang Mancotshe Ward 9
<i>T 3.11.5</i>	

Chapter 3

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

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

Financial Performance Year 0: Local Economic Development Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2 373	2 000	2 000	2 000	0%
Expenditure:					
Employees	600	600	581	581	-3%
Other	1 893	2 059	2 059	1 987	-4%
Total Operational Expenditure	2 493	2 659	2 640	2 568	-4%
Net Operational Expenditure	120	659	640	568	-16%

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

Capital Expenditure Year 0: Economic Development Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-

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Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.11.10

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

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

T 3.11.11

COMPONENT D: COMMUNITY & SOCIAL SERVICES

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

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

In terms of social services responsibility, the municipality only provides building material to disaster victims and fire protection services to communities

T 3.52

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

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

The directorate does not have archives, museums, galleries and community facilities but there are libraries. There are five operating libraries namely Engcobo Library, Clarkebury library, Dr A.B. Xuma, Walter Sisulu and Zandiswa Kilwa all sponsored by a Department of sport, recreation, arts and culture. A grant of R700 000.00 was received from DSRAC for library operations and events that are hosted yearly by the Municipality.

T3.12.1

Chapter 3

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

Walk-ins are people coming to read, research, borrow and return books.
Walk-in of library this year are as follows:

T 3.12.2

LIBRARY WALK-INS STATISTICS 2021/22

Clarkebury						1156
Dr AB Xuma						2050
Ngcobo						3811
Wlter Sisulu						3013
Zandiswa Kilwa						444
TOTAL						10475

T 3.12.2

Chapter 3

T 3.12.2

Chapter 3

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

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.12.4

Financial Performance Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1081	2 009	2 009	1980	99%
Expenditure:	0	-	-	0	0
Employees	81	1 309	1 309	1 280	98%
Repairs and Maintenance	0	-	-	0	0
Other	1 000	700	700	700	100%
Total Operational Expenditure	1081	2009	2009	1980	0
Net Operational Expenditure	0	0	0	0	0

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.12.5

Capital Expenditure Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other	
R' 000	
Capital Projects	Year 0

Chapter 3

	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-
				-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.12.6

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

Capital projects are done by Department of Sports, Recreation, Arts and Culture.

T 3.12.7

3.13 CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES & CREMATORIUMS

The municipality has one operating cemetery site which follows all the necessary guidelines for burial, the site is still being utilized and space is being depleted, however the municipality is in the process of identifying land for the establishment of a new cemetery.

T 3.13.1

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

The cemetery site is open for everyone wishing to use it at service fee prescribed in the municipal tariff structure for a plot, a person wishing to utilize the cemetery is required to provide documents such as death certificate from home affairs. In the previous year the municipality has sold twelve plots for burial.

T 3.13.2

Chapter 3



Chapter 3

Employees: Cemeteries and Crematoriums					
Job Level	Year -1	Year 21/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	#DIV/0!
4 - 6	2	2	2	0	0%
7 - 9	0	0	0	0	#DIV/0!
10 - 12	1	1	1	0	0%
13 - 15					#DIV/0!
16 - 18					#DIV/0!
19 - 20					#DIV/0!
Total	3	3	3	0	0%

T 3.13.4

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

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

T 3.13.5

Capital Expenditure Year 0: Cemeteries and Crematoriums					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
	Total All	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-

Chapter 3

Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.13.6

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

In the previous year twelve burial sites were sold to communities and there were no crematoriums performed as the current grave site does not cater for crematoriums.

T 3.13.7

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Child care, aged care and social programs are the mandate of National and Provincial Department of Social Development, however the municipality as the sphere of government closest to communities acknowledges that planning and budgeting processes should be inclusive of all the above.

T 3.14.1

SERVICE STATISTICS FOR CHILD CARE

Since this is the of National and Provincial Department of Social Development, the municipality does not have statistics in terms of the support given to child care, aged care and social programs.

T 3.14.2

Chapter 3

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

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.14.4

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

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.14.5

Capital Expenditure Year 0: Child Care; Aged Care; Social Programmes					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-
	-	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate. T 3.14.6

Chapter 3

COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:

As much as this is the mandate of National and Provincial Department of Social Development, the municipality as the sphere of government strives to ensure the inclusion of vulnerable groups including children and old age people in its public participation process, planning and budgeting processes

T 3.14.7

COMPONENT E: ENVIRONMENTAL PROTECTION

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

INTRODUCTION TO ENVIRONMENTAL PROTECTION

The municipality has minimum accomplishments for the protection of environment through beautification and greening. These accomplishments include establishment of mini parks in partnership with Chris Hann District Municipality, arbor month celebration in September where Engcobo schools were given both fruit and indigenous trees and were educated on the importance of preserving nature. Maintenance of public open spaces is also performed through grass cutting, tree trimming and elimination of alien trees.

T 3.14

3.15 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The main purpose of pollution control is to include environmental protection in decision making for development planning and to provide integrated and holistic environmental management to improve quality of life of the municipality's communities.

T 3.15.1

SERVICE STATISTICS FOR POLLUTION CONTROL

In the previous year the Municipality conducted 40 clean up campaigns in various areas to curb land and water pollution.

T 3.15.2

Chapter 3

Pollution Control Policy Objectives Taken From IDP									
Service Objectives	Year 0		Year 1		Year 2		Year 3		Target
	Target	Actual	Target	Actual	*Current Year (viii)	*Current Year (ix)	*Current Year (ix)	*Following Year (x)	
Service Indicators	(iii)		(vi)		(vii)		(viii)		(ix)
(i)	(ii)		(v)		(vi)		(vii)		(x)
Service Objective xxx									
Water and air purity	Water: x% of all readings taken throughout the year on at least weekly to be found acceptable (clean) by National Standards	10% clean	A0% clean	T1% clean	T1% clean	A1% clean	T2% acceptable	T5% acceptable	T5% acceptable
	Air: x% of all readings taken throughout the year on at least weekly to be found acceptable by National standard	T0% clean	A0% clean	T1% clean	T1% clean	A1% clean	T2% acceptable	T5% acceptable	T5% acceptable
<p>Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are universal municipal indicators. * Previous Year refers to the targets that were set in the Year - 1 Budget/IDP round. * Current Year refers to the targets set in the Year 0 Budget/IDP round. * Following Year refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by</p>									
									T 3.15.3

Chapter 3

Employees: Pollution Control					
Job Level	Year -1	Year 21/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	#DIV/0!
4 - 6	60		60	0	#DIV/0!
7 - 9	0	0	0		#DIV/0!
10 - 12	1	1	1	0	0%
13 - 15	0	1	0	1	100%
16 - 18					#DIV/0!
19 - 20	0	0	0		#DIV/0!
Total	61	2	61	1	50%

T 3.15.4

Financial Performance Year 0: Pollution Control					
					R'000
Details	Year -1	Year 0			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-	-	-	-	-
Expenditure:					-
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

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

T 3.15.5

Chapter 3

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

The municipality has experienced a growing number of illegal dumps in the residential areas particularly in the informal settlements. In response to this challenge the municipality has introduced skip bins in hot sport areas as drop off sites to curb illegal dumps.

T 3.15.7

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

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

The municipality only has few activities related to biodiversity due to lack of resources these activities include removal of alien trees and landscaping in Town entrances as well as open spaces.

T 3.16.1

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

The following biodiversity management programs were implemented by the municipality; one project on clearing of invasive alien species and landscaping of two town entrances.

T 3.16.2

Chapter 3

Employees: Bio-Diversity; Landscape and Other (There is no dedicated Bio-diversity team in the Municipality)					
Job Level	Year -1	Year 21/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	#DIV/0!
4 - 6	0	0	0	0	#DIV/0!
7 - 9		0	0	0	#DIV/0!
10 - 12	0	0	0	0	#DIV/0!
13 - 15	0	0	0	0	#DIV/0!
16 - 18	0	0	0	0	#DIV/0!
19 - 20	0	0	0	0	#DIV/0!
Total	0	0	0	0	#DIV/0!

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

Financial Performance Year 0: Bio-Diversity; Landscape and Other					
					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

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

Chapter 3

Capital Expenditure Year 0: Bio-Diversity; Landscape and Other					
					R' 000
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-
	-	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.16.6

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

The municipality does not have a fully-fledged environmental management unit hence it is not able to perform biodiversity functions in its area of jurisdiction, however it does perform some small scale activities of landscaping through its program of greening and beautification.

T 3.16.7

COMPONENT F: HEALTH

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

INTRODUCTION TO HEALTH

Note: Recent legislation includes the National Health Act 2004.

The Municipality has recently established Community services forums which will strengthen relations with sector departments. These Forums are aimed at sourcing the accurate relevant information from the sector departments whose mandates are to provide health services, however it still remains a challenge for the Municipality to make this information available to the Municipality.

T 3.17

3.17 CLINICS

Chapter 3

INTRODUCTION TO CLINICS

Clinics are a mandate of the Department of Health therefore there is no available information on the performance and service statistics.

T 3.17.1

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

T 3.17.2

Concerning T 3.17.2

Information not available.

T 3.17.2.1

Chapter 3

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

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

T 3.17.4

Financial Performance Year 0: Clinics					
					R'000
Details	Year -1	Year 0			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

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

T 3.17.5

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

Chapter 3

Total All	-	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.17.6

COMMENT ON THE PERFORMANCE OF CLINICS OVERALL:

There were no capital projects implemented by the Municipality as clinics are administered by provincial department of health.

T 3.17.7

3.18 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

The Municipality has recently established Community services forums which will strengthen relations with sector departments. These Forums are aimed at sourcing the accurate relevant information from the sector departments whose mandates are to provide health services, however it still remains a challenge for the Municipality to make this information available to the Municipality.

T 3.18.1

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

T 3.18.2

Concerning T 3.18.2

Ambulance Services is not applicable to the municipality therefore no information is available T 3.18.2.1

Chapter 3



Chapter 3

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

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

Financial Performance Year 0: Ambulances					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

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

Capital Expenditure Year 0: Ambulances					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-
	-	-	-	-	-
Project A	-	-	-	-	-

Chapter 3

Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.18.6</i>

COMMENT ON THE PERFORMANCE OF AMBULANCE SERVICES OVERALL:

There is no available information as the Department of Health could not provide this information during forum meeting.

T 3.18.7

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

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

Health inspections are a core function of the District Municipality; however, strides were made to obtain this information with no success due to lack of coordination.

T 3.19.1

SERVICE STATISTICS FOR HEALTH INSPECTION, Etc

No information available

T 3.19.2

Chapter 3

Employees: Health Inspection and Etc					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0.5	17%
7 - 9	6	6	6	1.5	25%
10 - 12	7	7	7	1	14%
13 - 15	9	9	9	2.2	24%
16 - 18	11	11	11	0.9	8%
19 - 20	18	18	18	1	6%
Total	55	55	55	7.1	13%

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

T 3.19.4

Financial Performance Year 0: Health Inspection and Etc					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:	-	-	-	-	-
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

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

T 3.19.5

Capital Expenditure Year 0: Health Inspection and Etc					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-

Chapter 3

	-	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.19.6</i>

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS, Etc OVERALL:

Health inspections are a core function of the District Municipality, however strides were made to obtain this information with no success due to lack of coordination.

T 3.19.7

COMPONENT G: SECURITY AND SAFETY

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

INTRODUCTION TO SECURITY & SAFETY

The municipality has operating traffic section through community service department, there are traffic officers, peace officers and law enforcement officers working in the jurisdiction of Engcobo to impose regulations in the streets and in the roads for public safety and prevention of nuisance in town.

T 3.20

3.20 POLICE

INTRODUCTION TO POLICE

The municipality does not provide police services hence it is not able to report on the functioning and performance of police.

T 3.20.1

Chapter 3

Metropolitan Police Service Data					
	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year				
2	Number of by-law infringements attended				
3	Number of police officers in the field on an average day				
4	Number of police officers on duty on an average day				
					<i>T 3.20.2</i>

Concerning T 3.20.2

No information available

T 3.20.2.1

Chapter 3

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

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June.

*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.20.4

Financial Performance Year 0: Police					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Police Officers					
Other employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

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

T 3.20.5

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

Chapter 3

Total All	-	-	-	-	
Project A	-	-	-	-	-
Project B	-	-	-	-	-
Project C	-	-	-	-	-
Project D	-	-	-	-	-

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

T 3.20.6

COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

No information available

T 3.20.7

3.21 FIRE

INTRODUCTION TO FIRE SERVICES

The municipality renders fire protection service to the entire community of Engcobo at any village or place in the municipality as of schedule 4, part B of South African constitution. The Chris Hani District Municipality also assists the municipality where there is insufficient equipment to carry out all fire related matters.

T 3.21.1

Metropolitan Fire Service Data					
	Details	Year -1	Year 21/22		Year 20/21
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	44			50
2	Total of other incidents attended in the year	33			56
3	Average turnout time - urban areas (6 minutes)				
4	Average turnout time - rural areas(30 minutes to an hour)				
5	Fire fighters in post at year end (7 fire fighters)				
6	Total fire appliances at year end (7 fire fighters)				
7	Average number of appliance off the road during the year				

T 3.21.2

Chapter 3

Concerning T3.21.2

Fire incidents were all attended within a reasonable amount of time upon the receipt of T 3.21.2.1

Chapter 3

Employees: Fire Services					
Job Level	Year -1	Year 21/22			
Fire Fighters	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Fire Officer & Deputy	0	0	0	0	
Other Fire Officers					
0 - 3		0	0	0	#DIV/0!
4 - 6	0	0	0	0	#DIV/0!
7 - 9	7	0	7	0	#DIV/0!
10 - 12	0	0	0	0	#DIV/0!
13 - 15	0	0	0	0	#DIV/0!
16 - 18	0	0	0	0	#DIV/0!
19 - 20	0	0	0	0	#DIV/0!
Total	7	0	7	0	#DIV/0!

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.
T 3.21.4

Financial Performance Year 0: Fire Services					
					R'000
	Year -1	Year 0			
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	8 010	9 075	9 075	8 304	1
Expenditure:					
Fire fighters					
Other employees	6 034	6 707	6 707	6 034	1

Chapter 3

Repairs and Maintenance	250	300	300	280	1
Other	1 979	2 068	2 068	1 990	1
Total Operational Expenditure	8 263	9 075	9 075	8 304	1
Net Operational Expenditure	253	-	-	-	-

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.21.5

Capital Expenditure Year 0: Fire Services					
					R' 000
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	978	0	0%	978
FIRE VEHICLE		978	0	0%	978

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate). T 3.21.6

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

The municipality was able to respond to all the reported fire incidents within the reasonable amount of time T 3.21.7

Chapter 3

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

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

The municipality through community service department has a responsibility of implementing stray animal control practices thereof there is a comparatively operational animal pound. Impoundment of stray animals in urban areas of jurisdiction is implemented, preventing nuisances and any public hazard triggered by stray animals. Disposal of these animals is done through public auctions if not claimed by rightful owners within 30 days of impoundment.

The municipality has a disaster management office which assist when there are disasters in the community and there is also disaster forum which include all relevant stakeholder that is held once in a term which assist in improvement of services rendered and working together as sister department to meet the community's needs in terms of disaster.

T 3.22.1

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

In the previous year the Municipal Animal Pound caught 119 stray dogs in town, 27 cats in some local stores, impounded 7 horses, 9 pigs, 48 goats, 12 sheep and 408 cattle. All Impounded animals were claimed back by rightful owners, there was no public auction conducted

T 3.22.2

Chapter 3

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

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.22.4

Financial Performance Year 0: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	195	2 360	4 470	3 956	40%
Expenditure:					
Employees	125	1 066	2 610	2 154	51%
Repairs and Maintenance	25	244	250	248	2%
Other	45	1 050	1 610	1 554	32%
Total Operational Expenditure	195	2 360	4 470	3 956	40%
Net Operational Expenditure	-	-	-	-	0%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.22.5

Capital Expenditure Year 0: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value

Chapter 3

Total All	130	530	28	5%	530
UPGRADING OF VTS	100	500	-	0%	500
COMPUTER EQUIPMENT	30	30	28	-7%	30
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.22.6

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

The municipality does perform disaster management functions and impoundment of stray animals, it has one functional pound facility managed by the Pound master.

T 3.22.7

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION

One of the core functions of Community services department is to maintain and manage community parks, sports fields and swimming pools. These facilities are maintained by public amenities section which provides grass cutting and cleaning services.

T 3.23

3.23 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

T 3.23.1

Chapter 3

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

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.23.3

Financial Performance Year 0: Sport and Recreation					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
Total Operational Expenditure	-	-	-	-	-
Net Operational Expenditure	-	-	-	-	-

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.23.4

Capital Expenditure Year 0: Sport and Recreation					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	-
Project A	-	-	-	-	-
Project B	-	-	-	-	-

Chapter 3

Project C	-	-	-	-	-
Project D	-	-	-	-	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.23.5

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

The municipality experiences challenges when it comes to maintenance and management of public amenities due to vandalism and theft in some communities. The swimming pool is currently under repairs and it has not been functional for some time.

T 3.23.6

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY OFFICES, Etc

Delete Directive note once comment is completed – Provide brief introductory comments.

T 3.24

3.24 EXECUTIVE AND COUNCIL

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

INTRODUCTION TO EXECUTIVE AND COUNCIL

Delete Directive note once comment is completed – Provide brief introductory comments. Set out your top 3 service delivery priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by your service during the year.

T 3.24.1

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

T 3.69.2

Chapter 3

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

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* T 3.24.4

Financial Performance Year 0: The Executive and Council					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	15 530	19 892	19 817	19 817	0%
Expenditure:					
Employees	15 605	17 956	17 956	15 645	-15%
Other	45	6 390	6 390	6 046	-6%
Total Operational Expenditure	15 650	24 346	24 346	21 691	-12%
Net Operational Expenditure	120	4 454	4 529	1 874	-138%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.24.5

Capital Expenditure Year 0: The Executive and Council					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	135	860	1562	91%	1562

Chapter 3

COMPUTER EQUIPMENT	100	60	60	-67%	60
MOTOR VEHICLES	0	700	700	100%	700
BUILDING	0		702	100%	702
FURNITURE OFFICE EQUIPMENT	35	100	100	65%	100
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.24.6

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

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

T 3.24.7

3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

The key functions of the Revenue Management Department include the following:

- Billing of Property Rates and Service Charges
- Indigent Registration and monthly subsidy allocation
- Property Valuations and Appeals
- Revenue Collection
- Debt Management,
- Bad Debt Write Offs

During the financial year, despite the various challenges municipal bills were produced every month and sent to customers. The municipality was not able to meet the collection rate target of 85% related to rates and service charges.

T 3.25.1

Debt Recovery			
R' 000			
	Year -1	Year 0	Year 1

Chapter 3

Details of the types of account raised and recovered	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	6 920	69%	6 792	6 792	77%	6 920	69%
Refuse	1 079	67%	1 106	1 106	86%	1 079	67%
Other	780	93%	1 164	1 164	98%	780	93%
<i>B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.</i>							T 3.25.2

Concerning T 3.25.2

The municipality is using its limited resources to collect revenue due, the municipality is billing interest on all overdue accounts and debtors sitting on 90 days and above are handed over to our internal legal department

T

3.25.2.1

Chapter 3

Financial Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0		Year 1		Year 2		Year 3	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	*Current Year (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
<i>Service Indicators</i> (i)	(ii)								
Service Objective xxx									
Increase in speed of payment of tariffs, tax demands, invoices	No more than x% of creditors raised (in Rand value) during the year outstanding (o/s) at year end	No more than T0% of current yr creditors o/s at yr end	No more than A0% of current yr creditors o/s at yr end	No more than T1% of current yr creditors o/s at yr end	No more than A1% of current yr creditors o/s at yr end	No more than T2% of current yr creditors o/s at yr end	No more than A2% of current yr creditors o/s at yr end	No more than T5% of current yr creditors o/s at yr end	No more than A5% of current yr creditors o/s at yr end
Reducing the number of invoices raised by increasing advance payment for services rendered (A project requiring participation by all departments but let by the central finance department)	x% reduction in number of invoices raised over the previous year's target	T0% reduction in invoices raised; target limit of invoices	A0% reduction in invoices raised; target limit of invoices	T1% reduction in invoices raised; target limit of invoices	A1% reduction in invoices raised; target limit of invoices	T2% reduction in invoices raised; target limit of invoices	A2% reduction in invoices raised; target limit of invoices	T5% reduction in invoices raised; target limit of invoices	A5% reduction in invoices raised; target limit of invoices
Improving speed of legal measures to recover revenues	Commence legal proceedings for recovery of revenues within 4 weeks of the due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	Legal proceeding within 4 weeks of due date	% of legal proceeding commenced within 4 weeks of due date	% of legal proceeding commenced within 4 weeks of due date

Chapter 3

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

T 3.25.3

Chapter 3

Employees: Financial Services					
Job Level	Year 2020/2021	Year 2021/2022			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					
4 - 6	10	12	10	2	
7 - 9					
10 - 12	8	8	8	0	
13 - 15	4	4	4	0	
16 - 18					
19 - 20					
Total	22	24	22	2	

Financial Performance Year 0: Financial Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	57 296	40 788	42 852	63 662	36%
Expenditure:	-				
Employees	24 094	14 760	13 651	13 396	-10%
Repairs and Maintenance	450	400	650	420	5%
Other	32 752	77 142	77 292	53 457	-44%
Total Operational Expenditure	57 296	92 302	91 593	67 273	-37%
Net Operational Expenditure	0	51 514	48 741	3 611	-1327%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T 3.25.5

Capital Expenditure Year 0: Financial Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	450	2 303	2 118	79%	1 900

Chapter 3

ELECTRONIC BILLBOARD	-	1 570	1 570	0%	1 570
TURNSTILE GATE	-	183	183	100%	183
TOOLS EQUIPMENT	150	150	147	-2%	147
COMPUTER EQUIPMENT	150	150	145	-3%	145
TOOLS EQUIPMENT	120	190	19	-532%	19
FURNITURE OFFICE EQUIPMENT	30	60	54	44%	54
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.25.6

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

Finance department had only six projects, which is the purchase of electronic billboard, and laptops, computer, tools & equipment and turnstile gate. All projects were procured as per the procurement plan.

T 3.25.7

3.26 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Delete Directive note once comment is complete – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by HR service during the year.

T 3.26.1

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

T 3.26.2

Chapter 3

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

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.26.4

Financial Performance Year 0: Human Resource Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	9 410	26 593	26 593	26 618	0%
Expenditure:					
Employees	717	15 573	12 573	11 563	-35%
Other	5 356	10 799	10 874	6 634	-63%
Total Operational Expenditure	6 073	26 372	23 447	18 197	-45%
Net Operational Expenditure	-3 337	-221	-3 146	-8 421	97%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.26.5

Chapter 3

Capital Expenditure Year 0: Human Resource Services						R' 000
Capital Projects	Year 0					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	260	326	378	31%		
Project A	100	130	128	22%	280	
Project B	80	91	90	11%	150	
Project C	45	50	80	44%	320	
Project D	35	55	80	56%	90	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.26.6	

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

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

T 3.26.7

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Delete Directive note once comment is completed – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by ICT service during the year.

T 3.27.1

SERVICE STATISTICS FOR ICT SERVICES

T 3.27.2

Chapter 3

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

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.27.4

Financial Performance Year 0: ICT Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	7 137.90	7 931	7 931	7 931	0%
Expenditure:					
Employees	1 479.60	1 644	1 644	1 610	-2%
Repairs and Maintenance	90.00	100	100	89	-12%
Other	5 568.30	6 187	6 187	2 828	-119%
Total Operational Expenditure	7 138	7 931	7 931	4 527	-75%
Net Operational Expenditure	-	-	-	-3 404	100%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.27.5

Capital Expenditure Year 0: ICT Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	120	170	0	0%	

Chapter 3

COMPUTER EQUIPMENT	120	170	0	0%	170
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.27.6

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

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

T3.27.7

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Delete Directive note once comment is completed – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by Property, legal, risk management and procurement services during the year.

T3.28.1

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

T 3.28.2

Chapter 3

Property, Legal, Risk Management, and Procurement Services Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets		Year -1		Year 0		Year 1		Year 3	
	Service Indicators (i)	(ii)	Target	Actual	*Previous Year (iii)	Target	Actual	*Current Year (viii)	Target	*Following Year (x)
			*Previous Year (iv)	*Current Year (vi)	Actual	*Current Year (ix)				
Service Objective xxx										
<p>Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year 0 Budget/IDP round. * 'Current Year' refers to the targets set in the Year 1 Budget/IDP round. * 'Following Year' refers to the targets set in the Year 2 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangements by municipalities in which IDPs play a key role.</p>										
										T 3.28.3

Chapter 3

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

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* T 3.28.4

Financial Performance Year 0: Property; Legal; Risk Management and Procurement Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3 412	4 050	3 980	3 445	-18%
Expenditure:					
Employees	778	850	850	798	-7%
Other	2 634	2 760	2 435	1 572	-76%
Total Operational Expenditure	3 412	3 610	3 285	2 370	-52%
Net Operational Expenditure	-	-440	-695	-1 075	0%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.28.5

Capital Expenditure Year 0: Property; Legal; Risk Management and Procurement Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	0

Chapter 3

		0	0	0	0
Project A	0	0	0	0	0
Project B	0	0	0	0	0
Project C	0	0	0	0	0
Project D	0	0	0	0	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.28.6

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

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

T 3.28.7

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

INTRODUCTION TO MISCELLANEOUS

Delete Directive note once comment is completed – Provide brief introductory comments. Set out priorities and the impact you have had on them during the year. Explain the measures taken to improve performance and the major efficiencies achieved by this service during the year.

T 3.29.0

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

Chapter 3

Plan Number: Plan Name																	
No.	Strategic Focus Area (IDP)	Key Performance Indicator	Baseline (Previous years actual)	Demand	Backlog	Annual Target (Year)	5 Year Target	Means of verification	Unit of Measure	Quarterly Target	Quarterly actual	Status (Achieved/ Not Achieved)	Measures taken to improve performance	Performance Monitoring Quality Assurance comment	Management Response	Internal Audit Comment	Portfolio of Evidence

Note: Set out key plans as per performance scorecard e.g Plan 1: Sustain and build natural environment, Plan 2: Economic Development and job creation, Plan 3: Quality living environment, Plan 4: Safe, healthy and secure environment, Plan 5: Empowering our citizen, Plan 6: Promoting cultural diversity, Plan 7: Good governance, Plan 8: Financial viability and sustainability.

T 3.30

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

The municipality reviewed and adopted its organizational structure in line with the provisions of the Municipal Systems Act. The main objective of the review is to align the structure with the strategic objectives of the municipality as identified in its IDP for the financial year. The structure was reviewed through a consultative process wherein all relevant stakeholders were afforded an opportunity to make their inputs. It caters for a total number of 299 posts, of which 219 are filled and 80 were vacant.

T 4.0.1

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				
	Year -1	Year 0			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	0	0	0	0	0
Waste Water (Sanitation)	0	0	0	0	0
Electricity	1	2	2	0	%
Waste Management		112	84	28	%
Housing	2	2	2	0	100%
Waste Water (Stormwater Drainage)					%

Chapter 4

Roads	7	8	7	1	%
Transport					%
Planning					%
Local Economic Development		5	4	1	%
Planning (Strategic & Regulatory)		4	4	0	0%
Community & Social Services	25	25	22	3	%
Environmental Protection	0	0	0	0	%
Health	0	0	0	0	0%
Security and Safety					%
Sport and Recreation	0	0	0	0	0%
Corporate Policy Offices and Other		58	35	23	%
Totals		217			–
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.					T 4.1.1

Vacancy Rate: Year 0

Chapter 4

Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	**Vacancies
	No.	No.	%
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (excluding Finance Posts)	4	0	0
Other S57 Managers (Finance posts)	0	0	0
Police officers			
Fire fighters	6	3	50.0
Senior management: Levels 13-15 (excluding Finance Posts)	15	3	
Senior management: Levels 13-15 (Finance posts)	4	0	0
Highly skilled supervision: levels 9-12 (excluding Finance posts)	24	4	
Highly skilled supervision: levels 9-12 (Finance posts)	7	0	

Chapter 4

Total			
<p>Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p>			T 4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	50	18	36%
Year -1	50	12	24%
Year 0	16	8	
<p>* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year</p>			T 4.1.3

COMMENT ON VACANCIES AND TURNOVER:

In order to ensure that posts do not remain vacant for a long time the municipality ensures that when a position becomes vacant it has to be filled within a specific period of time.
 All s57 positions were filled during the period under review.
 The municipality has adopted a staff retention and attraction strategy, as an effort to ensure that employees with scarce and critical skills are retained in the municipality.

T 4.1.4

Chapter 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The municipality's main objective is to strive to be regarded as the employer of choice, this objective can only be realised by ensuring as it does that it subscribes to the principle of equity when it comes to employment opportunities. The municipality on an annual basis conducts a policy review workshop, wherein it analyses and interrogates itself so as to ensure that all its policies and procedures are in line with latest legislation.

T 4.2.0

Chapter 4

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
1	Affirmative Action	yes	yes	31 May 2021
2	Attraction and Retention	yes	yes	31 May 2021
3	Code of Conduct for employees	yes	yes	31 May 2021
4	Delegations, Authorisation & Responsibility			
5	Disciplinary Code and Procedures	yes	yes	31 May 2021
6	Essential Services	yes	yes	31 May 2021
7	Employee Assistance / Wellness	yes	yes	31 May 2021
8	Employment Equity	yes	yes	31 May 2021
9	Exit Management	yes	yes	31 May 2021
10	Grievance Procedures	yes	yes	31 May 2021
11	HIV/Aids	yes	yes	31 May 2021
12	Human Resource and Development	yes	yes	31 May 2021
13	Information Technology	yes	yes	31 May 2021
14	Job Evaluation	yes	yes	31 May 2021

Chapter 4

15	Leave	yes	yes	31 May 2021
16	Occupational Health and Safety	yes	yes	31 May 2021
17	Official Housing			
18	Official Journeys	yes	yes	31 May 2021
19	Official transport to attend Funerals Bereavement Policy	yes	yes	31 May 2021
20	Official Working Hours and Overtime	yes	yes	31 May 2021
21	Organisational Rights	yes	yes	31 May 2021
22	Payroll Deductions	yes	yes	31 May 2021
23	Performance Management and Development	yes	yes	31 May 2021
24	Recruitment, Selection and Appointments	yes	yes	31 May 2021
25	Remuneration Scales and Allowances	yes	yes	31 May 2021
26	Resettlement	yes	yes	31 May 2021
27	Sexual Harassment	yes	yes	31 May 2021
28	Skills Development	yes	yes	31 May 2021
29	Smoking	yes	yes	31 May 2021

Chapter 4

30	Special Skills	yes	yes	31 May 2021
31	Work Organisation Conditions of Service			
32	Uniforms and Protective Clothing	yes	yes	31 May 2021
33	Other:			
Use name of local policies if different from above and at any other HR policies not listed.				T 4.2.1

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Delete Directive note once comment is completed – Comment on progress made during the year and plans for completing this work.

T 4.2.1.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only					
Temporary total disablement	0	0	0	0	
Permanent disablement	0	0	0	0	

Chapter 4

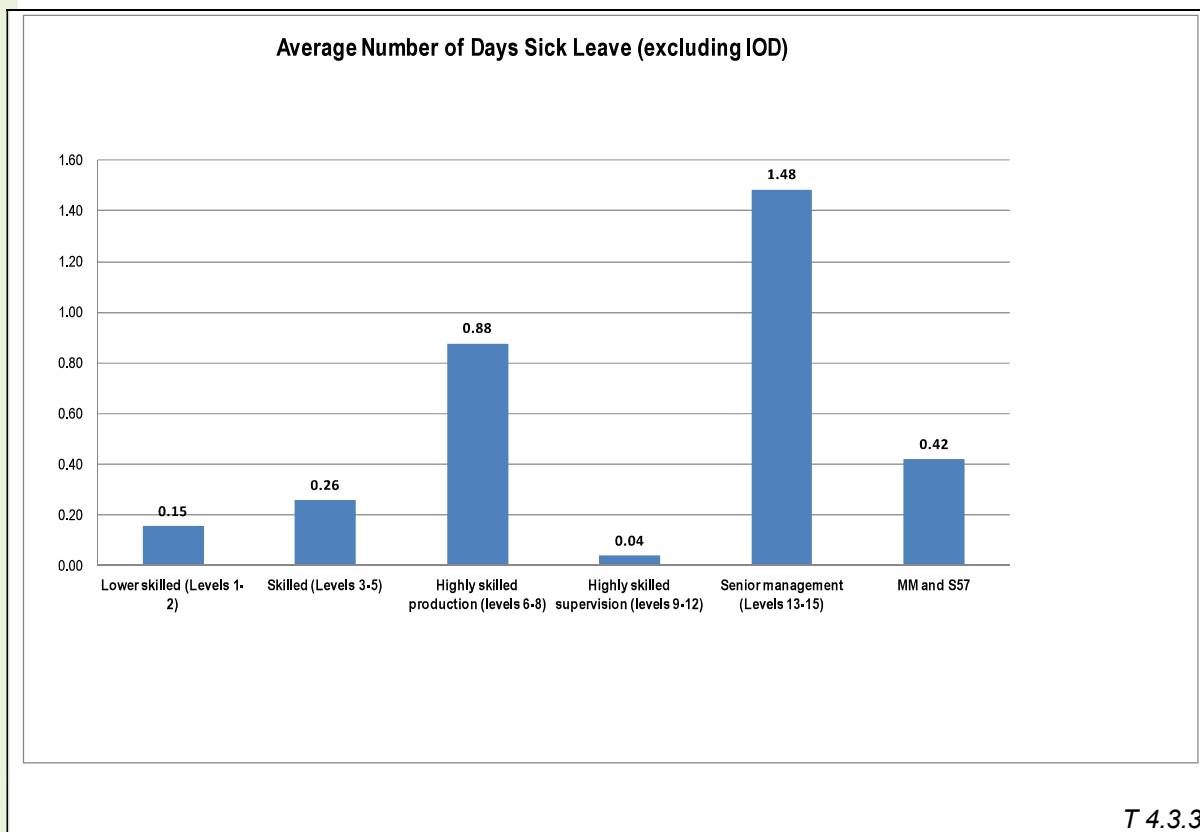
Fatal	0	0	0	0	
Total					

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)						
Skilled (Levels 3-5)	103		34			
Highly skilled production (levels 6-8)	16		20		1.25	
Highly skilled supervision (levels 9-12)	49		47		1.04	
Senior management (Levels 13-15)	12		16		1.33	
MM and S57	4		5		0.8	
Total						

* - Number of employees in post at the beginning of the year
 *Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T 4.3.2

Chapter 4



COMMENT ON INJURY AND SICK LEAVE:

The municipality has a functional Wellness section which coordinates all employee wellness related functions. The section facilitates consultations with health professionals in cases of work related illnesses. All sick leave taken is manually and electronically recorded.

In order to reduce occupational injuries, workplace Health and Safety awareness programmes are conducted. Where injuries have occurred employees are referred to doctors appointed by the municipality and are continuously monitored.

T 4.3.4

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Manager Technical Services	Financial misconduct Insubordination		Disciplinary action taken against the manager, Process currently underway but	Still in progress

Chapter 4

Gross Negligence

Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Billing Clerk	Theft and Fraud	09 September 21	Disciplinary action and matter has been finalized	July 2022

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

The matter was finalised in July 2022, after the accused employee pleaded guilty and entered into a plea agreement with the employer wherein, he agreed to pay back the money.

T 4.3.7

Chapter 4

4.4 PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	20	9		45%
	Male	30	12		
Skilled (Levels 3-5)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male				
Highly skilled supervision (levels 9-12)	Female				
	Male				
Senior management (Levels 13-15)	Female				
	Male				
MM and S57	Female				
	Male				
Total		50	21		
Has the statutory municipal calculator been used as part of the evaluation process ?					Yes/No
<p><i>Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</i></p>					T 4.4.1

COMMENT ON PERFORMANCE REWARDS:

No performance rewards were paid to employees for the financial year.

T 4.4.1.1

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The municipality acknowledges that Local Government is a very regulated sector and therefore its personnel have to be abreast with the latest developments in all aspects of the law and operations. In order to achieve this objective, the municipality on annual basis develops, adopts and submitted to the LGSETA its Workplace Skills Plan.

The Workplace Skills Plan (WSP) is intended to realize the strategic objectives that are contained in the municipality's IDP and any other legislated or regulated function.

In line with the Skills Development Act, the municipality budgeted an amount of Two million rand in its operational budget for skills Development Programmes.

T 4.5.0

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix															
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 0												
			Leaverships			Skills programmes & other short courses			Other forms of training			Total			
			Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	
MM and s57	Female	2	1	1	2	2	2	2	1	1	2	4	4	4	6
	Male	4	2	4	3	3	4	1	2	4	6	6	6	6	7
Councillors, senior officials and managers	Female	22	3	3	10	5	5	7	7	9	15	15	13	13	34
	Male	21	6	6	6	8	8	9	9	15	23	23	22	22	41
Technicians and associate professionals*	Female	19	8	8	8	9	15	10	10	16	27	27	27	27	43
	Male	16	6	6	6	7	10	8	8	11	25	25	22	22	29

Chapter 4

Professionals	Female	18		9	9	9	8	8	12	8		10	25		25	33
	Male	21		11	11	11	11	11	10	10		14	32		32	41
Sub total	Female	61		21	21	24	24	24	26	23		37	71		68	116
	Male	21		224	24	29	29	29	28	29		44	81		82	129
Total			0		0											

*Registered with professional Associate Body e.g CA (SA)

T 4.5.1

Chapter 4

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	0	0	0	0	0	0
Chief financial officer	0	0	0	0	0	0
Senior managers	0	0	0	0	0	0
Any other financial officials	0	0	0	0	0	0
Supply Chain Management Officials						
Heads of supply chain management units	0	0	0	0	0	0
Supply chain management senior managers	0	0	0	1	1	1
TOTAL	0	0	0	1	1	1

* This is a statutory report under the National Treasury; Local Government: MFMA Competency Regulations (June 2007)

T 4.5.2

Skills Development Expenditure										R'000	
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1								
			Learnerships		Skills programmes & other short courses		Other forms of training		Total		
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female							10	20	10	20
	Male							20	25	20	25
Legislators, senior officials and managers	Female										
	Male										
Professionals	Female										
	Male										
Technicians and associate professionals	Female										
	Male										
Clerks	Female										
	Male										
Service and sales workers	Female										
	Male										
Plant and machine operators and assemblers	Female										
	Male										
Elementary occupations	Female										
	Male										
Sub total	Female							10	20	10	20
	Male							20	25	20	25
Total		0	0	0	0	0	0	30	45	30	45

*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.

%* *R

T4.5.3

Chapter 4

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

The training programmes of the municipality are aligned to the strategic objectives of the municipality, in essence this implies that, training is primarily conducted to achieve what has been identified in the IDP. It therefore improves the quality of the service that is rendered. Consequent to the fact that, budgeting for training is informed or based on the operational budget of the municipality, it is not always sufficient to achieve all training programmes planned for the particular year. The municipality has ensured that all employees that are statutorily required to possess certain qualifications in terms of regulatory framework, are exposed to training in terms of the regulations and therefore possess the required qualifications

T 4.5.4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

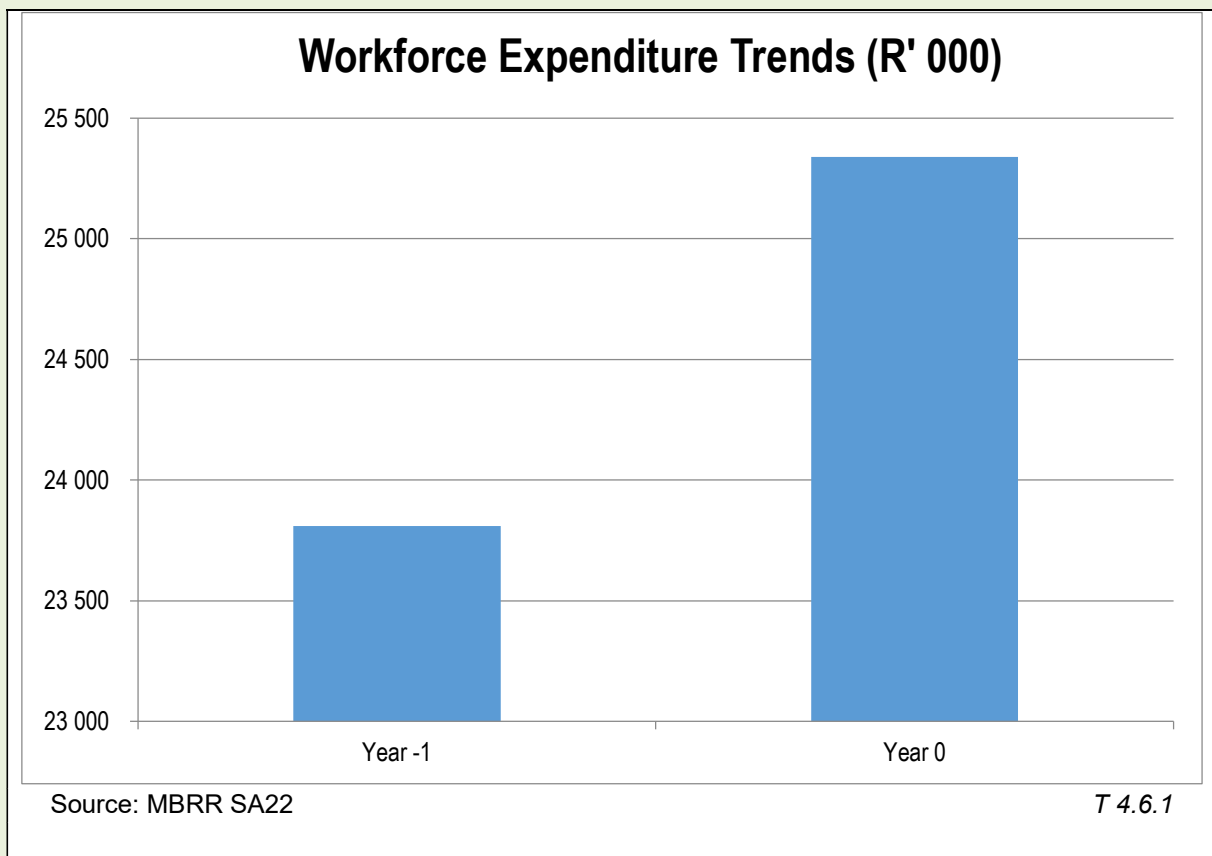
INTRODUCTION TO WORKFORCE EXPENDITURE

Expenditure is a section under Budget & Treasury department and the section is fully equipped with Manager & two officers and these officers have clerks that report to them. The financial system does not allow the user to transact on a vote with no budget or if the budget is fully utilized. Before any payment is made the end user signs a confirmation form confirming that she/he is satisfied with the goods supplied of service that have been rendered. Payments are done with forth nightly within 30 days upon receipt of a valid invoice, as a result the municipality did not incur any interest and penalties payments due to late supplier payments.

T 4.6.0

4.6 EMPLOYEE EXPENDITURE

Chapter 4



COMMENT ON WORKFORCE EXPENDITURE:

Payments are done with forth nightly within 30 days upon receipt of a valid invoice, as a result the municipality did not incur any interest and penalties payments due to late supplier payments. The expenditure is done as per the procurement plan & SDBIP.

T 4.6.1.1

Chapter 4

The municipality strives to ensure that all appointments are based on the approved organizational structure

T 4.6.5

DISCLOSURES OF FINANCIAL INTERESTS

The process of financial disclosure is conducted on annual basis whereby employees are provided with Declaration Forms. Newly appointed and old employees can also declare during the course of the year if their situation changes.

T 4.6.6

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

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

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

The municipality's financial performance for the year under review is in a healthy state. There are measures within the municipality that were put in place to achieve this outcome: The municipality is doing VAT returns in-house.

-Internal controls were put in place and reviewed on a regular basis depending on the level of risk arising at that particular time.

-Policies were reviewed and revised to enhance the financial performance and to serve as a guideline for operations in line with the MFMA.

- Cost containment measures were implemented.

The capita budget in funded by capital grants and own revenue and 70% is from capital grants and 30% is from own revenue. The municipality have unspent of conditional grants.

The municipality have a financial disciplinary board.

T 5.0.1

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

The municipality's submitted the annual financial statement on 31 August 2021 and there were prepared in terms of applicable legislations. The municipality obtained unqualified audit opinion. The revenue collection for property rates, refuse, interest on debtors and traffic fines is below the norm of 95%. The cash coverage ratio is above the norm of 3 months.

T 5.1.0

Chapter 5

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description	Year 0										Year -1					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
R thousands	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restate Audit Outcome	
Financial Performance																
Property rates	7 513	(696)	6 817			6 817	6 793		25	100%	90%					6 920
Service charges	1 169	(10)	1 159			1 159	1 106		52	95%	95%					1 079
Investment revenue	3 948	-	3 948	-		3 948	3 811		137	97%	97%					5 326
Transfers recognised - operational	166 851	6 243	173 095			173 095	167 002		6 093	96%	100%					155 475
Other own revenue	21 752	19 883	(35 922)			(35 922)	33 880		(69 802)	-94%	156%					728
Total Revenue (excluding capital transfers and contributions)	201 233	25 421	149 097			149 097	212 592									
Employee costs	94 930	426	95 356			95 356	88 101		7 254	92%	93%					87 008
Remuneration of councillors	17 956	-	17 956			17 956	15 245		2 711	85%	85%					15 606
Debt impairment	2 500	-	2 500			2 500	4 139		(1 639)	166%	166%					1 969
Depreciation & asset impairment	53 500	-	53 500			53 500	34 351		19 149	64%	64%					33 450
Finance charges	-	-	-			-	-									-
Transfers and grants	4 000	(1 000)	3 000			3 000	4 231		(1 231)	141%	106%					16 509
Other expenditure	76 733	6 771	83 504			83 504	70 624		12 880	85%	92%					18 989
Total Expenditure	249 619	6 197	255 816			255 816										3 155
Surplus/(Deficit)			-			816										26 531

Chapter 5

Financial Performance of Operational Services						
R '000						
Description	Year - 1	Year 0			Year 0 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Waste Management	25 928	27 045	21 353	14 480	54%	68%
Component A: sub-total	25 928	27 045	21 353	14 480	54%	68%
Roads	15 700	17 444	19 181	19 242	110%	100%
Component B: sub-total	15 700	17 444	19 181	19 242	110%	100%
Planning	1 870	2 077	5 037	2 463	119%	49%
Local Economic Development	613	681	681	634	93%	93%
Component B: sub-total	2 483	2 758	5 718	3 097	112%	54%
Planning (Strategic & Regulatory)	9 865	10 961	15 225	10 592	97%	70%
Component C: sub-total	9 865	10 961	15 225	10 592	97%	70%
Community & Social Services	38 171	42 413	42 897	20 096	47%	47%
Sport and Recreation	630	700	1 000	1 000	143%	100%
Component D: sub-total	38 801	43 113	43 898	21 097	49%	48%
Total Expenditure	92 777	101 321	105 375	68 507	-48%	-54%
<p>In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.</p>						T 5.1.2

COMMENT ON FINANCIAL PERFORMANCE:

The variance is as a result of projects that were not implemented due to constitutional court judgment regarding preferential procurement regulations.

T 5.1.3

Chapter 5

5.2 GRANTS

Grant Performance						
R' 000						
Description	Year -1	Year 0		Year 0 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	161 881	166 152	166 152	166 152	100%	100%
Local Government Equitable Share	156 738	161 714	161 714	161 714	100%	100%
Finance Management	1 700	1 700	1 700	1 700	100%	100%
EPWP Incentive	3 443	2 738	2 738	2 738	100%	100%
Provincial Government:	700	700	700	700	100%	100%
Sports and Recreation	700	700	700	700	100%	100%
Total Operating Transfers and Grants	162 581	166 852	166 852	166 852		
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.</i>						T 5.2.1

COMMENT ON OPERATING TRANSFERS AND GRANTS:

All operational grants are spent as per its conditions and the they were fully spent.

T 5.2.2

Chapter 5

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant Year -1	Actual Grant Year 0	Year 0 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Foreign Governments/Development Aid Agencies						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Private Sector / Organisations						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
<i>Provide a comprehensive response to this schedule</i>						<i>T 5.2.3</i>

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

Municipality does not receive any grants from other sources other than DORA.

T 5.2.4

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Asset management is a crucial function for the sustainability of DR.AB. XUMA Local Municipality, because it is not possible to sustain service delivery without properly maintained assets. The municipality annually budgets for the upgrade and maintenance of assets on a continuous basis. The municipality has an asset management policy. There are no major developments other than to upgrade and to maintain DR. AB XUMA infrastructure and to increase office space in the foreseeable future T 5.3.1

TREATMENT LARGEST ASSETS ACQUIRED YEAR 0

Asset 1	
Name	SURGACING OF GREENLAND FARM ROADS
Description	RIOADS INFRASTRUCTURE
Asset Type	PROPERTY PLANT & EQUIPMENT
Key Staff Involved	Maintenance Manager
Staff Responsibilities	operators

Chapter 5

	Year -3	Year -2	Year -1	Year 0
Asset Value	0.00	0	0	10 072 704
Capital Implications	MAINTENANCE OF ELM ROADS INFRASTRUCTURE			
Future Purpose of Asset	SERVICE DELIVERY			
Policies in Place to Manage Asset	ASSET MANAGEMENT POLICY			
Policies in Place to Manage Asset	ASSET MANAGEMENT POLICY			
Asset 2				
Name	CONSTRUCTION OF DIDI SITHEBE BRIDGE			
Description	SPORTS FIELD			
Asset Type	SPORTS FIELD			
Key Staff Involved	TECHNICAL DEPARTMENT			
Staff Responsibilities	CONSTRUCTION OF SPORTS FIELD			
Asset Value	Year -3	Year -2	Year -1	Year 0
				3 166661
Capital Implications	GRANT FUNDING - MIG			
Future Purpose of Asset	BRIDGE			
Describe Key Issues	SERVICE DELIVERY			
Policies in Place to Manage Asset	ASSET MANAGEMENT POLICY			
Asset 3				
Name	R58 MKENQENI ACCESS ROAD			
Description	ROADS INFRASTRUCTURE			
Asset Type	PROPERTY PLANT & EQUIPMENT			
Key Staff Involved	TECHNICAL DEPARTMENT			
Staff Responsibilities	MAINTENANCE OF ELM ROADS INFRASTRUCTURE			
Asset Value	Year -3	Year -2	Year -1	Year 0
				3 523 235
Capital Implications	ELECTRIFICATION KWANGQONDO			
Future Purpose of Asset	ELECTRIFICATION INFRASTRUCTURE			
Describe Key Issues	SERVICE DELIVERY			
Policies in Place to Manage Asset	ASSET MANAGEMENT POLICY			
				T 5.3.2

Chapter 5

COMMENT ON ASSET MANAGEMENT:

The costs of these projects were established by engineers and once that was done the municipality tendered for the construction of the roads. A reasonable estimate of the costs was obtained in the open market for both the projects and the truck. Normal tender processes according to the SCM policy were followed in acquisition of the all assets above the tender threshold. Project files are readily available for inspection.

T 5.3.3

Repair and Maintenance Expenditure: Year 0

	R' 000			
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	5 050	5 050	4141	18%
				T 5.3.4

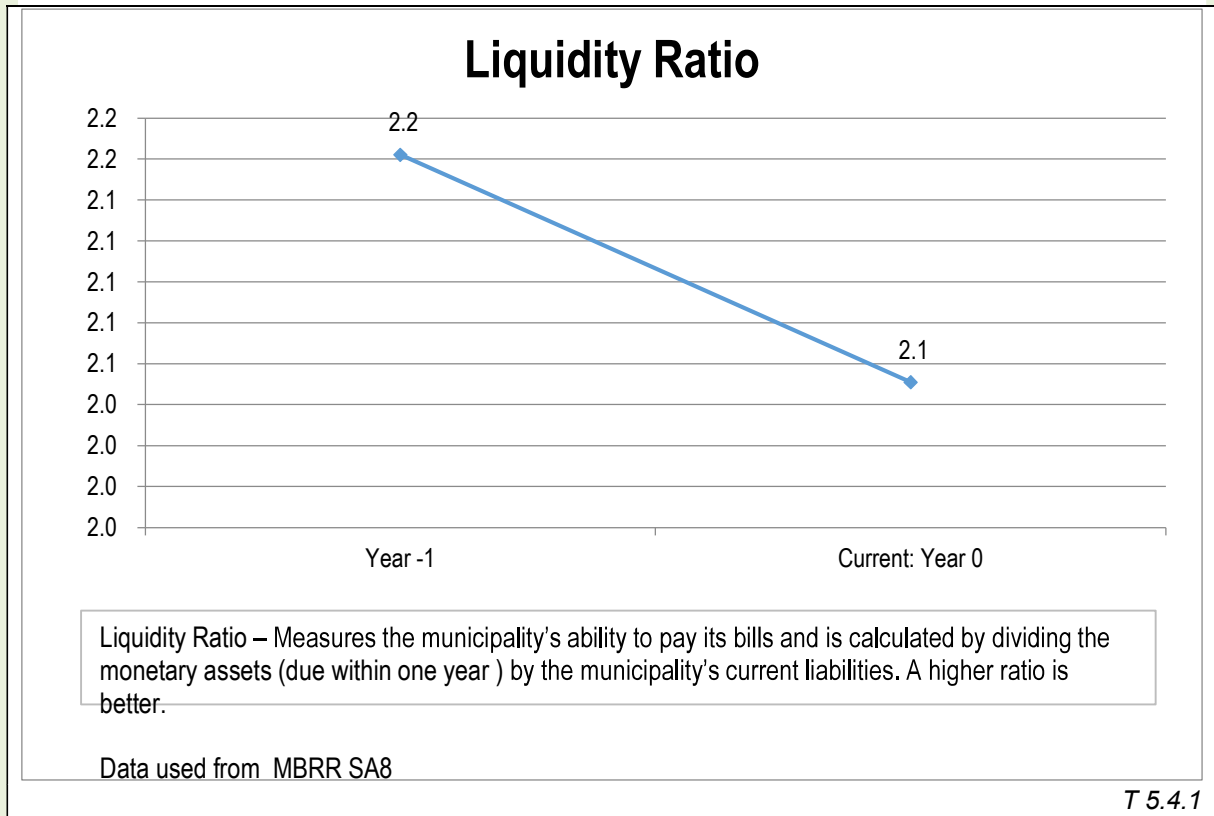
COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Maintenance of roads infrastructure is done as per municipal maintenance plan. The municipality is below the norm of 8%.

T 5.3.4.1

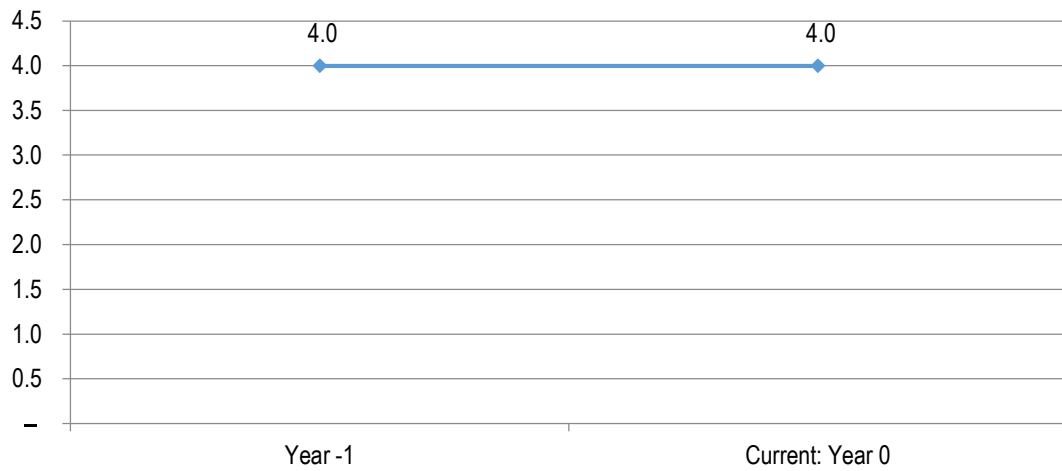
Chapter 5

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



Chapter 5

Cost Coverage



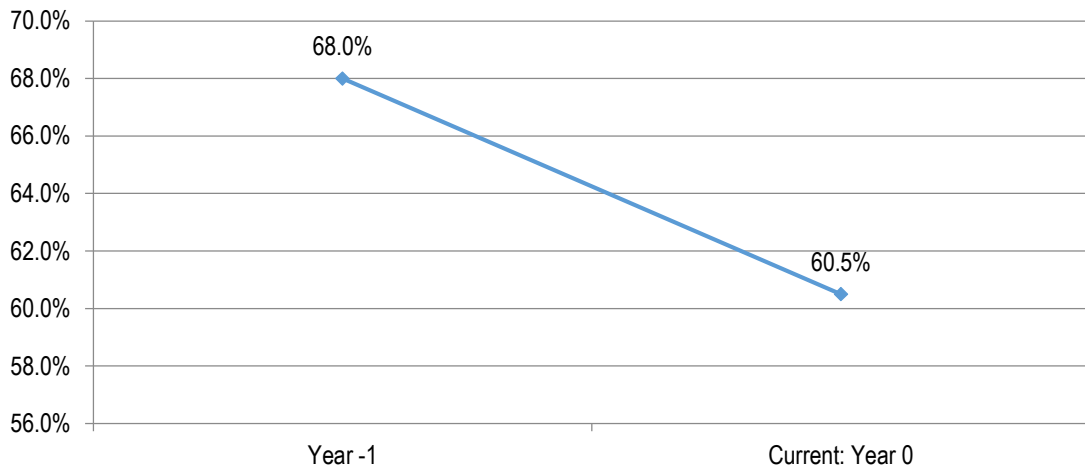
Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

T 5.4.2

Chapter 5

Total Outstanding Service Debtors

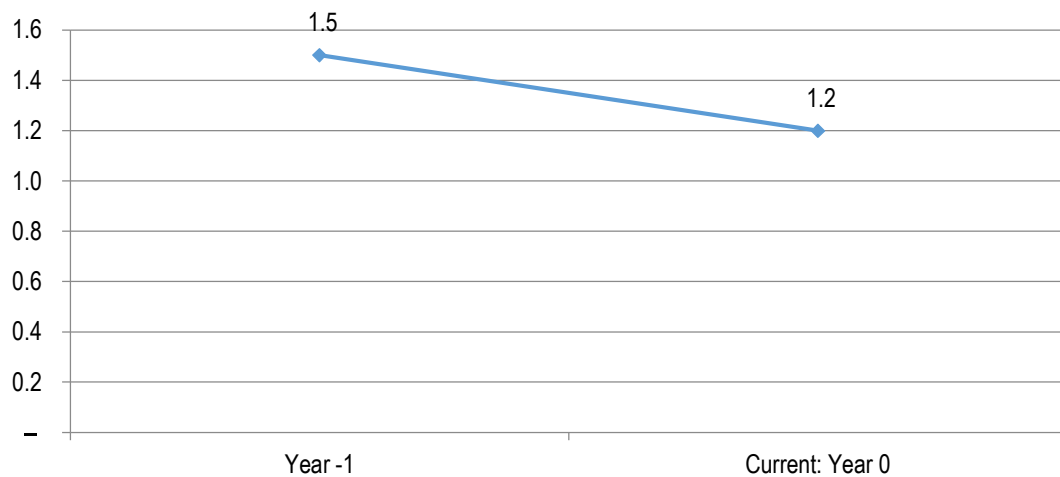


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

T 5.4.3

Chapter 5

Debt Coverage



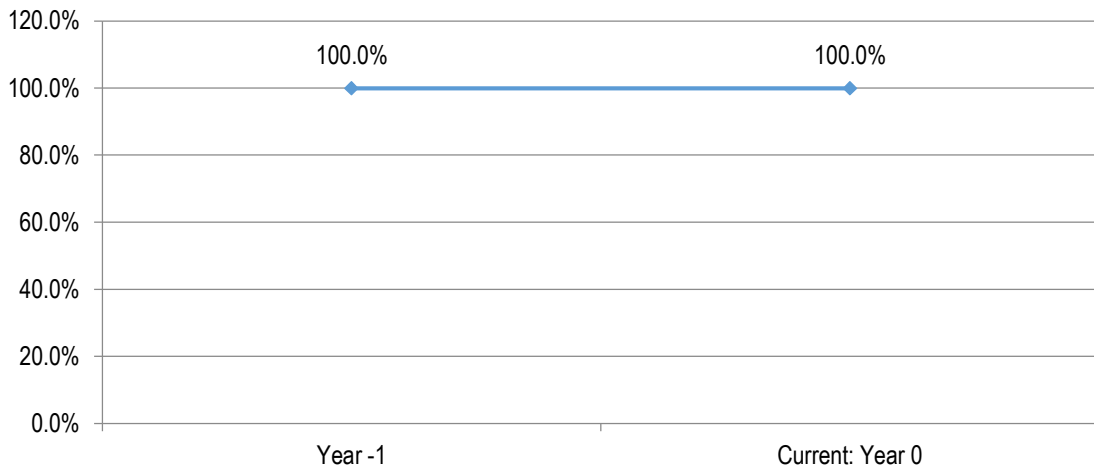
Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

T 5.4.4

Chapter 5

Creditors System Efficiency



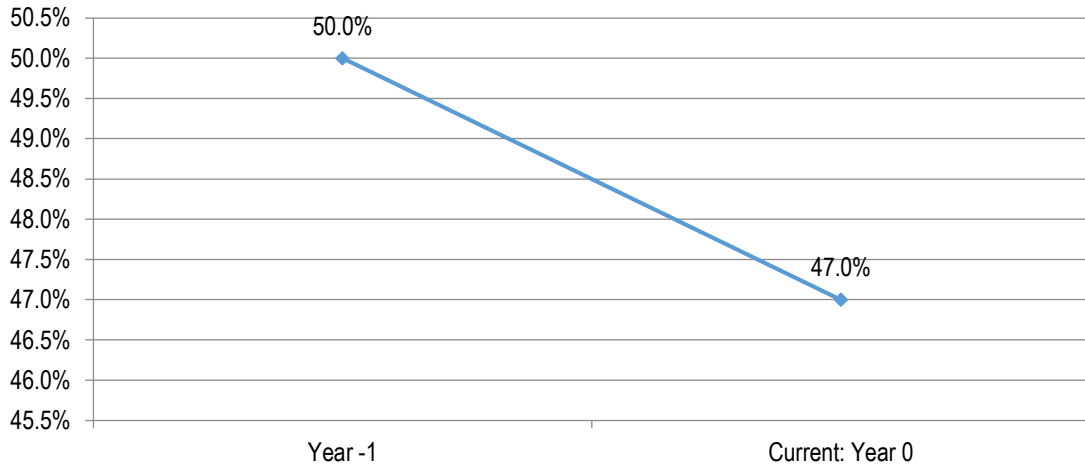
Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

T 5.4.5

Chapter 5

Employee Costs



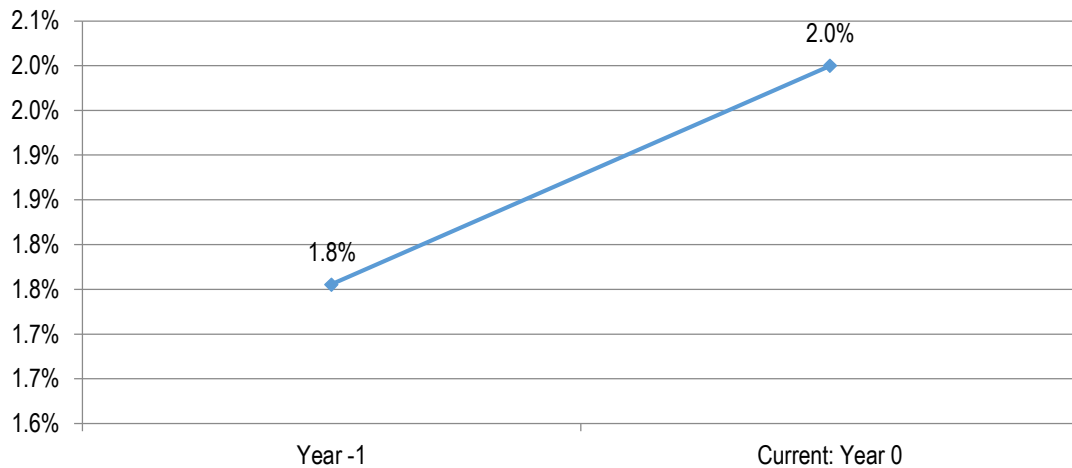
Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SAR

T 5.4.7

Chapter 5

Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

T 5.4.8

COMMENT ON FINANCIAL RATIOS:

The municipality is financially healthy even though it is heavily dependent on grants.

-Liquidity ratio has increased as compared to last year and the municipality is able to pay its debts when they become due. All municipal debts are paid timeously within legislated timeframes.

-The municipality is still struggling to collect revenue from its debtors as collection rate is below 95%

-Repairs & maintenance ratio is below the norm of 8% of total assets, however, the municipality's assets are maintained and are in good working condition

-Employee related cost ratio is above the norm of 40% due to high expenditure on employee costs.

Municipality spends mostly on overtime and allowances. Furthermore, the municipality's EPWP casuals are funded outside EPWP grant due to non-adherence to EPWP guidelines and increase in number of interns that are being funded by municipality.

-The cash coverage ratio is above the norm of 1-3 months. The monies we have can cover municipalities operations.

T 5.4.9

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

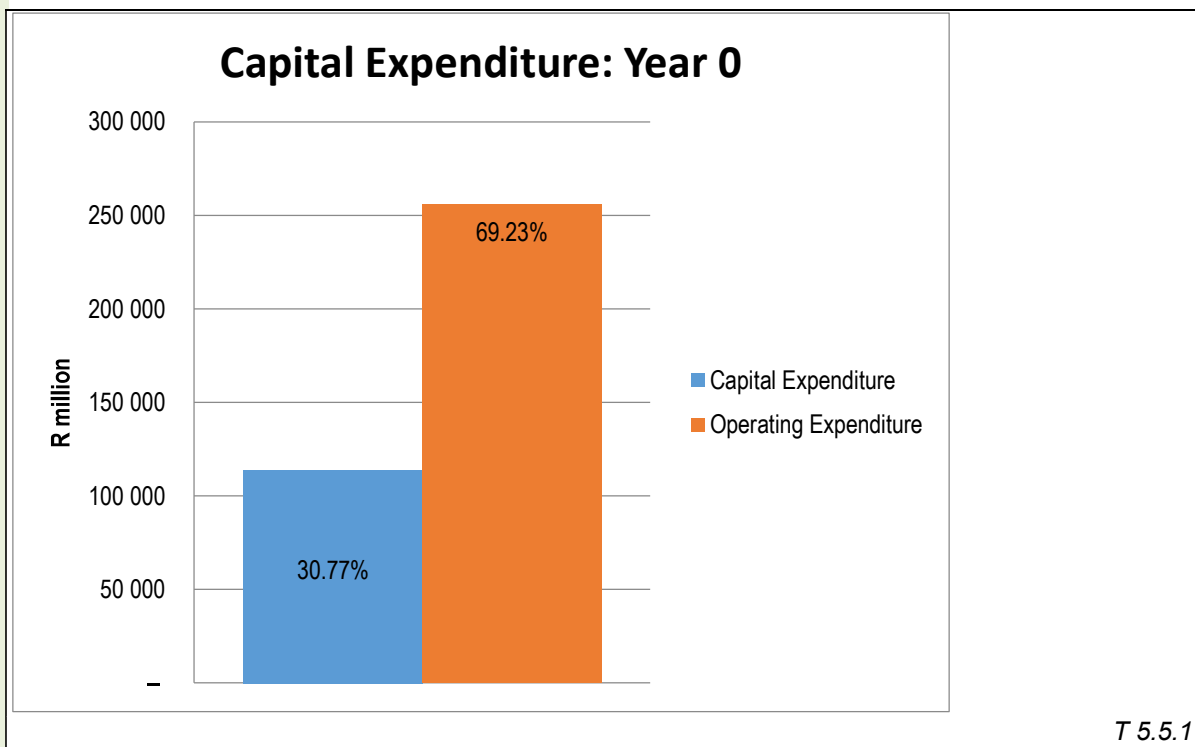
The municipal capital expenditure relates mainly to construction projects (access roads, community halls, bridges and electrification for rural areas and acquisition of vehicles for fire services. The

Chapter 5

municipality's capital expenditure is funded from MIG, INEP, Small town revitalisation and internal funding. In the past, the Municipality has demonstrated that it has the capacity to deal with its capital spending and is able to spend the available funding as planned. However, in the current municipality could not spend all of its allocated MIG budget due additional allocation received in March 2022, which resulted in slow spending of the grant. A roll-over application to national treasury was done and the unspent is cash backed.

T 5.5.0

5.5 CAPITAL EXPENDITURE



T 5.5.1

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: Year -1 to Year 0							R' 000
Details	Year - 1	Year 0					
	Actual	Original Budget (OB)	Adjusted Budget	Actual	Adjusted to OB Variance (%)	Actual to OB Variance (%)	
Source of finance							
External loans	0	0	0	0	0	0	

Chapter 5

	Public contributions and donations	0	0	0	0	0	0
	Grants and subsidies	67 797	52 152	107 717	91 033	106.54%	75%
	Other	17 021	7 680	30 355	4 433	295.25%	-42%
Total		84 818	59 832	138 072	95 466	401.79%	32%
<i>Percentage of finance</i>							
	External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Grants and subsidies	79.9%	87.2%	78.0%	95.4%	26.5%	231%
	Other	20.1%	12.8%	22.0%	4.6%	73.5%	-131%
Capital expenditure							
	Water and sanitation	0	0	0	0	0	0
	Electricity	24 293	10 000	1 150	1 150	-88.50%	-89%
	Housing	0	0	0	0	0	0
	Roads and storm water	43 504	42 152	106 567	89 883	152.82%	113%
	Other	17 021	7 680	30 355	4 433	295.25%	-42.28%
Total		84 818	59 832	138 072	95 466	359.56%	-17.54%
<i>Percentage of expenditure</i>							
	Water and sanitation	0%	0%	0%	0%	0%	0%
	Electricity	29%	17%	1%	1%	-25%	504%
	Housing	0%	0%	0%	0%	0%	0%
	Roads and storm water	51%	70%	77%	94%	43%	-645%
	Other	20%	13%	22%	5%	82%	241%
							T 5.6.1

COMMENT ON SOURCES OF FUNDING:

Variance is as a result of halted awards due to constitutional court judgment regarding preferential procurement regulations.

T 5.6.1.1

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Chapter 5

Name of Project	R' 000				
	Current: Year 0			Variance: Current Year 0	
	Original Budget	Adjusted Budget	Actual Expenditure	Original Variance (%)	Adjusted variance (%)
SURGACING OF GREENLAND FARM ROADS	2 500	12 602	10 072	-303%	-404%
BADI - FAMA ACCESS ROAD	3 000	2 847	2 847	0%	0%
MATIWANE - TAKINI ACCESS ROAD	3 279	3 470	3 470	-6%	-6%
MPOMPENI Vai MANGXONGWENI TO MHLOPHEKAZI	3 558	2 929	2 929	18%	18%
R58 MKENQENI ACCESS ROAD	3 279	3 523	3 523	-7%	-7%
<i>* Projects with the highest capital expenditure in Year 0</i>					
Name of Project - A					
Objective of Project	SURGACING OF GREENLAND FARM ROADS				
Delays	N/A				
Future Challenges	N/A				
Anticipated citizen benefits	Residents of Greenland farm				
Name of Project - B					
Objective of Project	BADI - FAMA ACCESS ROAD				
Delays	N/A				
Future Challenges	N/A				
Anticipated citizen benefits	Residents				
Name of Project - C					
Objective of Project	MATIWANE - TAKINI ACCESS ROAD				
Delays	N/A				
Future Challenges	N/A				
Anticipated citizen benefits	Residents				
Name of Project - D					
Objective of Project	MPOMPENI Vai MANGXONGWENI TO MHLOPHEKAZI				
Delays	N/A				
Future Challenges	N/A				
Anticipated citizen benefits	Residents				
Name of Project - E					
Objective of Project	R58 MKENQENI ACCESS ROAD				
Delays	N/A				
Future Challenges	N/A				
Anticipated citizen benefits	Residents				
T 5.7.1					

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Chapter 5

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Delete Directive note once comment is completed – Explain that need and cost of backlogs are the result of migration into an area; migration out of an area; the trend towards disaggregation of families into more than one housing unit; and the cost of renewing and upgrading core infrastructure. Explain how this balance effects net demand in your municipality and how your municipality is responding to the challenges created.

T 5.8.1

Service Backlogs as at 30 June Year 0				
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
	Water		%	
Sanitation		%		%
Electricity		%		%
Waste management		%		%
Housing		%		%

*% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.*

T 5.8.2

Municipal Infrastructure Grant (MIG)* Expenditure Year 0 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Infrastructure - Road transport				%	%	
Roads, Pavements & Bridges				%	%	
Storm water				%	%	
Infrastructure - Electricity				%	%	
Generation				%	%	
Transmission & Reticulation				%	%	
Street Lighting				%	%	
Infrastructure - Water				%	%	
Dams & Reservoirs				%	%	
Water purification				%	%	
Reticulation				%	%	
Infrastructure - Sanitation				%	%	
Reticulation				%	%	
Sewerage purification				%	%	
Infrastructure - Other				%	%	
Waste Management				%	%	
Transportation				%	%	
Gas				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
Total				%	%	

** MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*

T 5.8.3

COMMENT ON BACKLOGS:

Chapter 5

Delete Directive note once comment is completed - Comment on how MIG grants have been utilised to redress the backlogs and on the variances in T 5.8.3. If appropriate, comment that **Appendix P** contains details of schools and clinics that have been established that do not have ready access to one or more basic services and **Appendix Q** contains details of those services provided by other spheres of government (whether the municipality is involved on an agency basis or not) that carry significant backlogs.

T 5.8.4

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

Managing the cash resources of DR.AB XUMA LOCAL municipality remains a key requirement to ensure the liquidity of the Municipality in order to meet its financial obligations, both currently and into a sustainable future. Cash flow is actively monitored with daily cash flows being prepared and reported on in order to provide a clear indication of the current cash position. This enables the Municipality to meet its obligations as they become due.

T 5.9

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5.9 CASH FLOW

Cash Flow Outcomes				
				R'000
Description	Year -1	Current: Year 0		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Sale of goods and services	5 074	8 219	6 310	5 172
Government - operating & Capital	285 210	222 433	284 661	252 830
Other receipts	14 159	24 800	44 263	8 941
Payments				
Suppliers and employees	(164 935)	(152 043)	(160 103)	(174 261)
Finance charges	-	-	-	-
Transfers and Grants	(4 220)	(4 000)	(3 000)	(2 228)
NET CASH FROM/(USED) OPERATING ACTIVITIES	135 288	74 609	127 869	90 454
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	700	700	2 410
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets	(84 905)	(59 833)	(138 073)	(95 444)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(84 905)	(59 133)	(137 373)	(93 035)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
Payments				
Repayment of borrowing				
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	50 383	15 476	(9 505)	(2 580)
				-
	50 383	15 476	(9 505)	(2 580)
Source: MBRR A7				T 5.9.1

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COMMENT ON CASH FLOW OUTCOMES:

The net cash flows used in operating activities have decreased significantly from R 116 055 million when compared with R 90 520 million at 30 June 2022. The main contributing factor is Employee cost Cash flow from investing activities have increased when comparing R 82 494 million to R 95 44 million on 30 June 2022.

The cash flow summary clearly indicates the decrease in Cash and Cash Equivalent at year- end from R 99 320 million up to R 94 396 million at 30 June 2022

T 5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

The municipality don't have any borrowings *the money that is investment matured before 30th June 2022 then the money was transferred to a call account.*

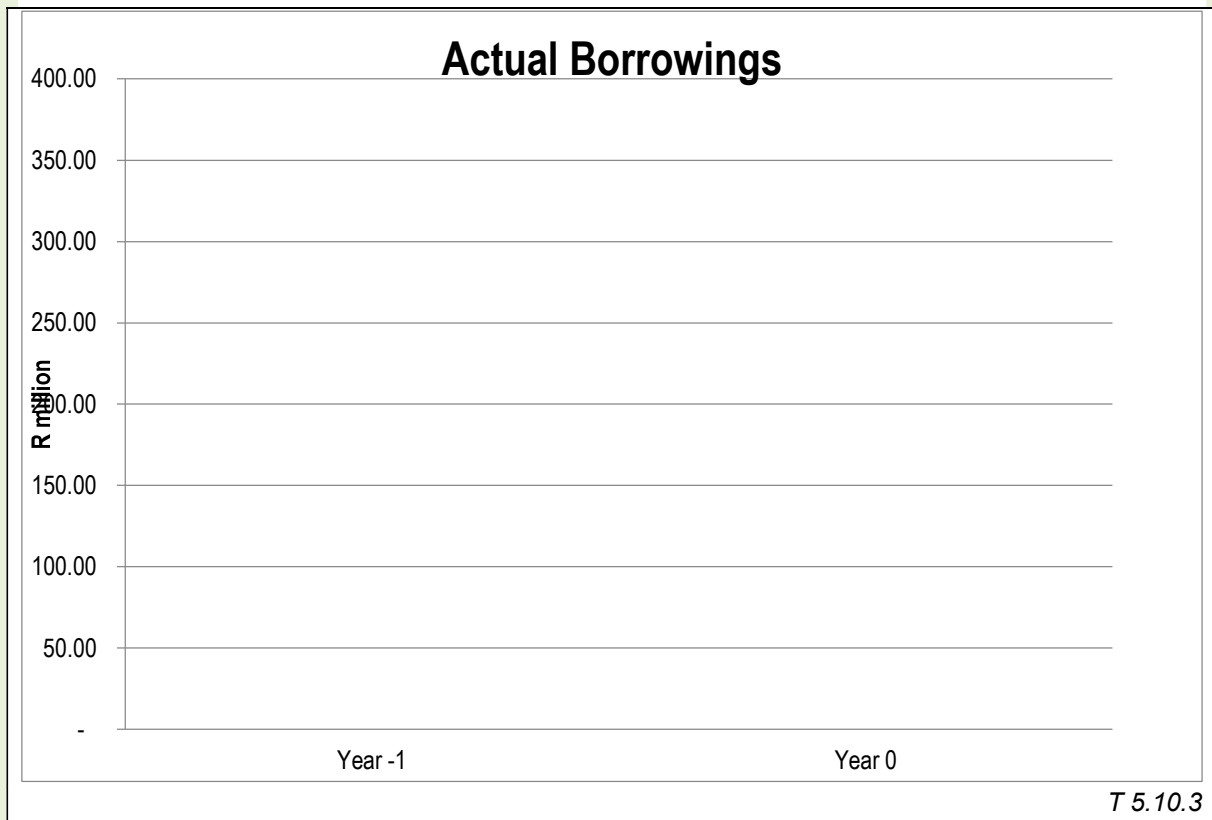
T 5.10.1

Actual Borrowings: Year -2 to Year 0

	R' 000		
Instrument	Year -2	Year -1	Year 0
Municipality	-	-	-
Long-Term Loans (annuity/reducing balance)	-	-	-
Long-Term Loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment Credit	-	-	-
Financial Leases	-	-	-
PPP liabilities	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-
Marketable Bonds	-	-	-
Non-Marketable Bonds	-	-	-
Bankers Acceptances	-	-	-
Financial derivatives	-	-	-
Other Securities	-	-	-
Municipality Total	0	0	0
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			

Chapter 5

PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	0	0	0
			<i>T 5.10.2</i>



Municipal and Entity Investments			
	R' 000		
Investment* type	Year -2	Year -1	Year 0
	Actual	Actual	Actual
Municipality			
Securities - National Government	-	-	-
Listed Corporate Bonds	-	-	-

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Deposits - Bank	-	-	-
Deposits - Public Investment Commissioners	-	-	-
Deposits - Corporation for Public Deposits	-	-	-
Bankers Acceptance Certificates	-	-	-
Negotiable Certificates of Deposit - Banks	-	-	-
Guaranteed Endowment Policies (sinking)	-	-	-
Repurchase Agreements - Banks	-	-	-
Municipal Bonds	-	-	-
Other	-	-	-
Municipality sub-total	0	0	0
<u>Municipal Entities</u>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	0	0	0
Consolidated total:	0	0	0
			<i>T 5.10.4</i>

Chapter 5

COMMENT ON BORROWING AND INVESTMENTS:

The municipality does not have borrowings & investments

T 5.10.5

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

The municipality does not have PPP's.

T 5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

DR. AB XUMA local municipality endeavours to make procurement information accessible to suppliers, with the purpose of enhancing planning, accountability and oversight. The City's SCM system is premised on section 217 of the South African Constitution which must be, fair equitable, transparent, competitive and cost effective.

T 5.12.1

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

Generally Recognized Accounting Practice (GRAP), provides the regulations and guidelines which municipalities are required to maintain their financial accounts. The preparation of the financial statements are in accordance with the Municipal Finance Management Act (MFMA)m and effective standards of GRAP, further included are any interpretations and directives issued by the Accounting

Chapter 5

Standards Board (ASB). This has occurred in accordance with Section 122(3) of the MFMA. The annual financial statements are prepared on the basis that the municipality is a going concern and that has neither the intention nor the need to liquidate or materially scale down its operations. 5.13.1

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CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

Refer to the Annual Financial Statements and audit report set out in annexures. T 6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR -1

6.1 AUDITOR GENERAL REPORTS YEAR -1 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance Year 2020/2021*	
Status of audit report:	QUALIFIED
Non-Compliance Issues	Remedial Action Taken
The municipality did not assess all assets for impairment in accordance with the GRAP 21, <i>Impairment-of-Non-cash-generating-assets</i> . Damaged and vandalised assets were included in the infrastructure assets without being impaired. Consequently, I was unable to determine the full extent of the overstatement of property, plant and equipment stated at R243 million (2019: R240 million), and an understatement of impairment loss stated at R1, 9 million (2020: R1, 5 million), in the note 3 to the financial statements as it was impractical to do so.	Audit Action Plan has been developed with clear actions on how to resolve the finding
GRAP 17, <i>Property, plant and equipment</i> requires the disclosure of contractual commitments for the acquisition on property, plant and equipment. An adequate record of commitments was not maintained and reviewed by the municipality for the year under review. Invoices inspected were inconsistent with the disclosed amounts, retentions were incorrectly included in the commitments register and some commitments have not been recorded in the register. This resulted in an understatement of R4,6 million of commitments disclosed in note 40 to the financial statements.	Audit Action Plan has been developed with clear actions on how to resolve the finding

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<p>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 and the supporting records could not be provided subsequently, which resulted in the financial statements receiving a qualified audit opinion.</p>	<p>Audit Action Plan has been developed with clear actions on how to resolve the finding</p>
<p>Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA.</p>	<p>Audit Action Plan has been developed with clear actions on how to resolve the finding</p>
<p><i>Note:*</i> The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 0.</p>	
<p>T 6.2.1</p>	

Auditor-General Report on Service Delivery Performance: Year 2020/2021*	
Status of audit report**:	
Non-Compliance Issues	Remedial Action Taken
<p>The achievement of 150 Enegezable Households or Electrification of Gqobonco phase 2 by 28th May 2021 was reported against target 115 Enegezable Households or Electrification of Gqobonco phase 2 by June 2021 in the annual performance report. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate evidence. This was due to the lack of accurate and complete records. I was unable to further confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievement.</p>	<p>Audit Action Plan has been developed with clear actions on how to resolve the finding</p>

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<p>The achievement of 7 Kmz constructed for access roads (7km of Chibini - Bhojane access road) by 4th March 2021 was reported against target 7 kms constructed for access roads (7 km of Chibini - Bhojane access road) by June 2021 in the annual performance report. However, the supporting evidence provided did not agree to the reported achievement and indicated an achievement of 6km constructed for access roads (6km of Chibini – Bhojane access road).</p>	<p>Audit Action Plan has been developed with clear actions on how to resolve the finding</p>
<p>* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance Year 0</p>	
<p>** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.</p>	
<p>T 6.2.2</p>	

COMPONENT B: AUDITOR-GENERAL OPINION YEAR 0 (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR 0

Auditor-General Report on Financial Performance Year 0*	
Status of audit report:	UNQUALIFIED
Non-Compliance Issues	Remedial Action Taken
DTI was not notified of winning bidders with local content as required by National Treasury Circular 69	A report of Local Content winning bidders will be prepared and sent to DTI
Procurement within panellists was not in line with PPPFA as 3 quotes not obtained for allocating work to service providers within the panel	Comply with PPPFA requirements
Incorrect billing journal entry was processed with debit side only	A standard journal form with debit and credit will be used for billing
Bid invitation for renovations and maintenance of public swimming did not indicate the minimum level the bidder should be registered at with CIDB for a construction contract	Tender documents to be reviewed by Bid Specification committee and SCM manager before an advert can be approved by MM
<p><i>Note:* The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 0.</i></p>	
<p>T 6.2.1</p>	

Auditor-General Report on Service Delivery Performance: Year 0*	
Status of audit report**:	UNQUALIFIED

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Non-Compliance Issues	Remedial Action Taken
AOPO business process was not correctly done as there were discrepancies between Business Process and POE	business process will be developed prior the audit instead of the previous years which it was developed on when the Auditors come to site
Management have reported that access road was constructed on the annual performance report but when performing the audit work it was identified that the access roads are not completed	Monitoring and Evaluation unit will develop a plan to assist in the physical verification of projects to help identify challenges
APR was incomplete as Indicators which were not achieved in 2020/21 FY were not included in 2021/22 APR as management documented in 2020/21 APR that these indicators will be included in 2021/22 APR	APR Implementation plan will be developed with clear timeframes and for reviewal of APR by management.
During physical verification, discrepancies were noted on pole numbers documented on the register versus pole numbers on the poles for Mpompeni phase 2 & Ngqurhu Village	Monitoring and Evaluation Unit will establish a team that will be responsible for the physical verification of Electrification on all these villages
* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance Year 0	
** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.	

T 6.2.2

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 2021/2022

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Other matter

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

Unaudited disclosure notes

9. In terms of section 125(2) (e) of the MFMA, the municipality is required to disclose particulars of non-compliance with MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly , I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected key performance areas presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

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Chapter 6

DR AB XUMA LOCAL MUNICIPALITY

Audit Report

For the year ended 30 June 2022



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Chapter 6



Chapter 6

Report of the auditor-general to the Eastern Cape Provincial Legislature and the council on the Dr A B Xuma Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Dr A B Xuma Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2022, 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 notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Dr A B Xuma Local Municipality as at 30 June 2022, and financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practices (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

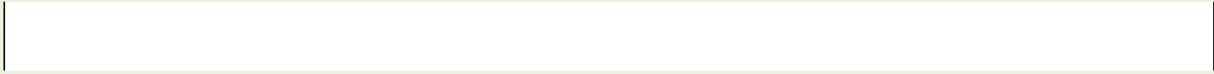
Emphasis of matter

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

Irregular expenditure

7. I draw attention to note 47 to the financial statements. The municipality incurred irregular expenditure of R105,05 million, as it did not follow proper tender processes.

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Chapter 6

Other matter

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

Unaudited disclosure notes

9. In terms of section 125(2) (e) of the MFMA, the municipality is required to disclose particulars of non-compliance with MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly , I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

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

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected key performance areas presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

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15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected key performance area presented in the municipality's annual performance report for the year ended 30 June 2022:

Key Performance Areas	Pages in the annual performance report
Key performance area 2: Infrastructure and service delivery	x – x

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. The material findings on the usefulness and reliability of the performance information of the key performance area are as follows:

Infrastructure and service delivery(Technical services) BSD 22: Number of energizable households at Ngcacu, Maqanda and Ntsunguzini phase 2 (ward 5) by 30 June 2022

19. The achievements of 53 energisable households was reported in the annual performance report. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to these reported achievements.

Infrastructure and service delivery(Technical services) BSD 23: Number of Eneigizable Households at Mpompeni phase 2 and Ngqurhu phase 2 (ward 16) by 30 June 2022

20. The achievements of 40 energisable households was reported in the annual performance report. However, some supporting evidence provided materially differed from the reported achievement, while in other instances I was unable to obtain sufficient appropriate audit evidence. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to these reported achievements.

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Infrastructure and service delivery(Technical services) BSD 6: Number of bridges constructed by 30 June 2022 (Malangazana - Ngqubusini Bridge) (Width 6m, Length 75m and 3.9km of access road)

21. The achievement of 3,9 km of access road was reported in the annual performance report. However, I was unable to verify that the information submitted related to the project as material disagreements were noted between the progress report, the completion certificate and the reported information. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to these reported achievements.

Infrastructure and service delivery(Technical services) BSD 9: Number of bridges constructed by 30 June 2022 (Machibini Bridge)(Width 3,6m, Length 45m and 5.3km of access road)

22. The achievement of 5,3 km of access road was reported in the annual performance report. However, I was unable to verify that the information submitted related to the project as material disagreements were noted between the progress report, the completion certificate and the reported information. This was due to the lack of accurate and complete records. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to these reported achievements.

Other matter

23. I draw attention to the matter below.

Achievement of planned targets

24. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 19 to 22 of this report.

Report on the audit of compliance with legislation

Introduction and scope

25. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
26. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements and annual reports

27. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of

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irregular expenditure, unspent conditional grants and subsidies, government grants and subsidies, unconditional grants and conditional grants within note 27, as well as agency fees within note 20 and operating commitments comparative figure within note 42, identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided resulting in the financial statements receiving an unqualified audit opinion.

Revenue management

28. Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the MFMA.

Expenditure management

29. Reasonable steps were not taken to prevent irregular expenditure of R105,05 million disclosed in note 47 to the annual financial statements, as required by section 62(1)(d) / 95(d) of the MFMA. The preference point system was not applied in the procurement of all goods and services above R30 000.

Strategic planning and performance management

30. The performance management system and related controls were inadequate. The described processes of performance measurement and reporting were not conducted as intended, as required by municipal planning and performance management regulation 7(1).

Other information

31. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected key performance area presented in the annual performance report that have been specifically reported in this auditor's report.
32. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
33. 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 key performance area presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
34. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
35. When I do receive and read the annual report, if I conclude that there is material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Chapter 6

Chapter 6

Internal control deficiencies

36. 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.
37. Leadership did not adequately discharge its oversight responsibilities with regards to implementing and monitoring internal controls to ensure sound compliance with laws and regulations.
38. Internal controls were not adequately implemented over year-end reporting. Management did not adequately review and verify the supporting evidence for each reported target on the annual performance report.
39. The audit action plan was not adequately implemented and monitored to address prior year findings. Repeat material findings were identified on compliance with legislation.

Auditor General

East London

30 November 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Chapter 6

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

2. 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 relating to events or conditions that may cast significant doubt on the ability of the Dr A B Xuma Local Municipality 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 my 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 operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. 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.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters

Chapter 6

that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Chapter 6

T 6.2.3

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 2021/2022:

The municipality's audit opinion improved to an unqualified with two qualification paragraphs. To ensure that the municipality improves, Audit Action Plan has been developed and tabled to the council. The plan will be monitored on a monthly basis. AFS will be timeously prepared to ensure thorough review before final submission to AG. Communication with AG will be improved to ensure smooth running of the audit

T 6.2.4

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer) Dated

T 6.2.5

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.

GLOSSARY

Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.

GLOSSARY

Performance Targets:	<p>The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.</p>
Service Delivery Budget Implementation Plan	<p>Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.</p>
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%

Note: * Councillors appointed on a proportional basis do not have wards allocated to them T A

Concerning T A

Delete Directive note before publication: Provide comments on the above table.

T A.1

APPENDICES

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution		
Building regulations		
Child care facilities		
Electricity and gas reticulation		
Firefighting services		
Local tourism		
Municipal airports		
Municipal planning		
Municipal health services		
Municipal public transport		
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law		
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto		
Stormwater management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		
Beaches and amusement facilities		
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances		
Control of undertakings that sell liquor to the public		
Facilities for the accommodation, care and burial of animals		
Fencing and fences		
Licensing of dogs		
Licensing and control of undertakings that sell food to the public		
Local amenities		
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution		
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal		
Street trading		
Street lighting		
Traffic and parking		
<i>* If municipality: indicate (yes or No); * If entity: Provide name of entity</i>		T D

APPENDICES

APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in Year 0 (Full List at Appendix O)				
				R' 000
No.	Project Name and detail	Start Date	End Date	Total Value
				TF.1

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery					X
Households without minimum service delivery					
Total Households*					
Houses completed in year	X				
Shortfall in Housing units					
*Including informal settlements					TF.2

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During Year 0
		TF.3

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)
 Names: xxx (8); xxx (7)...

TF.3

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0

APPENDICES

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 0 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor		
Member of MayCo / Exco		
Councillor		
Municipal Manager		
Chief Financial Officer		
Deputy MM and (Executive) Directors		
Other S57 Officials		

* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A

APPENDICES

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
						R' 000
Vote Description	Year -1	Current: Year 0			Year 0 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Community services	4 555	6 106	4 256	3 957	65%	93%
IPED	125	963	990	509	53%	51%
Budget and treasury	13 987	27 861	29 925	29 074	104%	97%
Total Revenue by Vote	18 667	34 930	35 171	33 540	96%	95%
<i>Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual.</i> <i>This table is aligned to MBRR table A3</i>						
						T K.1

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

APPENDICES

Revenue Collection Performance by Source							R '000
Description	Year -1	Year 0			Year 0 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
Property rates	26,485	23,572	28,075	23,042	-2%	-22%	
Property rates - penalties & collection charges	8,541	8,285	9,054	8,456	2%	-7%	
Service Charges - electricity revenue	12,355	10,254	12,478	13,219	22%	6%	
Service Charges - water revenue	14,232	13,235	13,662	12,097	-9%	-13%	
Service Charges - sanitation revenue	6,542	5,496	5,954	6,346	13%	6%	
Service Charges - refuse revenue	1,865	1,622	1,865	1,510	-7%	-23%	
Service Charges - other	5,643	5,530	5,925	5,304	-4%	-12%	
Rentals of facilities and equipment	5,643	5,530	5,925	5,304	-4%	-12%	
Interest earned - external investments	5,322	4,470	5,747	4,630	3%	-24%	
Interest earned - outstanding debtors	8,455	8,455	8,624	9,554	12%	10%	
Dividends received	1,254	1,003	1,191	1,354	26%	12%	
Fines	2,516	2,063	2,264	2,340	12%	3%	
Licences and permits	6,846	6,230	7,256	6,640	6%	-9%	
Agency services	12,546	10,413	11,793	11,542	10%	-2%	
Transfers recognised - operational	2,355	2,190	2,425	2,402	9%	-1%	
Other revenue	48,542	40,776	48,542	46,115	12%	-5%	
Gains on disposal of PPE	4,565	3,698	4,337	4,291	14%	-1%	
Environmental Protection	5,649	4,971	6,157	4,971	0%	-24%	
Total Revenue (excluding capital transfers and contributions)	179,353	157,791	181,274	169,118	6.70%	-7.19%	
<i>Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.</i>							T K.2

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

APPENDICES

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						
<i>Other Specify:</i>						
Total						
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.						T L

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

Delete Directive note once comment is completed – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

T L.1

APPENDICES

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Expenditure - New Assets Programme*							
Description	R '000						
	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	-		-	-	-	-
Infrastructure: Road transport - Total	-	-		-	-	-	-
<i>Roads, Pavements & Bridges</i>							
<i>Storm water</i>							
Infrastructure: Electricity - Total	-	-		-	-	-	-
<i>Generation</i>							
<i>Transmission & Reticulation</i>							
<i>Street Lighting</i>							
Infrastructure: Water - Total	-	-		-	-	-	-
<i>Dams & Reservoirs</i>							
<i>Water purification</i>							
<i>Reticulation</i>							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total	-	-		-	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
Community - Total	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							

Table continued next page

APPENDICES

Table continued from previous page

Capital Expenditure - New Assets Programme*								R '000
Description	Year -1	Year 0			Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3	
Capital expenditure by Asset Class								
Heritage assets - Total	-	-		-	-	-	-	
Buildings								
Other								
Investment properties - Total	-	-		-	-	-	-	
Housing development								
Other								
Other assets	-	-		-	-	-	-	
General vehicles								
Specialised vehicles								
Plant & equipment								
Computers - hardware/equipment								
Furniture and other office equipment								
Abattoirs								
Markets								
Civic Land and Buildings								
Other Buildings								
Other Land								
Surplus Assets - (Investment or Inventory)								
Other								
Agricultural assets	-	-		-	-	-	-	
List sub-class								
Biological assets	-	-		-	-	-	-	
List sub-class								
Intangibles	-	-		-	-	-	-	
Computers - software & programming								
Other (list sub-class)								
Total Capital Expenditure on new assets	-	-		-	-	-	-	
Specialised vehicles	-	-		-	-	-	-	
Refuse								
Fire								
Conservancy								
Ambulances								

* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

T M.1

APPENDICES

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - Upgrade/Renewal Programme*								R '000
Description	Year -1	Year 0			Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3	
Capital expenditure by Asset Class								
Infrastructure - Total	-	-		-	-	-	-	
Infrastructure: Road transport - Total	-	-		-	-	-	-	
<i>Roads, Pavements & Bridges</i>								
<i>Storm water</i>								
Infrastructure: Electricity - Total	-	-		-	-	-	-	
<i>Generation</i>								
<i>Transmission & Reticulation</i>								
<i>Street Lighting</i>								
Infrastructure: Water - Total	-	-		-	-	-	-	
<i>Dams & Reservoirs</i>								
<i>Water purification</i>								
<i>Reticulation</i>								
Infrastructure: Sanitation - Total	-	-		-	-	-	-	
<i>Reticulation</i>								
<i>Sewerage purification</i>								
Infrastructure: Other - Total	-	-		-	-	-	-	
<i>Waste Management</i>								
<i>Transportation</i>								
<i>Gas</i>								
<i>Other</i>								
Community	-	-		-	-	-	-	
Parks & gardens								
Sportsfields & stadia								
Swimming pools								
Community halls								
Libraries								
Recreational facilities								
Fire, safety & emergency								
Security and policing								
Buses								
Clinics								
Museums & Art Galleries								
Cemeteries								
Social rental housing								
Other								
Heritage assets	-	-		-	-	-	-	
Buildings								
Other								

Table continued next page

APPENDICES

Table continued from previous page

Capital Expenditure - Upgrade/Renewal Programme*								R '000
Description	Year -1	Year 0			Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3	
Capital expenditure by Asset Class								
Investment properties	-	-		-	-	-	-	
Housing development								
Other								
Other assets	-	-		-	-	-	-	
General vehicles								
Specialised vehicles								
Plant & equipment								
Computers - hardware/equipment								
Furniture and other office equipment								
Abattoirs								
Markets								
Civic Land and Buildings								
Other Buildings								
Other Land								
Surplus Assets - (Investment or Inventory)								
Other								
Agricultural assets	-	-		-	-	-	-	
List sub-class								
Biological assets	-	-		-	-	-	-	
List sub-class								
Intangibles	-	-		-	-	-	-	
Computers - software & programming								
Other (list sub-class)								
Total Capital Expenditure on renewal of existing assets	-	-		-	-	-	-	
Specialised vehicles	-	-		-	-	-	-	
Refuse								
Fire								
Conservancy								
Ambulances								

* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)

T M.2

APPENDICES

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

Capital Programme by Project: Year 0						R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %	
Water						
"Project A"	82	85	92	8%	11%	
"Project B"	82	85	92	8%	11%	
"Project C"	85	90	95	5%	11%	
Sanitation/Sewerage						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Electricity						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Housing						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Refuse removal						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Stormwater						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Economic development						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Sports, Arts & Culture						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Environment						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Health						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
Safety and Security						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
ICT and Other						
"Project A"	82	85	92	8%	11%	
"Project B"	85	90	95	5%	11%	
						T N

APPENDICES

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital Programme by Project by Ward: Year 0		
Capital Project	Ward(s) affected	Works completed (Yes/No)
R' 000		
Water		
"Project A"		
"Project B"		
Sanitation/Sewerage		
Electricity		
Housing		
Refuse removal		
Stormwater		
Economic development		
Sports, Arts & Culture		
Environment		
Health		
Safety and Security		
ICT and Other		
		T O

APPENDICES

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Clinics (NAMES, LOCATIONS)				
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				T P

APPENDICES

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
Housing:		
Licencing and Testing Centre:		
Reservoirs		
Schools (Primary and High):		
Sports Fields:		
		T Q

APPENDICES

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output Improving access to basic services		
Output Implementation of the Community Work Programme		
Output Deepen democracy through a refined Ward Committee model		
Output: Administrative and financial capability		
<p><i>* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.</i></p>		

T S

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.