



NYANDENI

LOCAL MUNICIPALITY

Deciding with the people not for the people



ANNUAL **2022** REPORT **2023** VOLUME 1

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CHAPTER 1

MAYOR'S FOREWORD AND
EXECUTIVE SUMMARY

CHAPTER 1 CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

MAYOR’S FOREWORD

This Annual Report reflects on the performance of Nyandeni Local Municipality for the 2022/23 financial year. The year under review has proven to be another more challenging one as we were all still dealing with the after effects of COVID-19, increased poverty rates, slow economic growth, destruction of infrastructure by torrential rains and slowly declining revenue collection.

Vision:

Our municipality seeks to drive sustainable socio-economic development through efficient and innovative delivery of services.

Key Policy Developments:

Nyandeni Local Municipal Council has crafted a set of strategic objectives that are aligned with the national strategic focus areas, the provincial strategic goals of the Eastern Cape and national Government. This is intended to guide departments within the municipality to develop departmental business plans with specific deliverables and targets to give effect to the strategic objectives of Council, which are:

- Building a responsive Municipality and an active community
- Building and growing the local economy to create employment
- Improve the outlook of our Municipal Towns to attract investment
- Rollout massive infrastructure for human and economic development

These strategic objectives are aligned with our vision 2030 and the National Development Plan, the National Spatial Development Perspective and the National Key Performance Areas. Nyandeni’s Integrated Strategic Development Framework will build on the work of the Integrated Development Plan (IDP) to create a town that is inclusive, innovative and inspired.

Key Service Delivery Improvements:

The 2022/23 Annual Report details the many highlights, milestones and lessons learned over the last 12 months. Despite these challenges, Nyandeni Local Municipality continued to supply basic services to all its residents, customers and businesses. I am very proud of the leadership of our administration in the manner we have overcome constraints, adjusted our thoughts to improve service delivery, and worked together in new ways to keep our town running.

- Regardless of the pressure to perform I am pleased to announce some highlights in the 2022/23 financial year.
- Completion of the Nxukhwebe to Mthombetsitsa Bridge that was ravaged by torrential rains.
- The electrification of houses within both the informal and formal settlements within the greater Nyandeni area was completed, in some cases utilizing alternative energy thus reducing dependency on the National Grid.
- Intervention directed at Mpindweni community to deal with its crisis of dislocation.
- Completion of ECDC Centres allowing for greater access to learning

Public Participation:

The municipality successfully convened ward committees in all 32 wards within the municipal area. This municipality subscribes to the principles of openness and transparency and enjoys good working relationships with its stakeholders. Municipal committee and council meetings have always been open to the public to attend in person or to follow on social media platforms – generating a lot of traffic.

Future Actions:

We are facing challenges and an uncertain and unpredictable future economic climate, which means that an expansionary budgetary approach must be followed to ensure Municipal-led growth. Future plans include but are not limited to:

- the introduction of data profiling is vital to our debt collection approach.



- housing developments that have been erected on municipal land must be officially transferred to their new owners. .
- updating and correct the valuation roll
- Improving the outlook of our beaches & tourist attractions in order to attract much-needed economic tourism]
- placing ourselves at the cutting edge of the communications highway through exploring means at become an Internet Service Provider
- Improving the quality of our sports facilities

Agreements / Partnerships:

- ECSECC
- Moses Kotane Institute on Maritime Development Program
- TARDI on improving knowledge management and LED capacity
- SEDA on capacity building and training to SMME's and Cooperatives
- Siyanda Bagkatla Platinum Mine on Nkanga Poultry/ Egg Production
- Ntinga O.R. Tambo Development Agency on Business Plan Development for Animal Feed Plant
- NHBRC on training of artisans and local contractors
- Furntech on furniture manufacturing training
- Walter Sisulu University

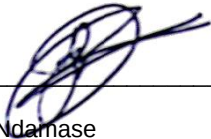
Conclusion:

The Annual Report for 2022/23 provides detail on various infrastructure projects being undertaken to facilitate the envisioned accelerated growth. These projects are only possible through strategic partnerships with other spheres of government, the private sector and the community of Nyandeni Local Municipality, without which we cannot meet the challenges that we face.

I remain grateful to Council, the Executive Committee and the Municipal Manager, all of whom continue to guide our staff, resources and operations to make Nyandeni an inclusive, innovative and inspired Municipality.

(Signed by :) _____

Hon. Mayor B.V. Ndamase



COMPONENT B: EXECUTIVE SUMMARY

MUNICIPAL MANAGER'S OVERVIEW

Section 121 of the Municipal Finance Management Act prescribes that every municipality must for each financial year prepare an annual report. Section 121 (3) states that the annual report of a Municipality must include:

- a. the annual financial statements of the municipality; b. the Auditor-General's audit report in terms of section 126 (3);
- c. the annual performance report of the municipality prepared in terms of section 46 of the Municipal Systems' Act;
- d. the Auditor-General's audit report in terms of section 45 (b) of the Municipal Systems Act.
- e. an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;
- f. an assessment by the municipality's accounting officer of the municipalities performance against the measurable performance objectives;
- g. particulars of any corrective action taken or to be taken in response to the issues raised in the Auditors' report;
- h. any explanation that may be necessary to clarify issues in connection with the financial statements;
- i. any information as determined by the municipality;
- j. any recommendation of the municipality's Audit Committee;
- k. any other information as may be prescribed.



I confirm that the report has been compiled in line with the Local Government: Municipal Systems Act 32 of 2000, the Local Government: Municipal Finance Management Act 56 of 2003, Municipal Budget and Reporting Regulations as well as National Treasury Circular No. 63 that outlines Annual Report Guidelines.

The IDP which is a contract between Council and the Community expressed the following key programmes for the year under review:-

- a) Enhancing Public Participation
- c) Implementation of basic services to communities
- d) Implementation of Spatial Planning and Land Use Management Act
- e) Performance Management and Reporting
- f) Development and approval of Institutional Policies including Financial Policies.

NLDP Vision 2030 Propositions

Nyandeni Local Municipality developed a long term vision. The overall purpose of this plan is to articulate the development priorities of Nyandeni Local Municipalities between 2017 and 2030 and outline programmes and interventions to achieve desired goals.

The plan identifies 5 (five) goals in their long-term plan. These include:

- Goal One: a significant improvement in the provision of public infrastructure and public services. Its scope includes expanding employment through public works and local procurement (particularly locally produced food for school nutrition programmes).
- Goal Two: envision a well-managed urbanization process in which urban nodes are linked by a good quality road network. This calls for the creation of competitive towns to enhance socio-economic development.
- Goal Three: considers well-protected environment assets. This is aimed at preventing threats to socio-economic development, in particular, tourism development and agricultural development.
- Goal Four: A growing, innovative/responsive, and inclusive economy (increasing value-added from ICT/knowledge services, smallholder agriculture, tourism, property development, SMMEs/coops, etc). This goal identifies a need to grow the enterprise (SMME) sector.
- Goal Five: seeks to achieve an efficient and effective public sector with improved ability to give economic governance leadership. This aims at strengthening support to the achievement of overall strategic goals.

Strategic Goals of the Municipality

To ensure sound governance practices within Nyandeni local municipality:

- Improving and strengthening intergovernmental relations
- Collaborative planning
- Fostering strategic partnerships
- By ensuring good corporate practices

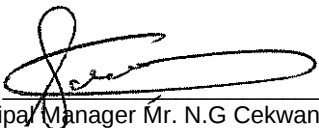
- Effective municipal leadership and management
- Wise resource management
- Seamless programme management
- Ensuring a stable political environment
- Broadening and deepening local democracy through ward committees and beyond
- Ensure local accountability through continuous reporting system, local imbizos etc
- Implanting a culture of people centred people driven development

To provide sustainable services to all inhabitants of the municipality through

- Physical infrastructure provision
- Community and social services
- Effective local economic development planning
- Spatial development planning
- Effective intergovernmental collaboration
- Providing support to business development
- Strategic sector planning and development

During 2023/2024 financial year, the following areas will receive priority:-

- Conduct Strategic Planning and IDP Review
- Filling of vacant posts of Municipal Manager and Chief Financial Officer
- Host Investment Summit
- Review of financial and organizational policies
- Address issues emanating from the Auditor-General's report for 2021/2022 financial year
- Improving access to basic service delivery
- Financial Management and Internal Control
- Improving reporting, monitoring and evaluation

(Signed by :) 
Acting Municipal Manager Mr. N.G. Cekwana

MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

The municipality is performing all the functions listed below that are assigned it except for Public Transport

Nyandeni Municipality is performing the following functions

Part B of Schedule 4	Part B of Schedule 5
Solid waste Municipal planning Storm water management system Public transport Trading regulations Tourism Building regulations	Cemeteries, funeral parlours and crematoria – including the DM function Cleansing Local sport facilities Municipal parks and recreation Municipal roads Pounds Public places Refuse removals, refuse dumps and solid waste disposal Traffic and parking Municipal public works Beaches and amusement Billboards and display advertisement in public places Street trading

Population Dynamics

Population dynamics are of paramount importance in addressing the developmental needs in societies, and in analysing the population dynamics, it is essential to look at factors such as urbanisation, migration, gender distribution, age structure and dependency, because these factors presents both important developmental challenges and opportunities that have direct and indirect implications for social, economic, and environmental development. These factors further affect macro-economic factors such as consumption, production, employment, income distribution and poverty.

The factors therefore identified in this analysis should provide an indication regarding the estimated number of people who are dependent on government for transfers, as well as the number of people who are economically active, and they further play an essential role in the efficient allocation of resources at all spheres of government. This analysis is critical for decision-making not only to the public sector, but also in the private sector, as the population size and its characteristics can influence the location of businesses and services to satisfy the needs of the target population.

1.2. Population and Household Size

According to the data provided below, the estimated population in the O.R. Tambo DM in 2021 was 1,5 Million, with the population in NLM estimated at 318 751. The findings further indicate that their population in NLM is likely to decline by 2025. The tables below present the population and the household distribution in NLM.

Population Details									
Population R '000									
Age	Year -2			Year - 1			Year - 0		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Age 00-04	43 222	21 909	21 313	43 089	21 855	21 234	40 404	20 296	20 109
Age 05-09	44 533	22 460	22 072	44 674	22 524	22 150	34 594	17 584	17 010
Age 10-14	44 026	22 371	21 655	44 888	22 835	22 053	37 025	18 920	18 104
Age 15-19	34 038	17 181	16 857	35 394	17 891	17 504	32 273	16 870	15 403
Age 20-24	25 769	12 831	12 938	24 474	12 087	12 387	26 532	13 775	12 757
Age 25-29	26 520	12 921	13 599	25 386	12 406	12 981	25 146	12 248	12 898
Age 30-34	24 578	11 383	13 195	25 135	11 685	13 450	18 663	8 670	9 993
Age 35-39	18 379	8 004	10 375	19 625	8 600	11 025	17 109	7 398	9 712
Age 40-44	12 704	5 513	7 191	13 441	5 924	7 516	13 564	5 553	8 011
Age 45-49	10 556	3 893	6 662	10 932	4 085	6 847	12 112	4 651	7 461
Age 50-54	8 526	2 933	5 593	8 680	3 046	5 634	9 996	3 625	6 371
Age 55-59	7 138	2 238	4 900	7 070	2 212	4 858	9 932	3 767	6 166
Age 60-64	6 237	1 883	4 354	6 216	1 852	4 365	9 120	3 761	5 359
Age 65-69	4 843	1 459	3 384	4 824	1 420	3 404	6 974	2 696	4 278
Age 70-74	4 536	1 254	3 282	4 506	1 208	3 298	4 506	1 594	2 912
Age 75-79	8 899	2 817	6 083	9 078	2 820	6 258	2 471	817	1 654
Age 80+							2 317	639	1 678

StatsSA Mid-year population estimates

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

HOUSEHOLD			
	2020	2021	2 022
Households (Number)	67 771	69 241	60 281

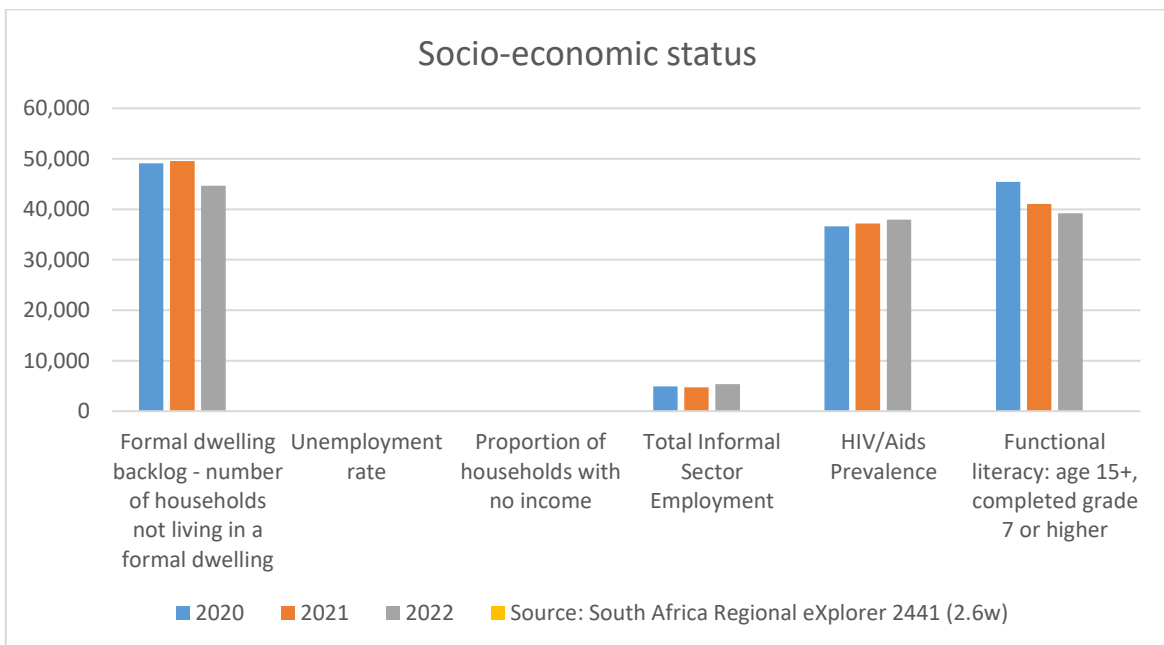
Source: StatsSA Mid-year population and household estimates, Census 2022

	2020	2021	2022
People below the food poverty line (StatsSA defined)	187 754	188 183	185 446
Share below the food poverty line (StatsSA defined)	57,4%	57,0%	55,6%

Source: South Africa Regional eXplorer 2441

SOCIO ECONOMIC STATUS						
Socio Economic Status	Formal dwelling backlog - number of households not living in a formal dwelling	Unemployment rate	Proportion of households with no income	Total Informal Sector Employment	HIV/Aids Prevalence	Functional literacy: age 15+, completed grade 7 or higher
2020	49 098	51.3%		4 914	36 628	45 431
2021	49 580	55.3%		4 728	37 206	41 026
2022	44 653	53.4%		5 330	37 943	39 225

Source: South Africa Regional eXplorer 2441 (2.6w)



Natural Resources	
Major Natural Resource	Relevance to Community
Six Beaches • Hluleka Nature Reserve • Lwandile Bay Beach • Mdumbi Beach • Mngcibe Beach • Mthatha Mouth Beach • Presley Bay Forestry Quarry Mining	These create Job Opportunities such as Life Guards. They create Business Opportunities such as fishing, wild coast hiking, diving and accommodation facilities

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

WATER SERVICES

ORTDM is both a Water Services Authority and Water Services Provider. Authority is therefore vested in it, in terms of the Municipal Structures Act 118 of 1998 or the ministerial authorizations made in terms of this Act, to ensure that water resources and infrastructure are well managed and maintained so that services may be provided in an equitable, sustainable and efficient manner.

Access to Water refers to the number of households receiving basic level of water supply. Communities of Nyandeni has access to safe and reliable water supply is perceived by almost half of the population as the main challenge currently facing the district. Higher level of service includes piped water inside dwelling. This category is still a luxury in Nyandeni as only 1 146 people or less than 1% of the population fall into this category.

Basic level of service includes piped water inside yard and piped water within 200m. In Nyandeni 3% of the population have piped water inside yard. Below basic level constitutes backlogs and includes piped water further than 200m, springs, rainwater tanks, dam/pool/stagnant water and water vendors.

The biggest challenge is that over a third of all HHs in the NLM are dependent on open water source, which they share with animals, and which remain largely untreated and unmonitored.

Major projects under the OR Tambo Project Management Unit for Nyandeni LM

Ntsonyeni Ngqongweni Regional Supply Scheme Phase 1: While the whole scheme includes construction of water treatment works, command reservoirs, service reservoirs, pumping mains and reticulation, this phase, which is termed source development, which has started with construction, includes river abstraction and dam. The approved budget for the scheme is R970m b)

KSDPI: The primary focus is to augment current bulk water supply within the Mthatha Town, KSDLM and Nyandeni LM in the OR Tambo DM in the Eastern Cape. Project aims to increase the capacity of the WTW and to improve the bulk water distribution to the region thereby unlocking housing and commercial developments. The project implementation is phased according to nine packages, three packages are complete, three are at 95% completed and three are at design and tender stage. Total budget costs is R3.9billion.

Access to Sanitation The sanitation minimum service level is regarded as easy access safe, reliable, private toilet facility, which is protected from the weather, ventilated, low smell, hygienic, minimizing the risk of spreading diseases. Access to sanitation refers to the number of households having access to basic level of sanitation. Higher level of service includes, flush toilet connected to sewerage system.

Basic level of service includes flush toilet with septic tank and PIT latrine with ventilation.

Below basic level constitutes a backlog and includes chemical toilets, pit latrine without ventilation, bucket latrine and no sanitation facility.

A dominant characteristic of the sanitation in Nyandeni is that toilet facilities are not located inside the dwelling, 57% of the population in Nyandeni uses toilets located in the yard, or identified as pit latrines, whilst an additional 23% don't identify as have access to any toilets.

ELECTRICITY

NLM is not a licensed distributor of electricity; ESKOM is the licensed distributor of electricity in the whole area of NLM.

There is an ambition for the Municipality to become a licensed distributor for urban areas so as to increase municipal revenue.

- NLM is receiving Integrated National Electrification Programme (INEP) grant under Schedule 5 of Division of Revenue Act for household electrification. Four electrification projects were implemented during 2021/22 financial year (Mafini Hiltop (Ward 16), Mnyameni- Njimaza (Ward 19) Mandileni – Ludaka (Ward 17) and Nkanunu A/A (Ward 20) and they overlapped to 2022/2023 financial year. The Municipal Council approved about R7, 5million from the equitable share for completion of these households, this was due to non-allocation of INEP grant by National Treasury in beginning of financial year. During the mid-year adjustment, DMRE allocated R8million to Nyandeni LM to reimburse Nyandeni LM. According to the records, NLM has completed electrifying the historical backlog and is now busy electrifying new villages and extensions. NLM

conducted Pre-marketing study for the accuracy of backlogs and proper planning. According to the premarketing study about 8225 households don't have electricity by the end of 2021 2022 financial year and 1022 households were connected under INEP as end of 2022/2023. Pre-Marketing enables the municipality to request informed funding from DMRE, simultaneously check availability of supply with the supply authority (Eskom), and roll out pre-engineering tasks for construction in outer financial years.

- The customer types are recorded as follows:
 1. Type 1: Infill connection (Connection to existing LV infrastructure \ Pole Box utilizing - Airdac)
 2. Type 2A: Extension Connection (Extension of LV infrastructure and house connection)
 3. Type 2B: Extension Connection (Upgrade of existing Transformer, extension of LV infrastructure and house connection)
 4. Type 3: New Connection (New SI Connection requiring a new transformer, MV infrastructure, LV infrastructure and house connection).

ESKOM Rural Electrification program is to eradicate the electrical backlog with the assistance of funding from DMRE.

Projects for 2022/23 financial year were as follows connecting 100households:

- Mangwaneni Electrification Project 30HH
- Mqwangqweni no.1 Electrification Project 13 HH
- Mqwangqweni no.2 Electrification Project 8 HH
- Mqwangqweni no.3 Electrification Project 49 HH

WASTE COLLECTION

Waste management can be defined as an effective scheme that are required to manage waste from the point of waste generation, collection via recycling to disposal in compliance with environmental legislation.

The poor management of waste has a negative impact on environment, animal, human health within communities. The municipality has divided waste management into two folds, i.e waste management strategy & compliance and waste management operations & cleansing. The municipality is obliged to comply with the requirements of the National Environmental Management Waste Management Act & Regulations, National Waste Management Strategy, and National Waste Management Norms & Standards. The municipality is compliant to requirements of integrated waste management planning as encapsulated in section 11(4) of the Waste Management Act. IWMP reflects the situational analysis of the municipality, gap analysis, objectives and prospective projects, and finally the implementation plan to be integrated to municipal IDP and be reported annually; the plan is subject to review in every 5 years.

The municipality had endorsed Integrated Waste Management Plan (IWMP) 1st version 2012 and 2nd version 2021-2025.

Waste Management Operations and Cleansing

Refer to processes and/or activities involved in daily operations of waste management from litter picking, storage, collection, transportation, and disposal.

Litter picking

- Litter picking is done on daily bases in Ngqeleni and Libode towns.
- In Libode town, litter picking is done by 20 (Twenty) general assistance.
- In Ngqeleni town, litter picking is done by 15 (Fifteen) general assistance.
- Seasonally the department hires Expanded Public Work Programme (EPWP) to assist in the litter picking.
- Occasionally the department receives personnel support from external stakeholder's e.g District Municipality,

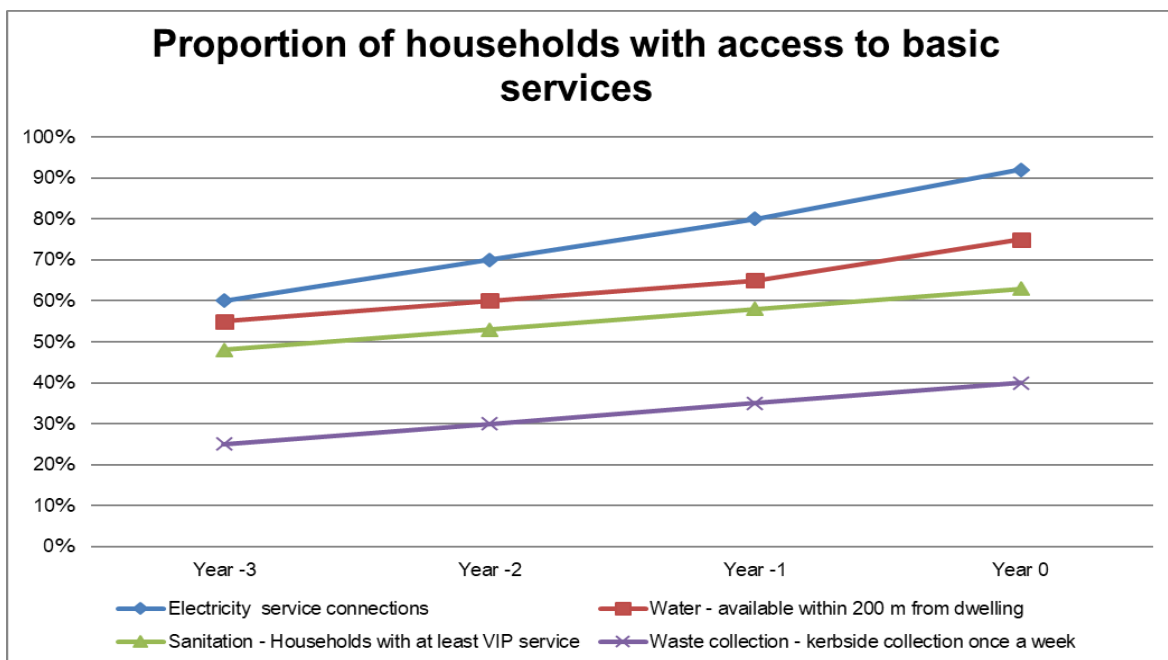
Department Forest, Fisheries and Environment to assist in cleansing.

Storage

The municipality stores the waste in the following containers:

- Refuse Plastic Bags 40-microns black and clear plastics are distributed to households' ratepayers, all businesses around towns, Canzibe Hospital, St Barnabas Hospital, Mount Nicolas, Libode Home Affairs, Ngqeleni VillageSchool.
- The municipality is purchasing 400 000 plastic bags annually (280 000 black and 120 000 clear bags for hospitals)
- Street Litter Bins (205 litre steel bins and 80 litre cage bins), 50 in Libode and 50 in Ngqeleni Town.
- Wheelie Bins (250 litre) distributed to rate payers households to store waste
- Steel Skip Bins (14 x 6m³) allocated in peri-urban areas and towns: Ntlaza (1), Thabo Mbeki (2), Libode Town (2), Misty Mount (1), Corana (3), Ngqeleni Town (2), Ziphunzana (2), Canzibe (1)

Proportion of Households with minimum level of Basic services				
	Year -3	Year -2	Year -1	Year 0
Electricity service connections	60%	70%	80%	92%
Water - available within 200 m from dwelling	55%	60%	65%	75%
Sanitation - Households with at least VIP service	48%	53%	58%	63%
Waste collection - kerbside collection once a week	25%	30%	35%	40%



Financial Overview

The municipality is grants dependent. It has less revenue generated from the stakeholders of the municipality and there are of indigent stakeholders that are dependent on the municipality that makes the revenue to be less.

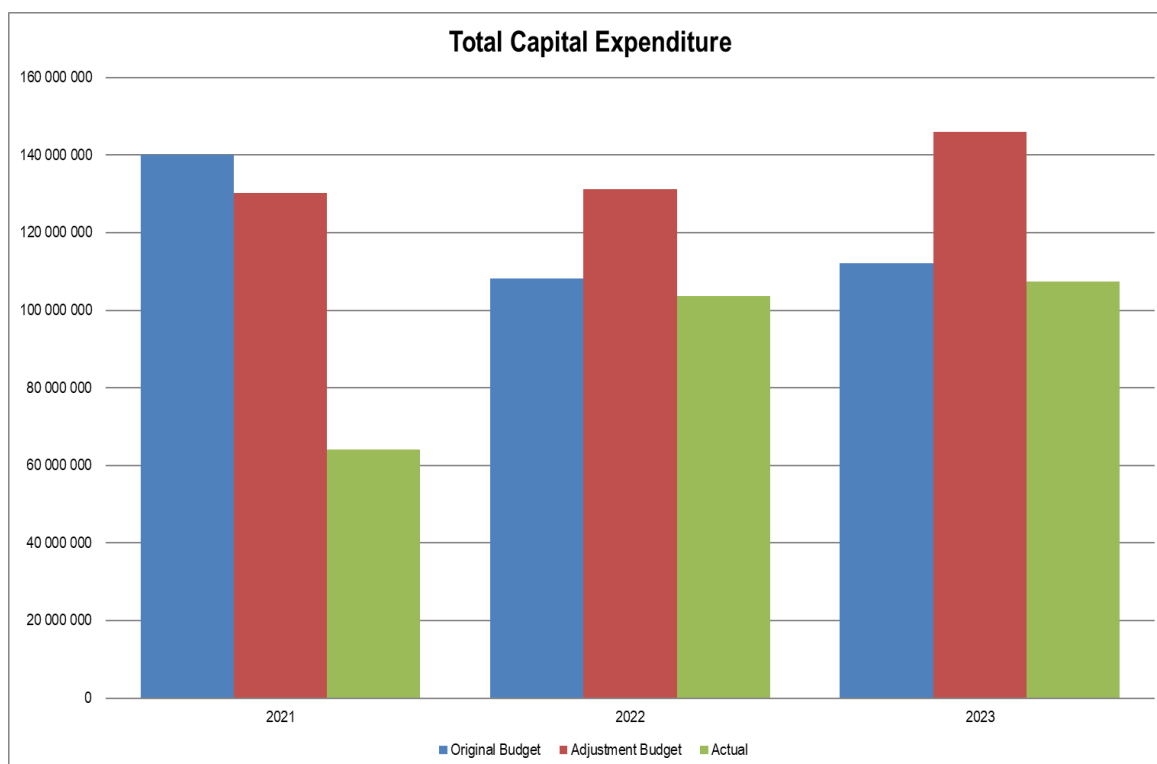
Financial Overview: Year 2022/2023			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	388 139 300	409 772 000	403 806 747
Taxes, Levies and tariffs	18 043 586	20 323 330	19 128 602
Other	27 411 513	35 375 930	45 975 233
Sub Total	433 594 399	465 471 260	468 910 582
Less: Expenditure	433 594 399	466 005 922	361 942 963
Net Total*	-	-534 662	106 967 619
* Note: surplus/(defecit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	51%
Repairs & Maintenance	4%
Finance Charges & Impairment	0%
	T 1.4.3

COMMENT ON OPERATING RATIOS:

The municipal employee costs exceeded the norm of National Treasury of 40%. The municipality will try to decrease the expenditure on employee related costs. Repairs and Maintenances norm is 8% of the allocated budget and the actual expenditure is 4%. The municipality should have a strategy to increase the spending on repairs and maintenances. Finance Charges reflecting 0% of the operating expenditure.

Total Capital Expenditure: Year 2022 to Year 2023			
Detail	2021	2022	2023
Original Budget	140 131 145	108 164 003	112 178 000
Adjustment Budget	130 128 967	131 105 225	145 895 700
Actual	64 028 831	103 581 034	107 287 322
			T 1.4.4



COMMENT ON CAPITAL EXPENDITURE:

In 2020/2021 the municipality had less expenditure from the adjusted budget of R130 128 967 from the actual amount of R64 028 831 translating 49% from the adjusted budget. In 2021/2022 the municipality had less expenditure from the adjusted budget of R131 105 225 from the actual amount of R103 581 034 translating 79% from the adjusted budget. In 2022/2023 the municipality had less expenditure from the adjusted budget of R131 105 225 from the actual amount of R145 895 700 translating 73% from the adjusted budget.

1.5 ORGANIZATIONAL DEVELOPMENT OVERVIEW

The organogram (staff establishment) has been reviewed and aligned to the Integrated Development Plan approved by Council 30 June 2023 together with organizational policies. Training for staff and Councilors is ongoing. The Municipality has 134 existing policies which are reviewed annually in a Council Policy workshop before adoption by Council. In compliance with financial competency regulations, all section 56 managers, municipal manager, budget and treasury staff have either completed or undergoing training in the Municipal Finance Management Programme. Performance Management Policy is in place and progressively being implemented at least up to the management level.

1.6 AUDITOR GENERAL 2022/23

The municipality received qualified audit opinion with matters of emphasis.

1.7 ANNUAL REPORT PROCESS

STATUTORY ANNUAL REPORT PROCESS

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

COMMENT ON THE ANNUAL REPORT PROCESS:

This process ensures the following:

1. That municipal planning is done according to the prescripts of the legislation which states that an IDP and Budget Process Plan must be adopted ten months before the next financial year
2. The planning of for the following year is informed by the performance of the previous year in order to ensure improvement
3. Limits the possibility of repeat findings
4. Facilitates and ease both management and political oversight
5. The plans of the municipality must be funded so that communities are not given false hopes, hence the alignment between the IDP, Budget and SDBIP is crucial
6. In realisation of the objects of Local Government this process ensure that community needs inform municipal planning and that communities are involved in the processes of the municipality. Involving communities legitimises the process and limits the occurrence of service delivery protests



NYANDENI

LOCAL MUNICIPALITY

Deciding with the people not for the people



CHAPTER 2

GOVERNANCE

CHAPTER 2: GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Municipality is politically stable and that all oversight committees of Council are fully functional. The administrative arm is structured in a manner that ensures achievement of objectives as set out in the Integrated Development Plan.

2.1 POLITICAL GOVERNANCE

INTRODUCTION:

Nyandeni Local Council is constituted in terms of section 12 read with section 18 of the Local Government: Municipal Structures Act No. 117 of 1998 and consists of 64 Councilors. 32 are Ward Councilors and another 32 are Proportional Representation Councilors. Of the 64 Councilors, 27 are females. 2 Traditional Leaders participating in council. The Municipality is categorized as an executive committee type of a municipality.

GOVERNANCE STRUCTURES:

Council	Pass policies, budget and tariffs
Executive Committee	To identify the needs of the community Review and evaluate those needs in order of priority Recommend to the municipal council strategies, programs and services to address priority needs Recommend or determine best methods, including partnership and other approaches to deliver those strategies, programs and services
Standing Committees	Defined in terms of section. 80 of the Structures Act as Committees to assist Executive Committee or Executive Mayor

In the year under review the following structures were established in terms of section 80 and 79 of the Local Government: Municipal Structures Act.

The Executive Committee until 09 February 2023

Structure	Delegated Function	Responsible Executive Committee Member Responsible
Office of the Mayor	Overall responsibilities assigned to the Mayor	Cllr T. Matika
Member	Provide support in the Office of the Mayor	Cllr Z. Nondlevu
Corporate Services Standing Committee	Human Resource Development Administration Employee Wellness Maintenance of municipal buildings ICT Governance	Cllr. S. Mbiyozo
Budget and Treasury Standing Committee	Income and Expenditure, Supply Chain Management, Assets and Fleet Management Financial viability and Management	Cllr. N. Jim
Human Settlement , Spatial development and Disaster management	Spatial Planning Land Use Management Human Settlement Fire Fighting Natural Disasters Provision of Responsive Material	Cllr. N. Tyopo
Infrastructure development Services	Construction and maintenance of access roads. Provision of households Electricity infrastructure	Cllr. Z. Mevana
Local economy and Rural development	Tourism, SMME and Cooperative Agriculture and forestry	Cllr. S. Ntsasela
Special programmes , Sports, Arts and Culture	Special Programmes Sports and Recreation Adult programmes Youth programmes Children's programmes Women programmes Sports Arts and Culture	Cllr S. Ntinta
Community Services, Waste & Traditional Affairs	Waste management Social programmes (SASSA, DOSD, DOH, any government Department charged with basic services delivery) HIV/AIDS Free Basic Services Public Amenities (libraries, cemeteries, pounds) Early childhood Development	Cllr P. Matinise

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Structure	Delegated Function	Responsible Executive Committee Member Responsible
Municipal Planning, Research & IGR	Development of Research Projects Research on economic, social and political issues Institutional Performance management Municipal Wide Planning Intergovernmental Relations Community involvement	Cllr A. Vutela

The Executive Committee from 09 February 2023 until 30 June 2023

Structure	Delegated Function	Responsible Executive Committee Member Responsible
Office of the Mayor	Overall responsibilities assigned to the Mayor	Cllr B.V. Ndamase
Member	Provide support in the Office of the Mayor	Cllr S. Ntinta
Corporate Services Standing Committee	Human Resource Development Administration Employee Wellness Maintenance of municipal buildings ICT Governance	Cllr. S. Mbiyozo
Budget and Treasury Standing Committee	Income and Expenditure, Supply Chain Management, Assets and Fleet Management Financial viability and Management	Cllr. N. Jim
Human Settlement , Spatial development and Disaster management	Spatial Planning Land Use Management Human Settlement Fire Fighting Natural Disasters Provision of Responsive Material	Cllr. N. Tyopo
Infrastructure development Services	Construction and maintenance of access roads. Provision of households Electricity infrastructure	Cllr. Z. Mevana
Local economy and Rural development	Tourism, SMME and Cooperative Agriculture and forestry	Cllr. P. Matinise
Special programmes , Sports, Arts and Culture	Special Programmes Sports and Recreation Adult programmes Youth programmes Children's programmes Women programmes Sports Arts and Culture	Cllr Z. Nondlevu
Community Services, Waste & Traditional Affairs	Waste management Social programmes (SASSA, DOSD, DOH, any government Department charged with basic services delivery) HIV/AIDS Free Basic Services Public Amenities (libraries, cemeteries, pounds) Early childhood Development	Cllr T. Matika
Municipal Planning, Research & IGR	Development of Research Projects Research on economic, social and political issues Institutional Performance management Municipal Wide Planning Intergovernmental Relations Community involvement	Cllr A. Vutela

Structure	Function
Municipal Public Accounts Committee	Appointed in terms of sections 33 and 79 of the Municipal Structures Act: section.79 (1) A Council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers. To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report To compile and table the Oversight Report to Council in terms of section 129 of the MFMA To examine the financial statements and audit report of the municipality To promote good governance, transparency and accountability on the use of municipal resources To perform any other functions assigned to it through a resolution of council within its area of responsibility

Structure	Function
Public Participation and Petitions Committee	Public participation and petitions Complaints (local and Presidential Hotline)
Ethics and Members Interest Committee	Councilor Welfare
Women Caucus	Lobby and advocates for women interest,

POLITICAL LEADERSHIP 30 JUNE 2022 – 09 FEBRUARY 2023

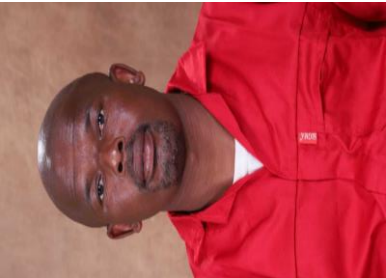
THE EXECUTIVE COMMITTEE

Note: changes in Portfolio by the Members of the Executive Committee are noted in Table T2.1.1.

Name and Tittle	Photo	Function
Cllr T Matika Mayor		Provides general political guidance over the fiscal and financial affairs of the municipality
Cllr R Mthobela Council Speaker		Chairs Council
Cllr N Yehana Council Whip		Ensure that relationship between political parties is constructive. Coordinates the municipality's Chief Whips Forum and Chair its meetings Chairperson of Caucus Political Management – Troika Maintains discipline among councillors.



Portfolio head: EXCO Member
in the Office of the Mayor
Cllr : Z Nondlevu



Name: Cllr S Ntinta
Title: Portfolio Head;
SPU



Name:
Cllr S SESETHU
Title: Portfolio Head
LED



Portfolio Head:
Infrastructure
Cllr. Z Mevana



Portfolio Head:
Budget & Treasury
Cllr. N JIM



Name: Cllr A Vutela
Tittle: Porfolio Head:
Municipal Planning,
IGR and Research



Name: Cllr S
Mbhiyozo
Tittle: Porfolio Head
Corporate Services



Name: Cllr N Tyopo
Tittle: Porfoli Head:
Spatial Planning



Name: Cllr P Matinise
Tittle: Porfolio Head:
Community Services

09 FEBRUARY 2023 – 30 JUNE 2023



Name: Cllr B.V. Ndamase
Title: Mayor



Name: Cllr R Mthobela
Title: Council Speaker



Name: Cllr N YEHANA
Title: Council Whip



Portfolio head: EXCO Member
in the Office of the Mayor
Cllr : S Ntinta



Name: Cllr T Matika
Title: Portfolio Head;
COMMUNITY
Services



Name: Cllr P Matinise
Title: Portfolio Head:
LED



Name: Cllr Z
Nondlevu
Title: Portfolio Head
SPU



Name: Cllr N Tyopo
Title: Portfolio Head:
Spatial Planning



Portfolio Head:
Infrastructure
Cllr. Z Mevana



Name: Cllr S
Mbhiyozo
Title: Portfolio Head
Corporate Services



Portfolio Head:
Budget & Treasury
Cllr. N JIM



Name: Cllr A Vutela
Title: Portfolio Head:
Municipal Planning,
IGR and Research

POLITICAL DECISIONS

POLITICAL DECISION-TAKING

The Municipality has the Legislative decision body (Council) of the institution which is chaired by the Speaker with Executive committee members from the council chaired by the Mayor, as per the local government regulations, the Nyandeni Local Municipality has been for participation of traditional leaders within the council and has four (4) Committees which are Executive Committee, MPAC, Audit Committee, Public participation and Petitions Committee, Ethics and Members Committee and Women's caucus. There also 8 Standing Committees (Infrastructure, BTO, Community Services, SPU, Corporate Services, Local Economic Development, Human Settlements, Planning, IGR & Research) reporting to the Executive committee.

INTRODUCTION TO POLITICAL GOVERNANCE

The Nyandeni Local Municipality's decisions are taken by the politicians in the council. 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.

Political Parties and traditional leaders represented in Council

Party	Total Seats	Ward Seats	PR Seats
African National Congress	51	32	18
ATM	5		5
EFF	4	-	4
UDM	1	-	2
DA	1	-	1
CI	1		1
Traditional leaders	2	-	-
Total	66	32	31

MUNICIPAL OVERSIGHT

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE COMPOSITION (MPAC)



Fundumele Gaxeni
CHAIRPERSON (ANC)



Cllr N Vanda
WHIP (ANC)



Cllr J Mabungela
(ATM)



Cllr T Majikija
(ANC)



Cllr B V Zondani
(ANC)



Cllr S Mavume
(DA)



Cllr A Mjilwa
(ANC)



Cllr N Diko
(ANC)



Cllr K Tatani
(UDM)



Cllr N Nonkonyane
(ANC)

The membership is constituted by the following representatives:

Number of representatives per political party:

African National Congress (ANC)- 8 members
United Democratic Movement (UDM)– 1 member
African Transformation Movement (ATM) - 1
Democratic Alliance (DA) – 1 member

Role of Municipal Public Accounts Committee

The functions of MPAC as per Guideline for establishment of MPAC by National Treasury are as follows:

- To promote good governance, transparency, accountability and value for money on the use of municipal resources;
- To evaluate the content of the annual report and makes recommendations to Council when adopting an oversight report on the annual report. (MFMA 127 & 129 (1)).
- To examine the financial statements and audit reports of the municipality and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee's and the Auditor General's recommendations have been implemented;
- To perform any other functions assigned to it through a resolution of council within its area of responsibility.

MPAC Meetings Attendance analysis for 2022/2023

Name of Councillor	14/07/22	16/08/22	24/08/22	29/08/22	26/09/22	27/09/22	15/11/22	30/01/23	31/01/23	22/02/23	23/02/23	24/02/23	23/03/23	02/05/23	13/06/23	TOTAL
1. F. Gaxeni	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
2. N. Vanda	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
3. V. B Zondani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	
4. J. Mabungela	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
5. N. Diko	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
6. T. Majikija	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
7. K. Tatani	✗	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✓	
8. S. Mavume	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✓	✗	
9. A. Mjuluwa	✗	✗	✗	✗	✓	✗	✓	✓	✗	✓	✓	✗	✗	✗	✗	
10. N. Nonkonyana	✗	✓	✓	✓	✓	✓	✗	✓	✗	✓	✓	✗	✗	✗	✗	

✗ Absent
✓ Present

AUDIT, RISK AND PERFORMANCE COMMITTEE MEMBERS

Council established Audit, Risk and Performance Committee that is composed of independent members, herein referred to as the Committee as per the requirements of section 165 of the Municipal Finance Management Act. The primary purpose of the Audit Committee is to assist Nyandeni Local Municipality Council in fulfilling its oversight responsibilities to ensure that the municipality has and maintains effective, efficient and transparent systems of financial management, risk management, governance and internal control. For the duration of the 2022/23 financial year, the audit committee exercised its delegated responsibilities supported by management and the internal audit unit. The committee was functional and convened its meetings on a quarterly basis and maintained a sound working relationship with other committees of Council such as Municipal Public Accounts Committee (MPAC), including the Auditor-General.

The Audit Committee for the reporting period complied with its responsibilities arising from Sections 165 and 166 of MFMA and advised the Accounting Officer, Management and Council on matters relating to-

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- The adequacy, reliability and accuracy of financial reporting and performance management;
- governance;
- Legal matters;
- Compliance with applicable legislation such MFMA, MSA and the annual Division of Revenue Act and
- Review of draft Annual Financial Statements prior submission to Auditor General.

MEMBERSHIP OF THE COMMITTEE

The committee consisted of four (4) members who possess expertise and skills on the following areas:

Financial Management & Governance	Financial & Performance Management	Internal Audit & Risk Management	Legal
Mrs. N. Ntshanga	Mr. C. Sparg	Mrs. S. Lehlehla	Mr. S. Ntapane



Mrs N. Ntshanga



Mr C. Sparg



Mrs L. Lehlehla



Mr S. Ntapane

Section 166(4) of the MFMA No. 56 of 2003, stipulates that the Committee is required to meet at least four times per year, although special meetings may be called when the need arise.

For the second half of the 2021/22 financial year, audit committee meetings were held as follows:

Names of members	22 July 2022 (Ordinary)	22 August 2022 (Special)	12 October 2022 (Ordinary)	19 January 2023 (Ordinary)	21 April 2023 (Ordinary)	21 June 2023 (Special)
Ms N. Ntshanga (Chairperson)	a	a	a	r	a	a
Mr S. Ntapane	a	a	a	a	a	a
Mr C. Sparg	a	a	a	a	a	a
Ms S. Lehlela	a	a	a	a	a	a

Legends

a- attended the meeting

r Did not attend the meeting (tendered an apology).

REPORTING

The chairperson of the audit committee reported twice a year (bi-annually) to the municipal council on the operations of committee on the following council meetings:

- Ordinary Council Meeting – 24 February 2023
- Ordinary Council Meeting – 27 July 2023

The report included the following:

- A summary of the work performed by the internal audit and the audit committee against the annual work plan;
- Effectiveness of internal controls and additional measures that must be implemented to address identified risks;
- A summary of key issues dealt with, such as significant internal and external audit findings, recommendations and updated status thereof;
- Details of meetings and the number of meetings attended by each member;
- Other matters requested of the internal audit and audit committee
- Other relevant comments that may enhance governance and accountability.

RELATIONSHIP WITH OTHER COUNCIL & MANAGEMENT COMMITTEES

The committee maintained a sound relationship with the Municipal Public Accounts Committee (MPAC), Risk Management Committee and ICT Steering Committee for the reporting year. The Chairpersons of the stated committees are the standing invitees on all the audit committee meetings and the Risk Management and ICT reports are standing agenda items on all the ordinary auditee committee meetings.

PERFORMANCE ASSESSMENT

The performance of the audit committee for the 2022/23 financial year is scheduled on 15 August 2023. The purpose is to assess the performance and achievements of the committee against its delegated responsibilities and compliance with the approved Audit Committee charter on an annual basis. The assessment will cover the performance of the individual member as part of the overall audit committee with reference to the particular skills the member has brought to the audit committee as a whole and the assessment of the general functionality of the committee. The assessment session will be facilitated by an external facilitator, (Cogta) to provide an impartial and objective assessment without bias and the overall results will be presented to Council.

OTHER ADMINISTRATIVE GOVERNANCE STRUCTURES (MANAGEMENT COMMITTEES)



Name: Ms S. Lehlela
Title: Chairperson: Risk Management Committee
(Appointed January 2022, resigned July 2023)



Name: Mr T. Maphanga
Title: Chairperson ICT Steering Committee

Establishment of the Disciplinary Board

The council established a Financial Misconduct Board as per the determination of the Minister of Finance in June 2019. The Board is composed of the following members:

- Audit Committee Member
- Representative of Provincial Treasury
- Senior Manager Corporate Services
- Legal Manager
- Internal Audit Manager

The primary responsibility of a disciplinary board is an independent advisory body that assists the council with the investigation of allegations of financial misconduct, and provide recommendations on further steps to be taken regarding disciplinary proceedings, or any other relevant steps to be taken.

The functionality of the board is on an ad-hoc basis, depending on the referrals made by Council. For the duration of the 2022/23 financial year, no referrals were made.

2.2 ADMINISTRATIVE GOVERNANCE

The administration is headed by the Municipal Manager who is assisted by the heads of departments constituted as follows:

Directorate:	Municipal Manager: Ms Z Masumpa
Directorate:	Office of the Municipal Manager: Mr. S.V Poswa
Directorate:	Community Services: Mr JJ Sikhuni
Directorate:	Budget and Treasury Office Mr. B. K. Benxa
Directorate:	Infrastructure Department Ms. N Mondli
Directorate:	Corporate Services Department Mr. S. Mvunelo
Directorate:	Planning and Development Department Mr. G.N Cekwana

Department: Office of the Municipal Manager Functions of the Department:

- Municipal Planning and policy development
- Internal auditing
- Legal Services
- Fraud prevention and risk management
- Monitoring and Evaluation
- Public participation
- Governance and Council Support
- Special Programmes
- Corporate communication
- Intergovernmental Relations



Title: Senior Manager Operations
Name: Mr. S.V. Poswa



Title: Manager Legal Services
Name: G Nomqonde



Title: Manager Communications
Name: Ms. N Kolwane



Title: Municipal Manager
Name: Ms. Z Masumpa



Title: Manager Internal Audit
Name: Ms. L Magayana



Title: Manager M & E
Name: Mr. M Bambeni



Title: Manager IDP
Name: N Mcingane (Vacant since February 2023)



Title: Council Secretary
Name: Mr. L Ndamase

DEPARTMENT: BUDGET AND TREASURY OFFICE

Functions of the Department

Budget Management and Reporting
Revenue and Expenditure Management
Supply Chain Management
Asset Management



Title: Manager Budget & Reporting
Name: Ms N Tukela-Langa



Title: Chief Financial Officer
Name: Mr. B.K Benxa



Title: Manager SCM
Name: Mr. Z Madyibi

DEPARTMENT: PLANING AND DEVELOPMENT

Functions of the Department

LED and Tourism SMME
Cooperatives
Agriculture and forestry
Spatial Planning
Land Use Management
Human Settlement



Title: Senior Manager Planning
& Development
Name: Mr. N.G Cekwana



Title: Manager Spatial
Planning
Name: Ms. A Zituta



Title: Manager LED till August
2022 Name: Ms. B Ngqongwa



Title: Manager Human
Settlement
Name: Ms. F Mgwedane

DEPARTMENT: COMMUNITY SERVICES

Departmental functions: Community Services

Waste Management
Social programmes- Free Basic Services and HIV/Aids
Community Amenities (pound and cemetery)
Early Childhood Infrastructure Programme
Library Services

Public Safety Law enforcement Security services Traffic services
Drivers' License Testing Centre
Crime Prevention in partnership with SAPS



Title: Manager Community Services and Senior Manager Community services from February 2023
Name: Rev J Skhuni



Title: Acting Senior Manager Community Services until January 2023
Name: Ms. F Mgwedane



Title: Chief Law Enforcement
Name: Mr. M Mvanyashe

DEPARTMNT: INFRASTRUCTURE

Functions of the Department

Road construction
Road maintenance
Electrification Programme - INEP
Coordination of Expanded Public Works Program



Name: Ms. N Mqoqi - Mondli
Tittle: Senior Manager Infrastructure



Name: Mr J Yengane
Tittle:Manager PMU



Name: Mr. T Matikita
Tittle: Manager Maintenance

DEPARTMENT: CORPORATE SERVICES

Human Resource Development Administration
Health and Wellness
Maintenance of municipal buildings
Information Communication and Technology
Records Management



Title: Senior Manager Corporate Services
Name: MR. S Mvunelo



Title: Manager ICT & Administration
Name: Ms. B.B Nodada



Title: Manager Human Resources
Name: Ms. T Tshisa-Ndamase

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

Nyandeni municipality has a functional Intergovernmental Relations Forum which serves as platform to coordinate government work to delivery IDP Priorities while mobilizing resources for Socio-economic development. The municipality has adopted IGR Terms of Reference which established 3 IGR Clusters, namely; Social Transformation Cluster
Economic and Infrastructure Cluster and
Governance and Administration Cluster

NATIONAL INTERGOVERNMENTAL STRUCTURES

Delete Directive note once comment is completed - Explain the participation of your municipality in National Forums and the benefit derived from these forums.

1. SALGA National Assembly
2. MUNICIPAL MANAGERS FORUM
3. National Communicators Forum

The benefit of these forums are to coordinated the work of government as all service delivery is done in the municipal space regardless of the sphere of government. Particularily important for local government is the ability to communicate the needs of the communities, be able to give feedback to communities and use the information to guide municipal planning

T 2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

Delete Directive note once comment is completed - Describe meetings attended by your municipality to progress issues of mutual interest with neighboring municipalities, provincial government and national government to address policy and practice matters. Explain the value obtained from these activities in year 0.

1. SALGA working groups
2. Premiers Provincial Coordinating Forum
3. Eastern Seaboard Provincial Steering Committee and its Work streams
4. MUNIMEC
5. MUNICIPAL MANAGERS FORUM
6. SALGA Provincial Assembly
7. Provincial Communicators Forum
8. Provincial Speakers Forum
9. Provincial LED Forum
10. Provincial Planners Forum

The benefit of these forums are to coordinated the work of government as all service delivery is done in the municipal space regardless of the sphere of government. Particularily important for local government is the ability to communicate the needs of the communities, be able to give feedback to communities and use the information to guide municipal planning

T 2.3.2

RELATIONSHIPS WITH MUNICIPAL ENTITIES – Not Applicable

T 2.3.3

DISTRICT INTERGOVERNMENTAL STRUCTURES

Delete Directive note once comment is completed - Explain the mechanisms by which relationships between municipalities within your Municipal District are conducted and specifically how your municipality benefits from these arrangements – for district and local municipalities

1. District Mayors Forum – DIMAFO
2. MUNICIPAL MANAGERS FORUM
3. DDM Steering Committee and its work streams
4. District Communicators Forum
5. District Speakers Forum
6. District LED Forum
7. District Planners Forum

The benefit of these forums are to coordinated the work of government as all service delivery is done in the municipal space regardless of the sphere of government. Particularly important for local government is the ability to communicate the needs of the communities, be able to give feedback to communities and use the information to guide municipal planning especially in the realization of the District Development Plan. The feasibility studies conducted by Eastern Seaboard intervention has assisted municipalities to realise their potential and available opportunities thru the DDM One Plan catalytic projects

T 2.3.4

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

All wards have functional ward committees chaired by Ward Councilors. Ward Committees seat once in a month to discuss ward based service delivery issues. Ward Community Meetings are convened quarterly. In the year under review these committees have played a pivotal role in IDP process including identification of projects. Ward Councilors' Forum has been established as a platform to share information, to monitor and receive progress reports from wards.

COMMUNICATION, PARTICIPATION AND FORUMS

Ward Committees
Community meetings
IDP & Budget Outreach program
IDP Representative Forums
Mayoral Imbizos
Rate payers Meetings
Special Programs Forums
Sports Council
Elderly Forum
Disabled Forum
South African Youth Council
Facebook
Website
Open Council
Ward FBS Steering Committees

Ward Committee's establishment and functionality

Indicator name	Indicate achievement	Achievement percentage during the year
% of ward committees established	The municipality has 32 wards with 320 Ward Committee Members functional and participates actively in the Integrated Development Planning Processes.	100%
% of ward committees that are functional	Ward Committee training was convened in collaboration with OR TAMBO DM focusing on ward communication, mediation and conflict resolution. 100 committee members participated. Village meetings are convened monthly and Ward General Meetings are held once a quarter	100%
Existence of an effective system to monitor CDWs	28 CDW's has been appointed in various wards with the exception of the following wards , Ward, 8, 14, 22, 26, and 29	
Back to Basics	The municipality has adopted and implementing Civic/Voter Education Program at ward/Village level. The purpose of the civic/voter education program is to educate and create awareness on government functionality	80%

T 2.4.2

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
WARD 01	Cllr Nozuko Mhlana	YES	12	12	4
	Futshane Koleka				
	Mbayimbayi Nokulunga				
	Mdatyulwa Nozuko				
	Mbodlela Nomsa				
	Ntsenyana Wandisile				
	Gibisela Notemba				
	Mavuso Noloyiso				
	Jinggo Tembela				
	Ndamase Nomafaku				
	Mditshwa Bulelwa				
WARD 02	Cllr Nombeko Danisa	YES	12	12	4
	Patani Fumanekile				
	Nosasa Gloria Noxolile				
	Sibolele Siyabulela				
	Ngumbani Phindiswa				
	Sokweba Nokulunga				
	Bili Nomyezo				
	Gungqusex Bulelwa				
	Dyubele Ntombovuyo				
	Ncayisa Aphelele				
	Mgulwa Sifiso				
WARD 03	Cllr Gcinindaba Mfakanye	YES	12	12	4
	Jingose Nobuntu				
	Mvubu Nomfuneko				
	Tshali Zolile				
	Maketa Percy Sizeka				
	Maketa Nonkuselo				
	Lili Nosabelo				
	Boyana Nomonde				
	Mayoli Sinazo				
	Mangwetshe Thumeka				
	Godongwana Lizwi				
WARD 04	Cllr Siyamdumisa Brian Madolo	YES	12	12	4
	Madulini Nontsasa				
	Tonise Norah				
	Sikade Nofanelekile				
	Ndamase Boniswa Judith				
	Dabalele Nosayinile				
	Gqetywa Khanya Walter				
	Ndzabela Noneka Victoria				
	Sigigaba Andiswa				
	Ludidi Cebisa				
	Mtotoyi Mzwanele				
WARD 05	Cllr Mpumelelo Langa	YES	12	12	4
	Sipolo Onke				
	Qakaza Mbobela Elliot				
	Mdulu Mathubandile				
	Magxuma Nolwazi				
	Jojo Ncumisa				
	Mjuleka Pheleka				
	Maganda Nombuyiselo				
	Mhlutshwa Chule Nandipha				
	Ngongo Mzukisi				
	Majikiza Aphiwe				
WARD 06	Cllr Nomakhosi Jiba	YES	12	12	4
	Zokwana Fikiswa				
	Moyakhe Nosisi				

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Mvimbani Ntombifikile				
	Phandle Phumezile				
	Fetumani Nombeko				
	Baqekile Sinethemba				
	Sogoni Khanyisa				
	Dingilizwe Thandazwa				
	Mtingane Lwandise				
	Noxolo Bhetsu				
WARD 07	Cllr Anathi Ntsunguzi	YES	12	12	4
	Hlaziya Nofaniyakhe				
	Jali Lizo Ernest				
	Koyana Sizeka				
	Qange Siyabonga				
	Bobo Bukiwe				
	Luhabe Britanna				
	Nkalane Zolile				
	Ngcele Thandiwe				
	Mdelwa Nomakorinte				
	Gogobala Luvuyo				
WARD 08	Cllr Lulamile Mpongwana	YES	12	12	4
	Mampangashe Sithembiso				
	Makhoboka Nokulunga				
	Tamehlo Thandiwe				
	Norholela Sakhumzi				
	Magida Vuyelwa				
	Gqetywa Thandiswa				
	Ndamase Gcobisa				
	Manina Vuyiswa				
	Mantunzela Novusile				
	Nodayinge Thobeka				
WARD 09	Cllr Mzayifani Gebhu	YES	12	12	4
	Mbasa Novangeli				
	Mdlanongwe Nelisa				
	Combo Mongezi				
	Mzamo Thembinkosi				
	Mxiza Notibela				
	Mankuntu Phumzile				
	Fuma Vuyokazi				
	Mbela Thembisa				
	Tshaya Analo				
	Melitafab Coceka				
WARD 10	Cllr Micheal Thobile Mkhosana	YES	12	12	4
	Ngwadla Noluthando				
	Mbulali Thembakazi				
	Delihlazo Alfred				
	Phoki Luvuyo				
	Nontswabu Thembile				
	Jafta Nceba				
	Ngwaleni Sizwe				
	Bam Nombeko				
	Norolela Asanda				
	Mcunu Phendulwa				
WARD 11	Cllr Ntombovuyo Edna Diko	YES	12	12	4
	Mqikwa Lwazi				
	Ntanjana Noma-Afrika				
	Mbekwana Phumelele				
	Mtshizana-Ngcukana Babalwa				
	Ntanjana Thulisa				
	Mbalo Pumela				
	Mbana Jamjam				

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Functionality of Ward Committees					
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	Ntwana Yoliswa				
	Asanda Tyalo				
	Nodipha Siphokazi				
WARD 12	Cllr Nobuntu Nonkonyana	YES	12	12	4
	Simpiwe Dlakavu				
	Cwecwe Welisile				
	Xokwe Wandisile				
	Beba Xoliswa				
	Loliwe Nowinile				
	Mcuta Tembeka				
	Waxa Yanga				
	Maneli Ncedisa				
	Bango Anele				
	Mkenkcele Vuyokazi				
WARD 13	Cllr Nosisa Peter	YES	12	12	4
	Genge Thanduxolo				
	Bhodlingwe Vuyolwethu				
	Ngcai Tabisa				
	Madzidzela Mzwamadoda				
	Ngongo Pamela Monica				
	Makhongwana Asanda				
	Ndi Thuliswa				
	Ngeketo Sizwe				
	Mbono Lunga				
	Satsha Nopasika				
WARD 14	Cllr Caroline Nesiwe Mkentane	YES	12	12	4
	Malwande M				
	Sibulele Magokolo				
	Simelelwana Mlamli				
	Vuza Nompumelelo Maria				
	Vaphi Siphokazi				
	Madikizela Vuyiswa				
	Getyengani Thokozani				
	Ntuli Nolusindiso				
	Raxoti Noxolo				
	Ngeketo Khangelani				
WARD 15	Cllr Zandisile Richard Matiwane	YES	12	12	4
	Ndlalankulu Nophumzile				
	Boyce C. Nonyameko				
	Dibela Fundiswa				
	Mtshokotshi Ntombizandile				
	Majali Khalipha				
	Ngqangashe Nophumzile				
	Fadana Nomxolisi				
	Ceba H. Nozuzile				
	Dlanjwa Siphokazi				
	Selani Xola				
WARD 16	Cllr Nikiwe Zihlangu	YES	12	12	4
	Mashumi Nikiwe				
	Ndzone Wezile				
	Langa nokuphumla				
	Mjoki Nandipha				
	Mbali Mpenduli				
	Mashumi Nomfundiso				
	Fakude Ntombekhaya				
	Mntu Pikolomzi				
	Tshabiso Nowetu				
	Seku Bonginkosi				
WARD 17	Cllr Akhona Mjulwa	YES	12	12	4

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Msinekelwa Vuyolwethu				
	Mntingane Olivia Nowakhe				
	Mabandla Mncedisi				
	Mgciyo Nontlahla				
	Mdedelwa Nkosiphendule Elias				
	Fohla Nofanekile				
	Mkhize Nosicelo				
	Nqeto Nosizile				
	Ndlazi Nozuko				
	Joyi Nkosinathi				
WARD 18	Cllr Nolufefe Nonkothama	YES	12	12	4
	Dyantyi Nkululeko				
	Dilizihlebo Ester				
	Bokleni Sindiwe				
	Machibi Nomasukude				
	Nxukutha Thandiswa				
	Nonjenge Loyiso				
	Limani Nokhaya				
	Nongciya Zimasa				
	Ntsurha Busiswa				
	Buggawu Vumile				
WARD 19	Cllr Monwabisi Nomandela	YES	12	12	4
	Somlandu Siphuluvu				
	Nomandomane Nosebenzile				
	Mahlungu Sibonile				
	Mabhoza Nokulindo				
	Qondani Bongiwwe				
	Fodo Babalwa				
	Mabandla Philiswa				
	Mnyakaza Phaphama				
	Ngoza Zusiphe				
	Ndlungwana Zola				
WARD 20	Cllr Zilindile Highbane	YES	12	12	4
	Ndzabela Sibongile				
	Nomhlanja Ntomby				
	Sibetha Nodumo				
	Sigidi Nomhle				
	Zinyusile Onke				
	Magoqobo Vuyo				
	Ndamase Zoliwe				
	Mayizule Ntomboxolo				
	Mjungula Phumzile				
	Noxhaka Welcome				
WARD 21	Cllr Nomnikelo Yehana	YES	12	12	4
	Njengele Nomfuneko				
	Binjana Cecilia				
	Mkoco Neziswa				
	Tsamse Zoleka				
	Nomfusi Gcina				
	Hlwathika Thembeka Telma				
	Pahlane Nceba				
	Phali Nangamso				
	Vava Michael				
	Mlongo Thulani				
WARD 22	Cllr Nomvuyiseko Molose	YES	12	12	4
	Zaqhoza Ntshekeza				
	Novukwana Nomsa				
	Mdolwana Besuthu				
	Mdali Noluvo				
	Sithyodana Gcotyiswa				

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Functionality of Ward Committees					
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	Nongcatha Nobandla				
	Vanda Songezo				
	Novokoza Nolusapho				
	Gayiya Nomfundekelo				
	Mkhwenkwe Nozaziso				
WARD 23	ClIr Lumkile Tshatshela	YES	12	12	4
	Mkhwange Phumla				
	Sikonxa Simcelile				
	Manxiweni Asavela				
	Bhushula Zwelakhe				
	Sadonisi Noxolile				
	Mjadu Nomzamo				
	Ngxeba Thembakazi				
	Macede Nothozamile				
	Ncedani Thembekile				
	Nkele Nobom				
WARD 24	ClIr Andile Nomatiti	YES	12	12	4
	Mtengwane Siphokazi				
	Tshayimpunzi Tembisile				
	Dikiso Noluphiwo				
	Noza Ntombizonke				
	Notununu Nomakhaya				
	Qhelani Mthandiseni				
	Kibida Mlungisi				
	Vundle Noluvo				
	Ntshulana Sikhuthole				
	Ngozi Busisiwe				
WARD 25	ClIr Phumzile Yolwa	YES	12	12	4
	Gcakaza Lungile				
	Khanda Selby				
	Lumkwana Ncedile				
	Magadu Nowezile				
	Makhubalo Kholekile				
	Maqabuka Sivuyile				
	Mayeza Neliswa				
	Ntanga Mtonyama				
	Vakubi Sinovuyo				
	Zikhulu Thabo				
WARD 26	ClIr Nikelani Mjajubana	YES	12	12	4
	Zokwana Mlandeni				
	Mtena Thandiswa				
	Vava Babalwa				
	N.Nomakhweza				
	N.Mlungwana				
	N.Mhlangenkabi				
	Thobekile.G				
	Selena.A				
	Lungephi.N				
	S.Ntshebe				
WARD 27	ClIr Celekile Nazo	YES	12	12	4
	Ntshentshe Tulisile				
	Nomqonde Apiwe				
	Ndamase Nontsikelelo				
	Mtshiyo Nondwe				
	Mvovo Saziso				
	Nethi Yandisa				
	Makinana Busisiwe				
	Nomnyama Nomgcobo				
	Kuncu Nokuphiwe				
	Buthuma Nokuthula				

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Functionality of Ward Committees					
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WARD 28	Cllr Fudumele Gaxeni	YES	12	12	4
	Fikeni Simphiwe				
	Sibono Sizeka				
	Mlomo Andiswa				
	Ntapo Nomagrike				
	Nongathi Nolvuyiso				
	Raya Veliswa				
	Tyekana Nomvuselelo				
	Jikana Neziwe				
	Dyantyi Nonkosi				
	Tshunqwana Thulisile				
WARD 29	Cllr Zameka Mrawushe	YES	12	12	4
	Bambeni ntombizandile				
	Mgontshongo Nobuntu				
	Mgontshongo Kholeka				
	Ngcangashe Vathiswa				
	Vava Thembinkosi				
	Matye Nokubonga				
	Mditshwa Zoliswa				
	Khabakobe Novotile				
	Rozani Siphokazi				
	Nkalane Zimasa				
WARD 30	Cllr Luxolo Mketo	YES	12	12	4
	Manzana Gungubele				
	Milwana Nolundi				
	Manjawa Nomveliso				
	Mngoto Nosandile				
	Ndavundavu Nosandiso				
	Vava Bulelani				
	Qangase Theliwe				
	Ntshase Edward				
	Quqaza Nothozamile				
	Fanayo Thandekile				
WARD 31	Cllr Vuyokazi Gloria Mbusi	YES	12	12	4
	Zola Dumisa				
	Gcelu Boniswa				
	Dila Aphiwe				
	Nongwejana Nokhanyiso				
	Mashalaba Andile				
	Buhlungu Nceba				
	Kulula Nozolile				
	Nkosana Xolisa				
	Mbuthu Thozama				
	Mhlontlo Nloyiso				
WARD 32	Cllr Pheleka Nodaza	YES	12	12	4
	Mlatha Maliviwe				
	Hlomendlini Nokhwezi				
	Vava Sizwe				
	Mantsithi Mbulelo				
	Mliqika Nobom				
	Sibono Sivuyile				
	Rhobo Nobonwa				
	Matshogo Nokuphiwa				
	Fundakubi Khanyiswa				
	Mgayo Sindiso				
T E					

MEETINGS OF WARD COMMITTEE MEETINGS CONVENED

WARD	WARD CALENDAR DATES FOR 2022/2023											
	JULY 2022	AUGUST 2022	SEPTEMBER 2022	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022	JANUARY 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023
1	13	18	17	16	17	08	01	12	18	16	18	18
2	16	14	14	14	18	04	08	17	16	14	17	10
3	17	18	16	09	13	07	08	10	18	19	19	18
4	09	17	10	12	12	09	08	11	17	13	18	17
5	07	17	13	15	17	07	04	11	17	13	18	17
6	10	14	15	14	12	07	08	12	15	12	05	10
7	10	17	10	12	17	03	07	12	17	12	19	15
8	13	17	14	12	13	04	07	12	12	15	18	15
9	13	14	16	12	17	04	07	18	15	12	17	14
10	16	14	16	16	17	04	08	16	16	19	14	15
11	17	18	18	19	17	01	08	10	18	16	18	18
12	23	08	08	17	03	07	01	18	11	08	18	20
13	15	20	18	20	13	15	08	11	16	20	18	15
14	09	13	17	15	12	03	07	11	08	08	07	10
15	15	12	14	13	12	04	08	08	08	12	17	07
16	20	14	16	13	18	08	08	12	11	12	20	17
17	09	13	14	13	12	07	08	16	17	16	17	17
18	15	17	15	15	18	07	08	18	17	17	18	18
19	17	18	15	19	18	04	08	15	19	16	17	18
20	13	12	18	15	10	04	08	18	18	16	17	07
21	08	12	09	13	13	08	08	17	09	13	18	14
22	17	18	17	16	13	06	11	16	18	16	18	18
23	16	18	18	12	10	07	08	18	16	15	17	14
24	13	12	14	12	09	07	08	12	11	12	17	14
25	14	11	08	08	11	07	08	16	16	13	18	15
26	15	18	15	12	12	08	08	16	16	19	06	15
27	15	18	18	15	12	04	08	12	12	15	12	11
28	09	17	20	12	04	04	07	10	10	12	07	10
29	10	14	15	15	11	04	07	11	10	09	07	14
30	14	19	15	07	10	01	11	17	09	14	17	21
31	14		16	19	10	04	11	16	19	16	19	17
32	19	17	18	15	12	08	08	18	15	19	19	18

2.4. 3 Public Meetings

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Ward 10 Community Meeting (Electricity)	12 – 10 – 2022	Two (2)	Three (3)	215	Yes	17 – 11 – 2022 Community Meeting
Ward 11 Community Meeting (Road)	14 – 10 – 2022	One (1)	Two (2)	172	Yes	15 – 11 – 2022 Community Meeting
Ward 14 Community Meeting (Electricity)	13 – 10 – 2022	Two (2)	One (1)	77	Yes	18 – 11 – 2022 Community Meeting
Ward 25 Community Meeting (Road)	03 – 03 – 2023	Three (3)	Two (2)	105	Yes	04 – 03 – 2023 Community Meeting
Ward 30 Community Meeting (Road)	20 – 02 – 2023	Two (2)	One (1)	115	Yes	21 – 02 – 2023 Community Meeting
Ward 29 Community Meeting (Road)	03 – 03 – 2023	One (1)	One (1)	78	Yes	04 – 03 – 2023 Community Meeting
Ward 30 Community Meeting – KwaZulu (Road)	20 – 02 – 2023	Two (2)	One (1)	134	Yes	21 – 02 – 2023 Community Meeting
Ward 30 Community Meeting – Mchongo (Road)	20 – 02 – 2023	One (1)	One (1)	167	Yes	21 – 02 – 2023 Community Meeting
Ward 27 Community Meeting (Electricity)	15 – 02 – 2023	One (1)	One (1)	148	Yes	16 – 02 – 2023 Community Meeting
Ward 31 Community Meeting (Road)	19 – 02 – 2023	One (1)	One (1)	118	Yes	20 – 02 – 2023 Community Meeting
Ward 23 Community Meeting (Road)	18 – 03 – 2023	One (1)	One (1)	155	Yes	19 – 03 – 2023 Community Meeting
Ward 27 Community Meeting – Dungeni (Road, Electricity)	14 – 06 – 2023	One (1)	One (1)	87	Yes	15 – 06 – 2023 Community Meeting
T 2.4.3						

The municipality is able to achieve the following:

- Share information and knowledge about how government functions
- Promote voter education
- Assist learners to apply online to tertiary institutions and bursaries
- Collect the needs of the people and be able to involve them in prioritization

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*		Yes/No
Does the municipality have impact, outcome, input, output indicators?		Yes
Does the IDP have priorities, objectives, KPI's, development strategies?		Yes
Does the IDP have multi-year targets?		Yes
Are the above aligned and can they calculate into a score?		Yes
Does the budget align directly to the KPIs in the strategic plan?		Yes
Do the IDP KPIs align to the Section 56 Managers		Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?		Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes		Yes
Were the indicators communicated to the public?		Yes
Were the four quarter aligned reports submitted within the stipulated time frames?		Yes
*Section 26 Municipal Systems Act 2000:		
Overall satisfaction with:		
(a) Municipality		yes
(b) Municipal Service Delivery		yes
(c) Mayor		yes
Satisfaction with		
(a) Refuse Collection		yes
(b) Road Maintenance		yes
(c) Electricity Supply	Community protests	yes
(d) Water Supply	District Municipality function	no
(e) Information Supplied by Municipality to the Public		yes
(f) Opportunities for consultation on municipal affairs		yes

D: CORPORATE GOVERNANCE

The municipality promotes good corporate governance through risk management; anti-corruption and fraud as well as fair and equitable supply chain management system

2.6 RISK MANAGEMENT:

T2.6.1 RISK MANAGEMENT

The Nyandeni Municipality is bound by a constitutional mandate to provide sustainable services to the local community and therefore vulnerable to the risks in the provision of such services. The municipality has committed itself to ensure that the risk management is seen as a valuable management tool to achieve the following objectives and enhance municipal performance:

- (a) more sustainable and reliable delivery of services;
- (b) informed decisions underpinned by appropriate rigour and analysis;
- (c) reduced waste;
- (e) prevention of fraud and corruption;
- (f) better value for money through more efficient use of resources

MFMA section 62 (i) (c) requires the Accounting Officer to maintain an effective, efficient and transparent system of risk management. For the 2022/23 financial year a Risk management Committee was functional and its operations guided by the following frameworks:

- Risk Management Framework,
- Risk Management Policy
- Risk Management Charter
- Risk Management Implementation Plan
- Combined Assurance Plan

The Risk Management Committee is composed by all Senior Managers and chaired by an independent Chairperson. Council appointed Chairperson for a three year period with effect from January 2022.

For the 2022/23 financial year the municipality identified the strategic and operational risks within the context of the municipal objectives based threats and events that might prevent, degrade, delay or enhance the achievement of the set objectives. The following top ten strategic risks were identified and relevant mitigation plans were monitored throughout the year.

#	Risk Description	Risk Category	Risk Rating
1	Inability to reduce infrastructure backlog	Service delivery Risk	High
2	Poor contribution of tourism sector to the local economy	Economy Risk	High
3	Ineffective mechanisms to monitor & evaluate institutional performance	Performance Risk	High
4	Delays in project implementation	Service delivery Risk	High
5	Electricity infrastructure backlog	Service delivery Risk	High
6	Uncontrolled access to municipal buildings.	Security Risk	High
7	Political Intolerance	Political Risk	High
8	Inadequate exploitation of existing and potential revenue streams.	Financial Risk	Medium
9	Loss of confidence and trust in municipality and government in general.	Reputation Risk	Medium
10	Prioritisation of planning is not based on socio economic development needs.	Reputation Risk	Medium

MEETINGS OF THE RISK COMMITTEE

NATURE OF A MEETING	DATE
Ordinary Risk Committee Meeting	13 October 2022
Ordinary Risk Committee Meeting	10 January 2023
Ordinary Risk Committee Meeting	13 April 2023
Special Risk Committee Meeting	15 June 2023

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND CORRUPTION STRATEGY

Nyandeni Local Municipality (NLM) subscribes to the principles of good corporate governance, which require conducting municipal activities in an honest and transparent manner. The municipality is committed to fighting fraudulent and corrupt activities at all levels within the Municipality, for the 2022/23 financial year council reviewed and approved fraud Risk Management Policy, Whistle Blowing Policy and Ethics and Integrity Policy emphasise its stance and commitment of zero tolerance on fraud, corruption, theft, maladministration, or any other dishonest activities of dishonest nature.

Fraud and Ethics awareness campaigns were conducted quarterly through the issued municipal newsletter, the newsletter communicate the reporting mechanisms for the alleged fraud related activities. Furthermore, Fraud Risk Register and Fraud Risk Management plan was maintained, monitored on a quarterly basis and tabled to the governance oversight structures such as Risk Management Committee and Audit Committee.

The municipality encourages all members of public, members and councillors to make protected disclosures when they become aware of suspicious activities.

Establishment of the Disciplinary Board

The Council has further established the Disciplinary Board for Financial Misconduct on 27 June 2019 composed of 5 part time members to assist the council to investigate allegations of financial misconduct – as per Section 175 of the MFMA. The committee was functional for the reporting period and composed of the following members:

- Audit Committee Member
- Senior Manager Corporate Services
- Manager : Legal Services
- Manager: Internal Audit
- Provincial Treasury Representative.

2 8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The municipality has established a Supply Chain Management Unit within the Budget and Treasury Office. The municipality has a Supply Chain Management Policy approved by the Council in line with the Municipal Finance Management Act of 2003 and the Municipal Supply Chain Management Regulations of 2005.

2.9 BY-LAWS

BY-LAWS INTRODUCED IN 2022-23

No	Revised	Public Participation Conducted Prior to Adoption of By-laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication:
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COMMENTS

The first Bylaws gazette and published in May 2010 and subsequently and published on 24 June 2019 together with new additional Bylaws. None were introduced in 2022-23 financial year

2.10 WEBSITE

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 document	Yes	2022-2023
All current budget-related policies	Yes	June 2023
The previous annual report (Year -1)	Yes	April 2022
The annual report (Year 0) published/to be published	Yes	September 2023
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (year0) and resulting scorecards	Yes	August 2023
All service delivery agreements (Year 0)	No	
All long-term borrowing contracts (Year 0)	n/a	n/a
All supply chain management contracts above a prescribed value (give value) for Year 0	yes	Quarterly
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	n/a	Not done
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	n/a	n/a
Public-private partnership agreements referred to in section 120 made in Year 0	n/a	n/a
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	Quarterly

The municipality should endeavour to update website information regularly in compliance with section 75 of the MFMA. The municipality has commissioned a Service Provider for website revamp and maintenance for the period of 3 years.

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 shortfall in content. Comment on based information can be accessed. The municipality should monitor and report on the use of its website by public, for example, by measuring the number of this on website.

T 2.10.1.1

2.11 Public satisfaction surveys on Municipal Services

In the year under review no public satisfaction were conducted. However, the municipality is engaging institutions of High Learning such as Walter Sisulu University (WSU) and University of Fort Hare (UFH) to conduct credible and scientific public satisfactions surveys using their methods and human resources. This is important in the context of information integrity. This did not bear any fruit because of high costs

Satisfaction Surveys Undertaken during: Year -1 and Year 0 – NONE				
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				



NYANDENI

LOCAL MUNICIPALITY

Deciding with the people not for the people



CHAPTER 3

SERVICE DELIVERY
PERFORMANCE
(PERFORMANCE
REPORT PART I)

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

COMPONENT A - BASIC SERVICES

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

NLM is not a licensed distributor of electricity; ESKOM is the licensed distributor of electricity in the whole area of NLM. There is an ambition for the Municipality to become a **licensed distributor** for urban areas to increase municipal revenue. NLM is receiving Integrated National Electrification Programme (INEP) grant under Schedule 5 of Division of Revenue Act for household electrification.

There are four electrification projects that are being implemented by NLM for 2021/22 financial year (Mafini Hiltop (Ward 16), Mnyameni- Njimaza (Ward 19), Mandileni – Ludaka (Ward 17) and Nkanunu A/A (Ward 20) and they overlapped to 2022/2023 financial year. The Municipal Council approved about R7,5million from the equitable share for completion of these households, this was due to non-allocation of INEP grant by National Treasury in beginning of financial year. During the mid-year adjustments DMRE transferred R8m reimbursing the municipality.

In 2023/2024 financial year the municipality received an allocation of R 23 313 000,00 which was later reduced by R 2 000 000,00 to R 21 313 000,00 with no effect to the projects that were already handed over to the communities and the project list is as follows: - Zinkumbini (Ward - 04), Gebane (Ward – 05), Bovini (Ward -05), Mamolweni (Ward – 25), Lwandile (Ward – 25), Mzonyane (Ward -25), Mankosi (Ward – 25), Ntsimbini (Ward – 26), Mzonyane (Ward -26), Zixambuzi (Ward -26), Lwandile (Ward - 25, Ntshilini (Ward -25), Mphimbo (Ward – 28), Sidanda (Ward – 28), Sizindeni (Ward – 28) and Mphimbo (Ward 28)

The progress made to improve or efficiently address the electrification backlog is as follows: -

- According to the records NLM has completed electrifying the historical backlog and is now busy electrifying new villages and extensions.
- NLM conducted Pre-marketing study for the accuracy of backlogs and proper planning. According to the premarketing study about **8225** households don't have electricity.
- Pre-Marketing enables the municipality to request informed funding from DMRE, simultaneously check availability of supply with the supply authority (Eskom), and roll out pre-engineering tasks for construction in outer financial years.

The nature of work that the municipality is performing onsite is as follows: -

- Type 1: Infill connection (Connection to existing LV infrastructure \ Pole Box utilizing - Airdec)
- Type 2A: Extension Connection (Extension of LV infrastructure and house connection)
- Type 2B: Extension Connection (Upgrade of existing Transformer, extension of LV infrastructure and house connection)
- Type 3: New Connection (New SI Connection requiring a new transformer, MV infrastructure, LV infrastructure and house connection).

ESKOM Rural Electrification program is to eradicate the electrical backlog with the assistance of funding from DMRE.

Projects for 2022/23 financial year are as follows:

- Mangwaneni Electrification Project 30HH
- Mqwangqweni no.1 Electrification Project 13 HH
- Mqwangqweni no.2 Electrification Project 8 HH
- Mqwangqweni no.3 Electrification Project 49 HH

In 2023/2024 financial year the projects that are planned for construction are categorised in two phases which are as follows: -

Phase – 1

- Mqwangqweni No. 3, Nqagheni, Ncambedlana, Nqanda A, Malungeni, Lujizweni A, Lujizweni B, Silevini, Lower Mdumbe School, Mgojweni

Phase – 2

- Chibini F (Mahoyana / Khalandoda), Kwayalela – Khalandoda, Chibini B (Mahoyana), Ngcolorha / Gwali, Ngcolorha / Manzimabi, Mjobeni, eThembeni, Coza, Phezukwamawa – Mhlanganisweni B, Dokodela/ Luthubeni A, Cibini H – Mevana B / Cibeni, Cibeni A & B.

Alternative Energy (Solar Panels): Due to availability of informal settlement houses in the municipality especial in Libode, the non-grid electrification has been applied for to the Department of Mineral Resources and Energy to supply the Solar panel, as it will take some time to build or construct the required infrastructure to electrify these informal settlements in Libode. Nyandeni Local Municipality became one of the municipalities in the Eastern Cape to provide the communities with the Solar System (non-grid electrification).

The Department of Mineral Resources and Energy (DMRE) provides an alternative energy system known as Non-Grid System known as Solar Systems. The projects have to be approved in kind budget for installation of solar systems at Nyandeni LM for 250 households in 2022/2023 financial years a temporal measure while waiting for the electrification program. The following village benefited from the project.

- Ward 5 Mpindweni and Ndayeni 31h/h
- Ward 7 Ziteneni 40 h/h, Nomzamo 90h/h & Belmond 61h/h
- Ward 15 Mtyu 30h/h

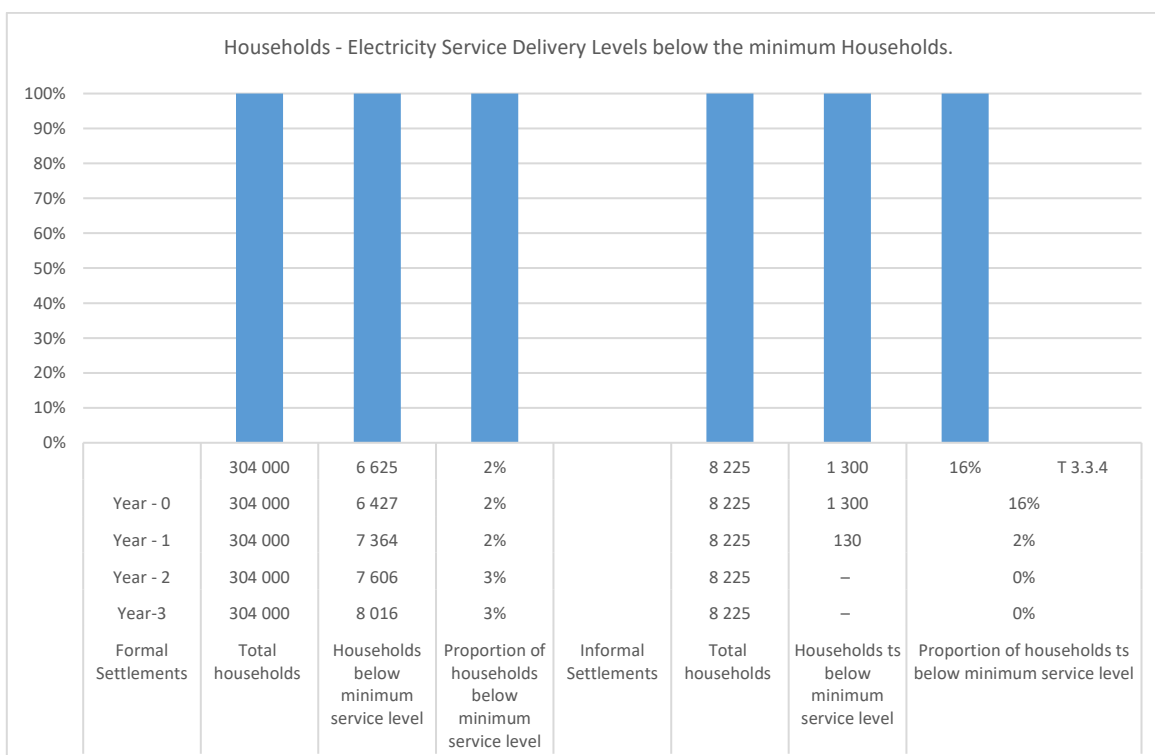
The municipality is planning to implement 1300 solar systems for temporally reason for those households that are wait for the grid connection as we are in the process of addressing the network demand challenges of electricity capacity. The project list will be reviled as soon as the contract from DMRE have been finalised.

Community Street Lighting

Nyandeni Local Municipality is responsible for community street lighting to ensure safety to communities. The existing infrastructure streetlights in towns are owned by ESKOM. The Municipality only installed streetlights on existing ESKOM infrastructure. Eskom supply bundled air deck cable from the transformer to kiosks and straight to the consumer. This result into poor maintenance of network and safety measures are not taken into consideration, Municipality is maintaining the existing streetlights and install additional where necessary. Both towns are still in need of major streetlight refurbishment, the project is due to commence in 2023/24 financial in phases.

There are number of High Mast around settlements and there is still number of communities requesting high mast due to high rate of crime. There are two high-masts planned for the 2023/2024 financial year.

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR



Capital Expenditure Year 0: Electricity Services R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R23 313 000,00	R0,00	R23 313 000,00	0%	
Mphimbo	R518 000,00	R0,00	R518 000,00	0%	R518 000,00
Mzonyane	R1 540 000,00	R0,00	R1 540 000,00	0%	R1 540 000,00
Mamolweni	R812 000,00	R0,00	R812 000,00	0%	R812 000,00
Lwandile	R1 624 000,00	R0,00	R1 624 000,00	0%	R1 624 000,00
Ntshilini	R1 120 000,00	R0,00	R1 120 000,00	0%	R1 120 000,00
Zixambuza	R1 375 000,00	R0,00	R1 375 000,00	0%	R1 375 000,00
Sidanda	R1 443 000,00	R0,00	R1 443 000,00	0%	R1 443 000,00
Sizinden	R1 932 000,00	R0,00	R1 932 000,00	0%	R1 932 000,00
Mankosi Phase - 3	R798 000,00	R0,00	R798 000,00	0%	R798 000,00
Zinkumbini	R3 780 000,00	R0,00	R3 780 000,00	0%	R3 780 000,00
Ntsimbini	R784 000,00	R0,00	R784 000,00	0%	R784 000,00
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.3.8

EMPLOYEES: ELECTRICITY SERVICES

Employees: Electricity Services :					
	21/222		22/23		
TASKGRADE	EMPLOYEE NO	POSTS NO.	EMPLOYEE NO.	VACANCIES NO.	VACANCIES AS %
8	1	1	1	0	0
11	2	2	2	0	0
TOTAL	3	3	3	0	0

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Financial Performance Year 0: Electricity ServicesR'000					
Details	2022	2023			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	16 067		8 000	7 438	-7%
Expenditure:					
Employees	2 099	2 408	2 838	1 954	0%
Repairs and Maintenance	2 636	1 229	1 229	1 114	0%
Other	52 836	10 409	9 342	6 680	-28%
Total Operational Expenditure	57 571	14 046	13 409	9 748	-27%
Net Operational Expenditure	41 504	14 046	5 409	2 310	-57%
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					

Households - Electricity 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
Households below minimum service level	25 000	25 000	25 000	25 000	25 000	25 000
Proportion of households below minimum service level	25%	25%	25%	25%	25%	25%
Informal Settlements						
Total households	100 000	100 000	100 000	100 000	100 000	100 000
Households ts below minimum service level	25 000	25 000	25 000	25 000	25 000	25 000
Proportion of households ts below minimum service level	25%	25%	25%	25%	25%	25%
T 3.3.4						

Electricity Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0		Year 1		Year 3	
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	*Following Year
Service Indicators		*Previous Year		*Previous Year					Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
To provide access to energy infrastructure by 2027	Number of households connected to electricity infrastructure (575 households in 70h/h Egoli ward 20, 114 h/h in ward 2, 177 in ward 6, 214 in ward 16) by 30 June 2023	Number of households connected to electricity infrastructure (575 households in 70h/h Egoli ward 20, 114 h/h in ward 2, 177 in ward 6, 214 in ward 16) by 30 June 2023	575	Number of households connected to electricity infrastructure (Extensions) for 666 households in Ward 16 (227h/h), ward 17(225h/h), ward19 (150h/h), ward 20 (64h/h) by 30 June 2023	666 households	666 households	765 Households to be connected in 2023/2024 financial year	765 Households to be connected in 2023/2024 financial year	979 households planned for 2024/2025 financial year

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

INTRODUCTION TO WASTE MANAGEMENT

In terms of the South African Constitution (Act No. 108 of 1996), waste management services delivery is a local government function. Municipal Systems Act, 2000 gives guides for refuse collection and disposal. Hence, therefore Nyandeni Local Municipality is responsible for providing refuse removal service to its area of jurisdiction. Waste removal services refer to removal of general waste, which can be grouped into domestic waste, commercial waste and garden waste.

Refuse removal service is provided to two urban areas Libode and Ngqeleni. This service is mainly provided in the municipal area that covers commercial and residential areas. The service has been expanded to Ntlaza, Ziphunzana (drop-off centers in the use of skip bins), St. Barnabas Hospital, Taxi Ranks (both Libode and Ngqeleni), Corana (drop-off centers in the use of skip bins), Mt. Nicholas JSS, and Canzibe Hospital. Refuse skip bins are used as drop-off centres along N2 and R61 routes (Ziphunzana and Corana) also for business collection and retail shops. Nyandeni Local Municipality had purchased an additional third compactor truck to improve the waste collection services. A third compactor truck has been procured to ease the load, A fourth double-diff compactor has been donated by Department of Forest Fisheries and Environment. A refuse compactor truck is used for waste collection in refuse bags and transported to the waste disposal site at Libode Landfill site that started operating in October 2023. Libode Landfill site infrastructure has been enhance; the landfill is now electrified with a high master light and security cameras.

All waste facilities are electrified to enhance security and to allow recycling power equipment to be easily installed for packaging recycling materials.

Weighbridge at landfill site is calibrated yearly for accuracy of weighing tons of waste entering our facility.

Staff for our landfill site has been employed to start operations,

In an effort of controlling access to our waste facility, there is security on gates 24 hours.

The Libode Landfill site is operating since 04th of October 2022.

Solid Waste Service Delivery Levels

Council has also adopted the following service standards to ensure efficiency and effectiveness in service delivery. The communities can also use these standards to hold council accountable

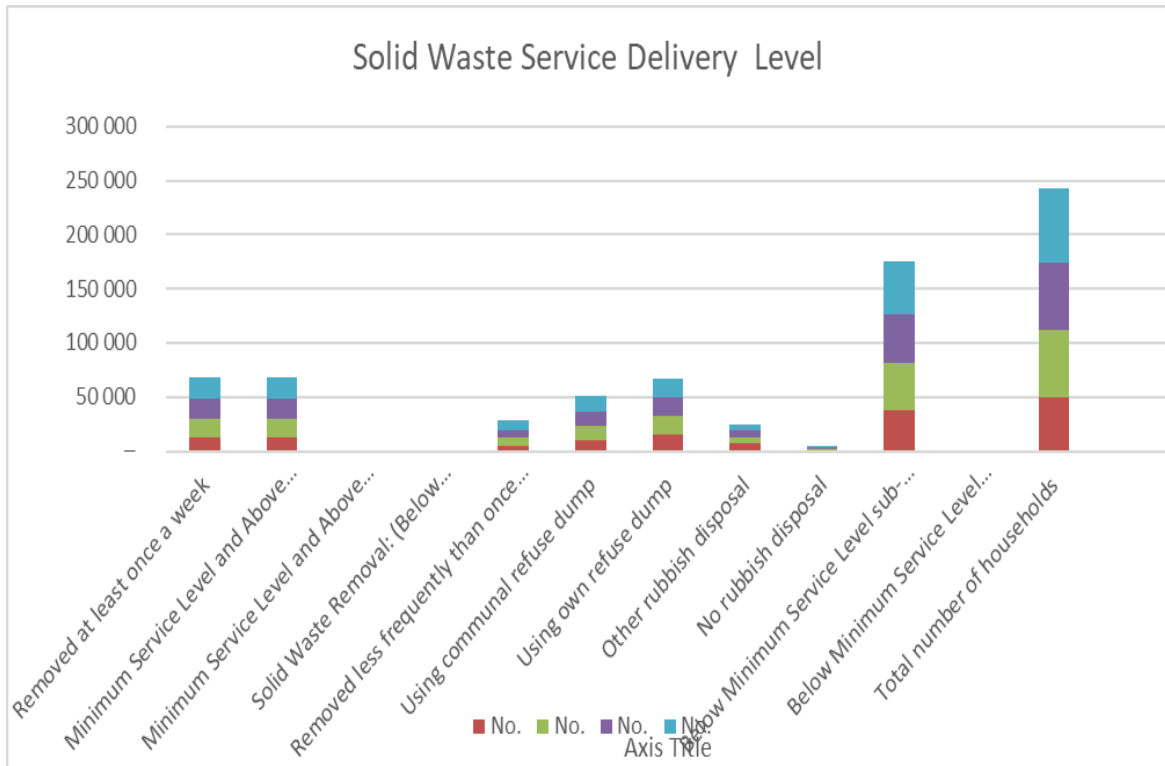
Description	Service Standard
Refuse Collection on Business	Everyday
Refuse collection Residence	Once a week
Refuse Collection Outside Town (peri-urban)	Twice a week per area
Refuse Collection after the event (as per pre-request)	1 (day after)

T 3.4.2

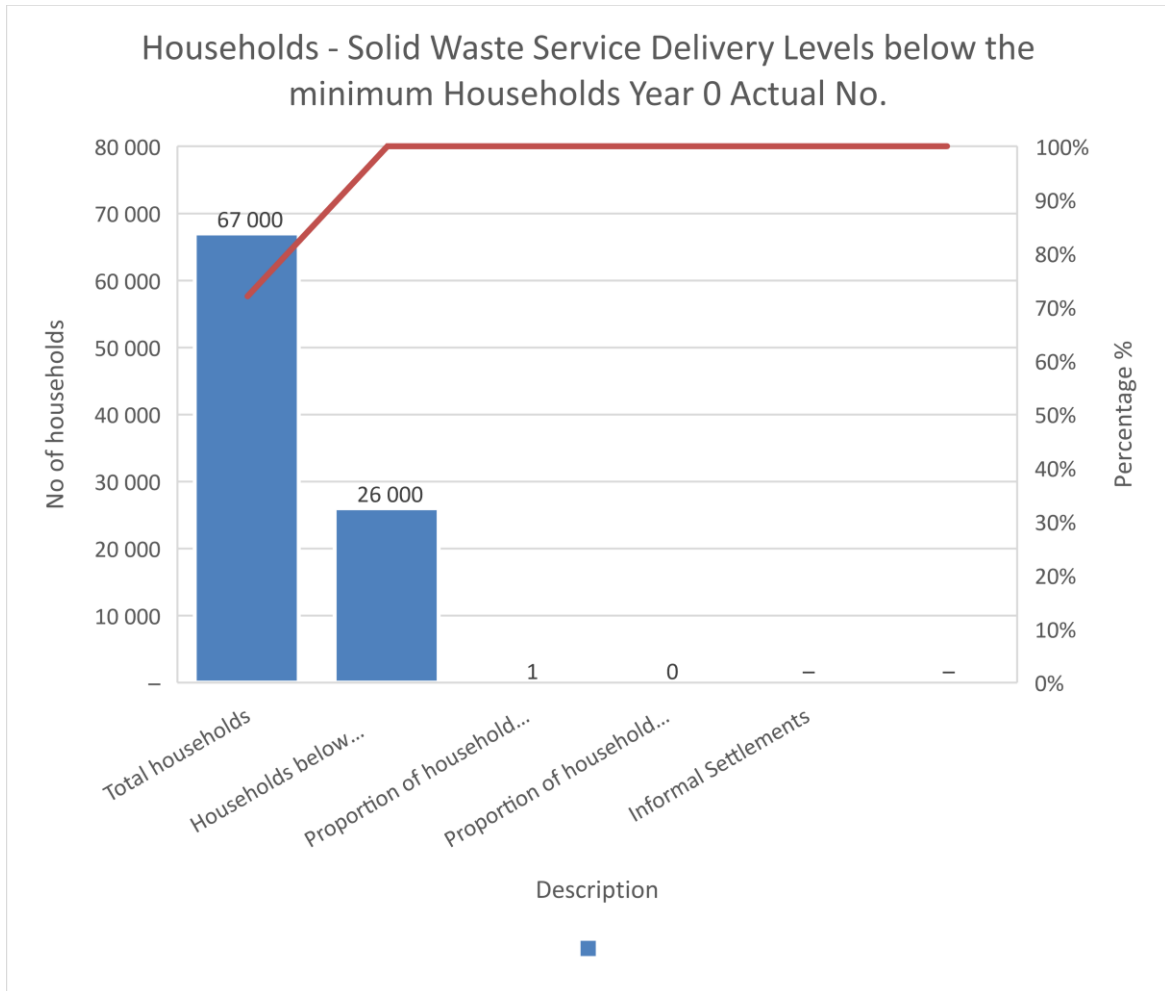
Solid Waste Service Delivery Levels				
Description	Households			
	Year -3	Year -2	Year -1	Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	12	18	18	20
Minimum Service Level and Above sub-total	12	18	18	20
Minimum Service Level and Above percentage	24,0%	29,0%	29,0%	29,0%
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	5	7	7	10
Using communal refuse dump	10	13	13	15
Using own refuse dump	15	17	17	18
Other rubbish disposal	7	6	6	5
No rubbish disposal	1	1	1	1
Below Minimum Service Level sub-total	38	44	44	49
Below Minimum Service Level percentage	76,0%	71,0%	71,0%	71,0%
Total number of households	50	62	62	69

T 3.4.2

T.3.4.2



Households - Solid Waste 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	3	3	3	300	3 000	3
Households below minimum service level	2	2	2	2 000	2 000	2
Proportion of households below minimum service level	67%	67%	67%	667%	67%	67%
Informal Settlements						
Total households	64	64	64	1 500	1 500	64
Households below minimum service level	24	25	27	500	500	
Proportion of households ts below minimum service level	38%	39%	42%	33%	33%	0%
T 3.4.3						



Financial Performance Year 0: Solid Waste Management Services - Included with community and other					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	531	2 184	2 184	1 245	-43%
Expenditure:					
Employees	1 331	15548	17583	13407	-16%
Repairs and Maintenance	56	1775	1028	662	-63%
Other	728	13812	12686	8805	-36%
Total Operational Expenditure	2 115	31 135	31 297	22 874	-27%
Net Operational Expenditure	-1 584	-28 951	-29 113	-21 629	-25%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.4.7

3.4.9

Capital Expenditure Year 0: Solid Waste Management Services Included with community and other					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	7201	13629	1271	-467%	
Landfill Site		580	305	100%	
Tools Equipment	165	165	67	-146%	
Fencing	1536	2075	495	-210%	
CCTV		700			
Container		226	196	100%	
Plant Equipment	3500	7883			
Land Buildings	2000	2000	208	-862%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.4.9

COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE

Solid Waste Service Delivery Levels				
Description	Households			
	Year -3	Year -2	Year -1	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
Minimum Service Level and Above sub-total	2 895	2 685	2 846	2 235
Minimum Service Level and Above percentage	50,9%	47,1%	51,5%	44,8%
<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
Below Minimum Service Level sub-total	2 790	3 015	2 678	2 755
Below Minimum Service Level percentage	49,1%	52,9%	48,5%	55,2%
Total number of households	5 685	5 699	5 523	4 991
T 3.4.2				

T3.4.4

Waste Management Service Policy Objectives Taken From IDP										
Service Objectives		Year -1		Year 0		Year 1		Year 3		
		Target		Actual		Target		Actual		
Service Indicators (i)		*Previous Year (iii)		*Previous Year (v)		*Current Year (vi)		*Current Year (viii)		*Following Year (ix)
		(iv)		(vii)		(ix)		(x)		
Service Objective xxx										
Compliance with Environmental and Waste Management Legislative Framework To provide and maintain safe and healthy environment	Number of Environmental Compliance Audits conducted by 30 June 2023	Conduct Quarterly environmental Compliance Audits on landfill site by 30 June 2022	Three (3) quarterly environmental compliance audits on landfill site conducted, Terms of Reference drafted for one (1) external audit	Conduct Quarterly environmental Compliance Audits on landfill site by 30 June 2022	Conduct Quarterly environmental Compliance Audit Reports and 1 External report Review by 30 June 2023	Three (3) quarterly environmental compliance audits on landfill site conducted and 1 external environmental compliance audit.	Conduct Quarterly environmental Compliance Audit Reports and 1 External report Review by 30 June 2024	Conduct Quarterly environmental Compliance Audit Reports and 1 External report Review by 30 June 2025	Conduct Quarterly environmental Compliance Audit Reports and 1 External report Review by 30 June 2026	Internal Quarterly Environmental Compliance Audit
Compliance with Environmental and Waste Management Legislative Framework To provide and maintain safe and healthy environment	Number of Tonnes of waste transferred to landfill by 30 June 2023	Transfer 200 Tonnes of municipal solid waste sent to landfill per capita by 30 June 2022	7, 791 tonnes of municipal solid waste transferred to the landfill site	Transfer 200 Tonnes of municipal solid waste sent to landfill per capita by 30 June 2022	Transfer 3000 tons of waste to the landfill site by 30 June 2023	3049 tons of municipal waste transferred to the landfill site	Transfer 1100 tons of waste to the landfill site by 30 June 2024	Transfer 1100 tons of waste to the landfill site by 30 June 2025	Transfer 1100 tons of waste to the landfill site by 30 June 2026	Transfer 1100 tons of waste to the landfill site by 30 June 2026
Compliance with Environmental and Waste Management Legislative Framework Implementation of the Integrated Waste Management Plan	Number of awareness sessions conducted as part of IWMP implementation by 30 June 2023	Phase- in the implementation of integrated waste management plan by 30 June 2022	16 Environmental awareness conducted	Phase- in the implementation of integrated waste management plan by 30 June 2022	Conduct Awareness sessions as part of IWMP projects by 30 June 2023	22 activities have been conducted in various schools communities	Conduct Awareness sessions as part of IWMP projects by 30 June 2024	Conduct Awareness sessions as part of IWMP projects by 30 June 2025	Conduct Awareness sessions as part of IWMP projects by 30 June 2026	Conduct Awareness sessions as part of IWMP projects by 30 June 2026
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 by municipalities in which IDPs play a key role.										
T 3.4.4										

Transfer Station

A Waste Transfer Station has been constructed and finalized for the benefit of sorting and recycling. An agreement was signed between Nyandeni Municipality and O.R.Tambo District Municipality for the operation of the transfer station. The Ngqeleni Transfer is operational. Cardboard, aluminium cans, Plastic Bottles being the dominant recovered waste.

Landfill Site

Integrated Waste Management Plan was endorsed by Department of Economic Development, Environmental Affairs and Tourism for 2021 to 2025, to approve implementation of Waste Management projects. Recruited and capacitated Two-Weigh-Bridge Controllers, Recruited and Capacitated Landfill Administrator, Guard house with scale for measurement of waste and measurement of waste tons is completed and has been calibrated for testing effectively. Landfill site infrastructure has been enhanced, the landfill is electrified, and High Mast Light and security cameras have been installed. The Libode Landfill has started operating in October 2022.

3.5 INTRODUCTION TO HOUSING

Nyandeni Local Municipality is in partnership with the Department of Human Settlements in terms of fulfilling what has been stated in the Constitution of Republic of South Africa which said "Everyone has right to have an access to adequate housing"

We are using Housing Sector plan as a strategy on identifying projects to be implemented in each financial year.

Nlm has been given developer status to be an implementing agent on three projects, which are Nyandeni Gxulu 200, Nyandeni 370 and Ngqeleni Rectification 120.

Some of these projects are responding to disasters and to destitute people. Community consultations in the form of Housing Consumer awareness are conducted in all projects as a section, In an endeavor to beef up human capacity, the municipality has appointed a project manager that will be responsible for the implementation of all human settlement projects.

The Municipality, through the development of an Integrated Development Plan, and through community consultation and engagements makes provision for the development of houses for both rural and urban areas. Through these engagements, the needs of the communities are taken for prioritization and incorporated into the IDP and in the Housing Sector Plan. The Housing Sector Plan is a strategic document that guides the development of sustainable human settlements and would then be the Chapter in the IDP.'

Municipality, through its prioritization identifies areas for development, and for which applications will be made to the Provincial Department for funding. The Provincial Department of Human Settlements is responsible for the approval of applications for housing development responding to municipal requests and for the allocation of funds for projects (urban, rural, emergency and destitute). Department of Human Settlements serves as Developers and appoints contractors to construct houses.

During the year under review, the Department of Human Settlements delivered on a number of Human Settlements projects at Nyandeni. These projects are detailed below.

The Municipality also plays vital role together with ward councilors, ward committees and traditional leaders to identify qualifying beneficiaries and identification of land. Local municipality is also responsible for beneficiary administration (application processes), housing consumer awareness's and transfers, facilitates the development all housing projects, close monitoring in terms of inspections (quality control on construction of houses), develop, update and monitor Housing Needs Register. When the construction of houses is complete, Local Municipality and Department of Human settlements hand over the houses to the beneficiaries through signing of Happy Letters.

When the incidents of disaster happen, Municipal officials together with the Disaster Management satellite office of O.R. Tambo District Municipality Conduct Disaster Assessment on the impact of the Disaster, prepares the report and the Department of Human Settlements would conduct the disaster verification. Once the verification is finalized a recommendation would be made towards the construction of temporal shelters (depending on availability) or provision of permanent solution.

Role of Town Planning in Human Settlements Development

The Municipality plays a co-coordinating role in development of sustainable human settlements by identifying of suitable land. The Municipality also through its town planning division develops the layout plans for the area where the houses are going to be built and facilitates in the approval of township establishment application. Further to that, the Town Planning Division is responsible for the general town planning services and land use management of the two towns, Libode and Ngqeleni. This section is responsible for advising the Municipality on all possible developments that are going to happen within the Municipality. This section also ensures that a credible Spatial Development Framework is in place and its implementation thereof in order to give effect to Section 26 (e) of the Municipal Systems Act 32 of 2000. The Town Planning Division also ensures that the implementation of the Spatial Planning and Land Use Management Act No. 16 of 2013.

The Main role players in human settlement development are

Provincial Department Of Human Settlements

The Provincial Department of Human Settlements grants the Local Municipality an authority to register and administer housing subsidy applications.

The Department approves housing subsidy applications and provides funding for all approved housing projects

The Department appoints contractors for approved projects and plays a monitoring roles.

National Department of Human Settlements

The National Department of Human Settlements (NDHS) administers the Housing Subsidy System (HSS) and National Housing Demand Database; and

The NDHS may appoint external auditors to investigate a particular allocation process.

O.R Tambo District Municipality

District Municipality assists Homeless and Destitute through Social Relief Programme

Applicants

Applicants are required to register their need for housing on the Municipality's housing database.

All applicants registered must inform Nyandeni Local Municipality on any changes in personal information such as address, marital status, income, or special needs and disabilities.

Applicants must at all times ensure they are contactable by updating their contact details with the Municipality and

Applicants must co-operate with the Municipality when required to update their information on the housing database every two years.

Local Human Settlements Standing Committee

The Standing Committee monitors the implementation of this policy. This starts with beneficiary selection, subsidy application process up to completion and hand over of houses.

The Council, through the Standing Committee resolve on land to be identified for housing development in urban areas. Necessary processes like subdivision and survey of such land should then be undertaken.

The Standing Committee pays periodically visits to all implemented projects

The Standing Committee receives progress on projects that are implemented and assist in resolving conflicts and problems encountered there from.

The Office of Ward Councillors

The office of Ward Councillor, through Ward Committee co-ordinates any developments taking place in wards, including housing developments.

The office identifies beneficiaries to benefit from any housing development.

The office of Ward Councillor serves as a link between the Municipality and the wards through sourcing progress reports on all housing projects taking place in wards.

The office of the Ward Councillor, through Ward Councillor contributes in the meetings of the Project Steering Committee on matters affecting housing development.

Traditional Councils

Traditional Leaders, through Traditional Council allocate stands in areas where qualifying beneficiaries do not have stands.

Traditional Leaders identify land for rural housing development, including Greenfield development.

Traditional Leaders assist in the identification of destitute and vulnerable beneficiaries within their areas of jurisdictions.

Project Steering Committee

The Project Steering Committee is selected among the members of the community and is responsible for the monitoring of implementation of the housing projects.

The PSC appoints among its members people to serve in its governing structure, including Chairperson.

The Steering Committee assists in the identification people to be employed in housing projects.

Traditional leaders enjoy ex-officio status in the meetings of the Project Steering Committee.

Projects Steering Committee also assists the office of Ward Councillor in resolving disputes emanating from housing developments.

Level and standards in Housing and town planning services

The Department of Human Settlements provide for the provision of the following standards when constructing houses:-

- A 40 square meter house with roof tiles, 2 bedroom, a kitchen and lounge which would also cater for people with physical disabilities
- A water tank
- A VIP toilet
- Bulk internal water reticulation services
- For special cases like disabled person – a provision of 45 m2 house with specific doors and window levels.

The Municipality, when planning housing development takes into account houses for the low income This helps the Municipality to set up its yearly targets for delivery of houses according to these categories of levels. The Municipality first starts with housing needs assessment to determine the number of beneficiaries who qualify for low cost housing thereafter conduct the necessary geo-tech and environmental Impact assessment.

All housing/ human settlement developments for all income brackets require Town Planning expertise to prepare the town planning layout, facilitate public participation as well as administer the approval of the Townships with the department of Cooperative Governance and Traditional Affairs. The advent SPLUMA (Spatial Planning and Land Use Management Act no. 16 of 2013) has necessitated the establishment of Municipal Planning Tribunal which should administer the approval of Township establishment applications and other related Land development Applications.

With regards to the quality of houses the National Department of Human Settlements prescribes the norms and standards for the level of houses to be delivered by the Municipalities. Each Municipality is expected to deliver houses according the prescribed norms and standards. Nyandeni Local Municipality is implementing 40 square meters in all of its low cost houses.

Informal settlements

Both urban areas of Libode and Ngqeleni have informal settlements. The program to address and to act on stopping the mushrooming of informal settlements is to provide these people with permanent shelters through informal settlements eradication program .Currently we have 165 informal settlements in the following areas

Libode (Eziteneni) – 50

Libode (Nomzamo) – 115

Major challenges in housing development

Some of the challenges in housing development include: -

- Delays within DHS in procurement processes in terms appointing and paying contractors.
- Poor performance by contractors resulting in completion delays
- Insufficient funding
- Backlog in basic services (lack of bulk infrastructure)
- Unlawful occupation of land or land invasion.
- Shortage of water during construction that delays the completion period for housing development.
- High increases in material prices.
- Land claims and land invasion

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- Delays in the approval of town planning services and in the survey of the land for housing delivery.
- Difficult terrain on rural areas.
- Unavailability of local suppliers within the O.R Tambo region
- Alternative technology program it is not easy for all inspectors because they are not trained on those programs but on brick and mortar
- Vandalism of completed units.
- Material Theft
- Lack of capacity to Emerging contractors to meet NHBRC Norms and Standards
- Poor workmanship resulting to shoddy work

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	61867	61713	99,7%
Year -2	68054	67885	99,7%
Year -1	74859	74673	99,7%
Year 0	82344	82139	99,7%

Source : Stats SA Community survey 2016

Housing Service Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Year 0		Year 1		Year 2		Year 3		
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	Target	
Service Indicators		*Previous Year		*Previous Year						*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
Service Objective										
To provide sustainable Human settlements	Construction of Nyandeni 370 low cost housing units by 30 June 2026	0	0	0	Construction of 100 Low cost Housing units		Construction of 120 Low cost Housing units	Construction of 150 Low cost Housing units		
	Construction of Gxulu 200 Low cost Housing units by 30 June 2025	0	0	0	Construction of 70 low cost Housing units		Construction of 130 low cost Housing units			
	Nggeleni rectification of 120 Housing units by 30 June 2025	0	0	0	Rectification of 60 low cost Housing units		Rectification of 60 low cost Housing units			

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

The following Projects and programs

NO	Project and Programs
1	Provision of 50kw electricity
2	Indigent alternative energy
3	Provision of five household with two-room fencing and water tanks through Is'dima project.

The Indigent program's objective is to support indigent households with free basic services so as to meet their basic needs. It is due to high level of unemployment and poverty in the municipal area that there are households who are unable to pay for basic municipal services. Therefore the Nyandeni Local Municipality views it necessary that steps are taken in alleviating some of the difficulties associated with access to basic services.

Section 26(1)(2) of the constitution of the republic of South Africa stipulates that everyone has a right to have access to adequate housing, Health Care, Food, Water and Social security. It is therefore Subsection 2 of this section that gives the state an obligation to take reasonable legislative and other measures within its available resources to achieve the progressive realization of these rights.

- Nyandeni Local Municipality has therefore approved indigent policy and indigent register to ensure that the indigent can have access to the package of services included in the FBS programme. In areas where there is access to electricity, deserving indigent households have been provided with electricity coupons in line with council policy.
- The municipality has adopted an Integrated Poverty Alleviation Program

The following annual targets were set:

- Upload indigent register to electronic indigent system by 30 June 2023.
- Provide five households with Two-room, fencing, and water Tanks through Isdima Projects by 30 June 2023.
- Provide social relief support to 96 indigent qualifying house holds (Fencing and water tanks) by 30 June 2023.
- Provide electricity coupons to 1 800 qualifying households by 30 June 2023.
- Provide of alternative energy (gas) to 1 650 Households by 30 June 2023.

Functioning of indigent steering committees

- The municipality has established Ward Indigent Steering Committees in all 32 Wards. The purpose for this Indigent Steering Committees is to improve program coordination and proper implementation of the Free Basic Services at ward level.

Indigent register

- The municipality is currently reviewing its Indigent Register and developing an electronic indigent register.
- The municipality has reviewed its Indigent and poverty Alleviation Policy for Free Basic Services to include a new concept of Isdima where indigent are given a combo of a two-room flat, tank, fencing, ablution facility and gardening.

T.3.6.2

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T.3.6.3

Free Basic Services To Low Income Households										
	Number of households									
	Households earning equal to and less than Two-State Pension Fund									
	Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse		
	Total	Access	%	Access	%	Access	%	Access	%	
Year -2	100 000	18 000	12 000	67%	10 000	56%	13 000	72%	16 000	89%
Year -1	103 000	18 500	13 000	70%	11 000	59%	14 500	78%	16 500	89%
Year 0	105 000	19 000	15 000	79%	12 000	63%	16 100	85%	18 000	95%

T 3.6.3

Financial Performance Year 2023: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year -1	Year 0			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Property rates	572	265	265		-100%
Alternative energy	1 419	4 508	1 302	1 269	-3%
Electricity	-	1 419	1 819	269	-85%
Waste Management (Solid Waste)	-	-	-	-	0%
Total	1 991	6 192	3 386	1 538	-55%

T 3.6.4

Free Basic Service Policy Objectives Taken From IDP											
Service Objectives		Service Targets		Year -1		Year 0		Year 1		Year 3	
				Target	Actual	Target		Actual	Target		
				*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	Target (ix)	*Following Year (x)
Service Indicators (i)		(ii)					Service Objective xxx				
Credible reconcilable electronic indigent register Provide free basic service to qualifying indigents	Updated Indigent register by 30 June 2023					Updated Indigent register by 30 June 2023	Electronic Register uploaded to the system, Indigent Data was presented to the Council and it was resolved to proceed with the capturing				
	Number of households provided with Two-room,fencing, and water Tanks through Isdima Projects by 30 June 2023					Number of households provided with Two-room,fencing, and water Tanks through Isdima Projects by 30 June 2023	Concept document for Isdima project done, Scope of work for Isdima has been developed.	Provide five households with Two-room,fencing, and water Tanks through Isdima Projects by 30 June 2024	Provide five households with Two-room,fencing, and water Tanks through Isdima Projects by 30 June 2025	Provide five households with Two-room,fencing, and water Tanks through Isdima Projects by 30 June 2026	
	Number of qualifying households provided with social relief support as part of Isidima Projects by 30 June 2023	1. Thirty (30) water tanks installed (30 households benefited) 2. Thirty two (32) households fenced	Provide social relief support 50 indigent house holds by 30 June 2022	Provide social relief support 50 indigent house holds by 30 June 2022	Provide social relief support to 96 indigent qualifying house holds as part of Isidima Projects by 30 June 2023	Concept document for Isdima project done, Scope of work for Isdima has been developed.	Provide social relief support to 96 indigent qualifying house holds as part of Isidima Projects by 30 June 2024	Provide social relief support to 96 indigent qualifying house holds as part of Isidima Projects by 30 June 2025	Provide social relief support to 96 indigent qualifying house holds as part of Isidima Projects by 30 June 2026		
	Number of qualifying households provided with electricity coupons by 30 June 2023	3, 478 electricity coupons provided	Provide 1900 qualifying indigents with electricity coupons by 30 June 2022	Provide 1900 qualifying indigents with electricity coupons by 30 June 2022	Provide electricity coupons to 1 800 qualifying hoiseholds by 30 June 2023	Electricity coupons provided to 1367 households.	Provide electricity coupons to 1 800 qualifying hoiseholds by 30 June 2024	Provide electricity coupons to 1 800 qualifying hoiseholds by 30 June 2025	Provide electricity coupons to 1 800 qualifying hoiseholds by 30 June 2026		
Ensure that all indigent people have adequate access to free basic services Provide free basic service to qualifying indigents	Number of households provided with alternative	Provide 1650 households with alternative	None	Provide 1650 households with alternative	Provide of alternative energy (gas) to 1 650 Households by 30 June 2023	The advert was issued on the 19th of May 2023 and the	Provide alternative energy (gas) to 4864	Provide alternative energy (gas) to 1650	Provide alternative energy (gas) to 1650	Provide alternative energy (gas) to 1650	

Free Basic Service Policy Objectives Taken From IDP									
Service Objectives	Service Targets	Year -1		Year 0		Year 1		Year 3	
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	*Following Year
<i>Service Indicators</i>									
Provide free basic service to qualifying indigents	energy (gas) by 30 June 2023	energy (Burner gas stoves) by 30 June 2022		energy (Burner gas stoves) by 30 June 2022		Households by 30 June 2024	Households by 30 June 2025	Households by 30 June 2026	

COMPONENT B : ROADS & TRANSPORT

3.7 ROADS

Road and stormwater falls under Transport and Roads Strategic Focus Area, under this focus area there are about five municipal strategies to achieve the strategic objectives, namely:

- Construction of gravel wearing course municipal roads
- Construction of flexible wearing course municipal roads
- Construction of non-motorised pathways
- Rehabilitation of municipal gravel roads
- Maintenance of municipal gravel roads
- Maintenance of municipal surfaced roads

Rural Road Asset Management System (RRAMS) indicates that the total length of Access Road for Nyandeni Municipal area of jurisdiction is 1 603.5km. The total length of surfaced roads is 15 km as per the municipal base line, the total length for National Roads is 19.93 km, and total length for Provincial Roads is 569.51km.

Project Management Unity is responsible for the implementation of capital infrastructure projects using different grants, coordination of Expanded Public Works Program (EPWP), Institutional Social Development (ISD) and Occupational, Health & Safety (OHS).

Capital Infrastructure Implementation Policy was adopted by the Council as guide for the implementation of all capital projects, and is reviewed annually. It has been discovered that NLM spend much of the municipal funds on maintenance and rehabilitation of the gravel roads as most of our roads are damaged during rain seasons due to the bad terrain. NLM Council decided to implement low volume surfaced roads, which are more durable than gravel roads.

Road Maintenance unit is depending on the Equitable Share in order to deliver services to its communities to maintained 32Wards using Roads Maintenance Plan that is abstracted from the IDP.

The Nyandeni Local Municipality area of jurisdiction comprises of two areas: Inland and the coastal belt. These areas have two notable distinct weather patterns as per seasonal changes especially in the wet season, disrupting transport services and access to health Centres and School some due to bad terrain. They both are in mountainous areas with a relatively high average rainfall. Such indicators were:

- Notable increases in temperatures;
- Notable precipitation on the coastal areas;
- Heavy rainfalls;
- Destructive storms;
- Shorter return period for floods; and
- Between very wet periods, longer dry spells and increased likelihood.

Due to climate change, most of the rivers along the coast are widening during heavy rains, which results to flooding and erosion.

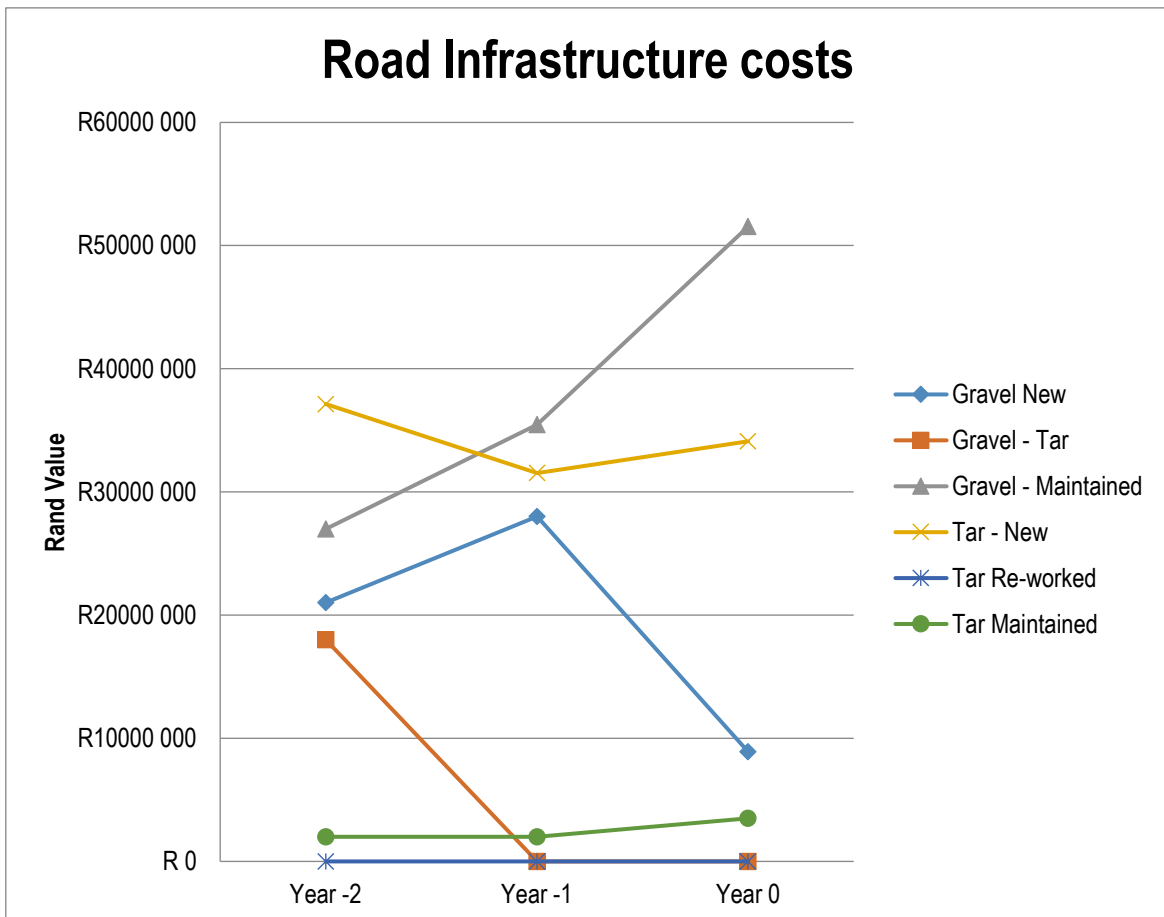
Heavy rains has affected Nyandeni Local Municipality between throughout the seasons and are causing flooding, washed away roads and collapsing of culverts/ bridge structures, which resulted to poor access roads leading to the community amenities. These heavy rains have negatively affected community livelihoods, people are struggling to commute and access economic hubs. These damages resulted in community unrest due to damaged roads, taxi associations are complaining and enforcing road repairs and maintenance.

- Almost every day, the Infrastructure Development Directorate is receiving a huge number of complaints regarding roads that are damaged due to heavy floods. Roads Maintenance Unit officials conducted assessment for all the roads that were reported to verify scope of works required. About 342 km municipal roads was assessed.
- NLM submitted to COGTA and OR Tambo DM Disaster Unit number of roads that were affected
- In 2022/203 financial year NLM received disaster funding to an amount of R2.6 million for the Repairs of Mthombetsitsa to Nxukhwebe Bridge.
- During the mid-year adjustment, Council also approved R15m above the normal budget to intervene and maintain access road that were affected by various disasters.
- Libode CBD is most negatively affected by stormwater challenges during heavy rains. Design Report is complete for the refurbishment of stormwater.
- NLM developed Stormwater Management Plan in 2015 and is due for review in 2023/2024 financial year.

Gravel Road Infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometres Gravel roads graded/maintained
Year -2	450	26	12	100
Year -1	500	20	64	120
Year 0	525	26	44	197
				T 3.7.2

Tarred Road Infrastructure					
Kilometres					
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
Year -2	11,5	5	0	0	5
Year -1	75,5	63,71	0	0	12
Year 0	120	44	0	0	12
					T 3.7.3

Cost of Construction/Maintenance						
R' 000						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
Year -2	21000000	18000000	26 987 288	37133685,98	0	2000000
Year -1	28005000	0	35 460 723	31 529 922,38	0	2000000
Year 0	8908883,11	0	51 538 312	34114968,4	0	3500000
						T 3.7.4



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Financial Performance Year 2023: Road Services					
Details	2022	2023			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	33881	71299	78592	71306	-9%
Expenditure:					
Employees	20791	15352	14616	12205	-16%
Repairs and Maintenance	1331	21533	35109	28338	-19%
Other	16162	6936	12486	4605	-63%
Total Operational Expenditure	38284	43821	62211	45148	-27%
Net Operational Expenditure	-4403	27478	16381	26158	60%
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

Road Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									
Construction of 300km of Gravel wearing Course	Kilometres of gravel roads tarred (Kilometres of gravel road remaining)	60kms gravel roads		240 kms gravel roads remaining)	214,1 kms gravel roads remaining)	241 kms gravel roads remaining)	Baseline 110kms gravel roads remaining)	60km gravel roads remaining)	60 kms gravel roads remaining)
Construction of 100km of Flexible wearing Course	100 kms of municipal roads to be developed	20km surfaced roads	63km	63 kms	26,9 kms	10kms	0	0	0
Construction of 15000m2 of Non-motorized transport	15000m2 of non-motorised to be developed	1500m2 non-motorised	1600m ²						
Rehabilitation of 250km of gravel wearing course	250 km gravel road to be rehabilitated	50kms gravel roads	43,5km	43,5km	28,5km	37km	109km	150km	200km
Maintenance of 525km of gravel wearing course	525km of gravel roads to be maintained	105km gravel roads maintained	150km						
Maintenance of 11.6 Km of Surfaced Roads	11,6km surfaced roads to be maintained	11,6km maintained	11,6km	20km	40km	60km	60km	80km	80km

EMPLOYEES: ROADS SERVICES					
TASK GRADE	EMPLOYEE No FY 21/22	POSTS NO.	EMPLOYEE NO. 22/23	VACANCIES NO.	VACANCIES AS %
3	2	2	2	0	0%
7	11	11	10	1	9%
8	9	9	7	2	22%
10	2	2	2	0	0%
11	9	9	9	0	0%
16	2	2	2	0	0%
20	1	1	1	0	0%
TOTAL	36	36	33	3	8,3%
T3.7.7					

Capital Expenditure Year 0: Stormwater Services Included in roads R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Mbange Access Road 9,5km	4527309		5347765	15%	6947901
Mdina to Mncwili Access Road 5,1km	1138881		1316105	13%	5763342
Sofia Low Volume Surfaced Access Road 7km	677008		1733799	61%	18726172
Dontsa To Mangwaneni Low Volume Surfaced Access Road 5,9km	56336		700400	92%	14477886
Langakazi Low Volume Surfaced Access Road 5km	1027533		1023274	0%	17434628
Tholeni Low Volume Surfaced Access Road 5,5km	5747484		2072016	-177%	13388126
Ntshazini to Ncanzibe Low Surfaced Access Road 11,2km	24533874		26237387	6%	37508974
Majikja to Dokodela Access Road 11,3km	8075000		5887800	-37%	8562694
Libode Non-Motorised Pathways	1135252		627632	-81%	10000000
Ngqeleni Non-Motorised Pathways	1135252		627632	-81%	10000000
Mvilo Access Road	1500000		2218013	32%	23747081
Biduza to Sundwana Access Road	650835		650835	0%	25069421
Libode Internal Street Phase 1	748500		748500	0%	11724456
Repairs of Mthombetsisa to Nxukhwebe Bridge	2692899		2692899	0%	2692899
Rehabilitation of Dininkosi Access Road 5km	2500000		2499877	0%	25000000
Rehabilitation of Mahahane Access Road 6km	2500000		2105088	-19%	2500000
Rehabilitation of Nodushe Access Road 6,5km	4187887		3015569,1	-39%	4187887
Rehabilitation of Galili Access Road 6,5km	3000000		2954679	-2%	3000000
Rehabilitation of Zikhoveni Access Road 6,5km	2500000		2496726	0%	2500000
Rehabilitation of Bhucula Access Road 11,6km	2622230		2166981	-21%	2622230
	70956281		67122979		245853698
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
					T 3.7.9

3.10 INTRODUCTION TO PLANNING

The key focus areas/ categories of spatial planning are Settlement Planning, Land Use Management spatial planning and real estate management.

SPATIAL PLANNING

During the year under review the spatial planning unit made progress with measures towards the implementation of SPLUMA (Spatial Planning and Land use management Act No. 16 of 2013). The municipality opted to form part of the district municipal planning tribunal together with Mhlontlo and O.R Tambo local municipality. A joint memorandum of agreement was signed by all three parties in order to ensure that each party perform their role and responsibilities for joint collaborative working. Being part of the DMPT allows the pooling of human, financial and physical resources. The municipality completed its categorization of applications that must be served to the tribunal and those that can be dealt with by the authorized official. The appeals authority and the authorized official were also appointed during the year under review.

During the year under review the municipality also worked on developing and completing The landuse management scheme and street naming project. These give effect to the development principles, norms and standards set out in chapter 2 of the Land Use Management Act.

Settlement Planning

The municipality recognizes the need for creating home ownership solutions for middle income people who do not qualify for low cost housing because of their income bracket and also can not access a bank bond as they are perceived to earn too little. In this regard the municipality decided to establish a new township which comprises of 82 total sites (74 residential, 4 commercial, 2 public open space, 1 institutional space and 1 place of worship). The municipality embarked on a process of dispossessing these site to individuals so that they can build their own homes. The municipality has also completed a township establishment application for proposed 100 middle income sites in Ngqeleni which was delayed as a result of the lapsing of the approved EIA, however, through a number of engagements between the municipality and the department of Environmental affairs the EIA validity was extended.

Land Use Management

The department has processed a number of land development applications in an effort to formalize informal Land-use and to manage the growth thereof. During the year under review the municipality gained an additional 797 hectares of land through the settlement of a land claim between the municipality and the claimants of eMoyeni/Marhubeni community . A rezoning, subdivision and consolidation of Ngqeleni cemetery, Ngqeleni transport hub from Erf 1 Ngqeleni was also done in-order to allow for the expansion of the cemetery and formalization of the transport hub. A subdivision, consolidation and rezoning of Libode municipal offices was also done in order to formalize the zoning and land rights of land upon which the municipality is established. In an effort to create more residential erven to alleviate the demand for residential property, the Department completed a subdivision and rezoning application for the establishment of 26 new residential erven in Libode.

Real Estate Management

A major achievement in this section was the finalization of the settlement agreement for the land claim over Erf 90 Libode by Mdlankomo- Moyeni communities. This settlement agreement saw 797 hectares of land being resorted back to the municipality. The municipality initiated a consolidation application was approved in August 2021 resulting in a new commonage Erf number which is now Erf 1391 Libode . One of the challenges that have been plaguing municipal property rate revenue is properties that are privately owned which are still registered under the municipal ownership. In an effort to address this quandary, the Department has initiated a process to assist property owners whose properties are still reflected under municipal ownership, the municipality will assist with the transfer of these properties to private ownership and as such various engagements have been made with these property owners and assistance availed with deed of sales and signing of deed of transfers.

Development Planning

During the year under review the Department facilitated the planning and development of a new shopping Facility in Ngqeleni Erf 65 which has various national retail outlets such as Jumbo, BUZI, Rage and other chain stores. The Libode Boklein shopping facility was officially opened in 2018. This shopping facility has assisted in creating employment opportunities for more than 50 people. Working in collaboration with other municipal departments, development planning and LED office also facilitated the planning and development of the Libode transport hub which is now almost at completion stages. The planning and securing of funds for various small town revitalization projects. The department also started working on completing all development planning process for development of a commercial precinct on ERF 88 Libode and Erf 914 Ngqeleni. The Department continues to work closely

with the Department of Public Works in order to realize the aspiration of the development of an office park in Libode.

APPLICATIONS FOR LAND USE DEVELOPMENT

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Enviroment	
	Year -1	Year 0	Year -1	Year 0	Year -1	Year 0
Planning application received	03	02	09	12	32	48
Determination made in year of receipt	00	00	04	06	30	41
Determination made in following year	01	00	01	00	02	00
Applications withdrawn	00	00	01	02	00	04
Applications outstanding at year end	02	02	05	06	02	07
T 3.10.2						

PLANNING POLICY OBJECTIVES TAKEN FROM IDP

Planning Policy Objectives Taken From IDP										
Service Objectives		Year -1		Year 0		Year 1		Year 3		
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Service Indicators		*Previous Year (iii)	(iv)	*Previous Year (v)	(vi)	*Current Year (vii)	(ix)	*Current Year (ix)	*Following Year (x)	
(i)										
Service Objective xxx Spatial Planning and Land use Management by 2027	(ii)	Development of Ntlozi Precinct Plan	Developed Ntlozi Precinct Plan	Ntlozi Precinct Plan Developed by 30 June 2022	Development of Libode Investment Plan by 30 June 2023	Libode Investment Plan Developed by 30 June 2023	Development of Libode Lower South Urban design by 30 June 2024	Development of Libode Lower South Urban design by 30 June 2024	None	
		Complete Township Establishment application for Ngqeleni 100 middle income housing	Completed Township Establishment application for Ngqeleni 100 middle income housing development	Completed Township Establishment application for Ngqeleni 100 middle income housing development by 30 June 2022	Finalisation of Township Establishment application by the DMPT	Finalisation of Township Establishment application by the DMPT	Opening of a township Registra	Opening of a township Registra	None	
	To provide integrated spatial planning, land use management and built environment by 2027.	100 % of Assessed and processed development plans applications by 30 June 2022	100 % of Assessed and processed development plans applications by 30 June 2022	100% of Assessed and processed development plans applications by 30 June 2022	100% of Assessed and processed development plans applications by 30 June 2023	100% of Assessed and processed development plans applications by 30 June 2023	Percentage of Assessed and processed development plans applications by 30 June 2024	Percentage of Assessed and processed development plans applications by 30 June 2025	Percentage of Assessed and processed development plans applications by 30 June 2025	
		Process 100% of applications in compliance with building regulations and standards by 30 June 2022	Processed 100% of applications in compliance with building regulations and standards by 30 June 2022	Processed 100% of applications in compliance with building regulations and standards by 30 June 2023	Processed 100% of applications in compliance with building regulations and standards by 30 June 2023	Processed 100% of applications in compliance with building regulations and standards by 30 June 2023	Process 100% of applications in compliance with building regulations and standards by 30 June 2024	Process 100% of applications in compliance with building regulations and standards by 30 June 2025	Process 100% of applications in compliance with building regulations and standards by 30 June 2025	
		Compliance with Built Environment Norms and Standards by 2027								
Building control and development regulation through compliance with National Building regulations										
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. *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 3.10.3										

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

Nyandeni Local Municipality developed Local Economic Development (LED) Strategy and was last reviewed in 2018/2019. Local Economic Development prioritizes food security, economic development, and tourism promotion across its jurisdiction. The first priority which is food security is aligned with the Nyandeni Animal Feed Processing Plant project, second priority is economic development where small businesses are funded and provided with capacity building in the form of training initiatives. The third priority is tourism promotion in the form of marketing and awareness.

Economic Activity by Sector R 'million			
Sector	Year -2	Year -1	Year 0
Agric, forestry and fishing	2	1,5	20
Mining and quarrying	6	5	6.2
Manufacturing	56	58	64
Wholesale and retail trade	45	51	52
Finance, property, etc.	51	48	52
Govt, community and social services	23	25	25
Infrastructure services	34	38	41
Total	217	226,5	254
T 3.11.2			

Economic Employment by Sector			
Sector	Year 1 No.	Year -1 No.	Jobs Year 0 No.
Agric, forestry and fishing	20 000	25 000	28 000
Mining and quarrying	400 000	435 000	380 000
Manufacturing	320 000	300 000	280 000
Wholesale and retail trade	190 000	200 000	220 000
Finance, property, etc.	275 000	255 000	235 000
Govt, community and social services	300 000	310 000	320 000
Infrastructure services	400 000	430 000	450 000
Total	1905000	1955000	1913000
T 3.11.3			

Local Job Opportunities

Nyandeni Local Municipality has prospects of creating local jobs through short-term and long-term projects such as Village based accommodation, Hluleka Nature reserve and Mdumbi Kayaking which employs the youth in short-term seasonal jobs and long-term projects such as hawker stalls built in town (Taxi Rank).

Nyandeni Local Municipality employs a total number of 22 200 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within O.R.Tambo District Municipality is King Sabata Dalindyebo local municipality with a total number of 124 000. Nyandeni Local Municipality also employed the lowest number of people within O.R.Tambo District Municipality.

In Nyandeni Local Municipality the economic sectors that recorded the largest number of employment in 2018 were the community services sector with a total of 7 050 employed people or 31.8% of total employment in the local municipality. The trade sector with a total of 5 210 (23.5%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 44 (0.2%) is the sector that employs the least number of people in Nyandeni Local Municipality, followed by the electricity sector with 50.1 (0.2%) people employed.

Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
Year -2				
Year -1				
Year 0	1320	0	1320	
Create work opportunities through Public Employment Programmes by 30 June 2023	1320	0	1320	
Initiative B (Year 0)				
Initiative C (Year 0)				
T 3.11.5				

LED Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
Year -2	0	0
Year -1	0	0
Year 0	1	462
* - Extended Public Works Programme		T 3.11.6

Service Objectives	Outline Service Targets	Year -1		Year 0		Year 1		Year 3	
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(ix)	(ix)	(x)
Service Indicators									
Service Objective xxx									
Training of people in essential skills: x, y, z									
Socio - Economic development	Number of people trained (including retrained upskilled)	x people trained	x people trained	x people trained	x people trained	x people trained	x people trained	x people trained	x people trained
	Provide training to 80 SMME's and Cooperatives members as part of capacity building by 30 June 2023	Provide training to 80 SMME's and Cooperatives members as part of capacity building by 30 June 2022	Provided training to 80 SMME's and Cooperatives members as part of capacity building by 30 June 2022	Provide training to 80 SMME's and Cooperatives members as part of capacity building by 30 June 2023	Provided training to 95 SMME's and Cooperatives members as part of capacity building by 30 June 2022	Provided training to 95 SMME's and Cooperatives members as part of capacity building by 30 June 2022	Provided training to 80 SMME's and Cooperatives members as part of capacity building by 30 June 2024	Provided training to 80 SMME's and Cooperatives members as part of capacity building by 30 June 2025	Provided training to 80 SMME's and Cooperatives members as part of capacity building by 30 June 2025
	Support "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2023	Support "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2022	Supported "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2022	Support "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2023	Supported "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2022	Supported "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2022	Supported "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2024	Supported "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2025	Supported "One household, one food garden" programme with seeds and seedlings for 320 households by 30 June 2025
Tourism /Socio - Economic development	Provide marketing services to fifteen (15) tourism product owners by 30 June 2023	Provide marketing services to fifteen (15) tourism product owners by 30 June 2022	Provided marketing services to fifteen (15) tourism product owners by 30 June 2022	Provide marketing services to fifteen (15) tourism product owners by 30 June 2023	Provided marketing services to fifteen (15) tourism product owners by 30 June 2023	Provided marketing services to fifteen (15) tourism product owners by 30 June 2023	Provide marketing services to fifteen (15) tourism product owners by 30 June 2024	Provide marketing services to fifteen (15) tourism product owners by 30 June 2025	Provide marketing services to fifteen (15) tourism product owners by 30 June 2026
Agriculture/Socio - Economic development	Support 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2023	Support 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2022	Supported 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2022	Support 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2023	Supported 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2023	Supported 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2023	Support 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2024	Support 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2025	Support 16 small scale projects with farming inputs, material, tools and equipments by 30 June 2026
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.									

Local Economic Development has been successfully implementing internal and external funded priority projects and its continuous spending of budget resulted in the improvement of development for the four strategic focus areas identified in the LED Strategy. All the projects that were funded from internal and external funding sources were implemented without problems therefore the Municipality had been able to properly account for those funds.

The first large project in Nyandeni Local Municipality in the Local Economic Development is the Nyandeni Animal Feed Processing Plant (N.A.F.P.P.) funded by National Treasury with a budget of R59.9 million allocated in tranches. The first tranche of funds has been used on consulting, specifications, and tendering. Local Economic Development now awaits further funds from National Treasury to commence with the project.

Approximately R55 million funding was received from National and Provincial Government, R15 million for phase 2 of Hluleka Game Reserve, R18 million Khonjwayo Eco adventure trails and R10 million Mngcibe coastal facilities (hiker's huts). All the projects funded by DEFF were expected to be implemented over a period of three years.

National Department of Cooperative Governance and Traditional Affairs (COGTA) invested R10 Million in the implementation of Community Works Program that has been rolled out to 20 wards currently.

R19 million was received from National Department of Tourism (NDT) for the development of Nyandeni Great Place Chalets.

LED stakeholder forum functionality

The Municipality restructured the LED Forum and introduced Economic and Infrastructure Cluster. This Cluster is made up of representatives from Sector Department, institutions and stakeholders responsible for all matters related to economic development and infrastructure development. The department also participates on Intergovernmental Relations.

The following Stakeholders participate in the Economic and Infrastructure Cluster:-

- Department of Rural Development and Agrarian Reform
- Department of Social Development
- Department of Economic Development, Environmental Affairs and Tourism
- Eastern Cape Parks and Tourism Agency (ECPTA)
- Small Enterprise Development Agency (SEDA)
- Department of Environmental Affairs
- Eastern Cape Development Agency (ECRDA)
- Department of Rural Development and Land Reform (DRDLR)

Funding opportunities of LED activities (indicative figures on Donors/funders and types of program)

R4 million was made available by the municipality to provide production inputs to 1500 hectares across Nyandeni Local Municipality in support of maize production as a feeder in Nyandeni Animal Feed Processing Plant. Our Municipality collaborated with the Department of Rural Development and Agrarian Reform in producing maize for farmers who contributed 25% or R1800 per hectare towards crop production.

Economic Infrastructure and Logistics

WC meander, N2 toll road & Mzimvubu dam (SIP3)

The WC SEZ (approved as an industrial park)

Program to Revitalization state-owned industrial parks,

Hluleka nature reserve Economic stimulus funding for tourism infrastructure

The wild coast 6 day hiking trail & Mngcibe camp development

OR Tambo Regional water bulk schemes to support node development

Rural roads network include R61 upgrades (as economic infrastructure e.g. Ntlaza to Hluleka

Development of Nyandeni Smart Village

Investments and trading by-laws

The Municipality entered into partnerships with prospective developers for the development of commercial centers at both Libode and Ngqeleni.

The municipality is currently implementing the following By-laws and Policies:-

Street Trading By-law

- Public Space By-law,

- Underdeveloped sites by-law
- LED Funding and support Policy
- SMME Development Policy

Intensify Enterprise support and business development

The type of business development services (BDS) provided to SMME;

The Municipality supports a number of SMME's and Co-operatives. The following support is provided;--

- Implementation of the SMME and Cooperative development Strategy through
- The municipality has provided capacity building and training to 80 SMMEs and Co-operatives through and capacity building programs, trainings were offered in partnership with SEDA, Furntech, NHBRC and Technology Innovation Agency
- Sixteen (16) SMME's have been supported by inputs under agriculture, furniture making sewing and Tourism facilities
- The municipality has provided capacity building and trainings to 64 unskilled artisans, trainings were offered in partnership with NHBRC, TARDI and TIA.
- The municipality keeps an up to date database of businesses and ensured that business licenses are renewed on an annual basis.
- A Local Economic Development Funding Support Policy has been reviewed is being used to guide support towards SMME's, Cooperatives and projects

Public and private partnerships established

The Municipality had no formal partnerships established as prescribed by the National Treasury. Nonetheless, the following partnerships exist:-

- Small Towns Revitalization projects and urban infrastructure upgrade (17 SMME's and 36 local suppliers benefited)
- Partnership with TARDI on improving knowledge management and LED capacity
- Partnership with Moses Kotane Institute on Maritime Development Programme
- Partnership with SEDA on capacity building and training to SMME's and Cooperatives
- MoU with Siyanda Bagkatla Platinum Mine on Nkanga Poultry/ Egg Production
- SLA with Ntinga O.R. Tambo Development Agency on Business Plan Development for Animal Feed Plant
- Partnership with NHBRC on training of artisans and local contractors
- Partnership with Ferntech on furniture manufacturing training
- The Municipality has recently signed MoU with Sibanye Platinum Mine for the development of 3 Shearing Sheds at Buntingville (ward 13), Zixholosini (ward 29) and Mbhobheleni (ward 27)
- MoU with Walter Sisulu University

Number of new formal SMME established within the municipality

The municipality coordinates the process of database registration.

Platforms to create awareness on SMME and cooperatives programs and support are being created.

Trainings on tendering, contractor management business, Finance management, and technical skills, NHBRC, Health and Safety were conducted for SMME's.

A new database for Spaza shops both in urban and rural areas has been developed.

3.11.9

Financial Performance Year 0: Local Economic Development Services					
Details	2022	2023			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	12 137	256	4 446	3 474	-22%
Expenditure:					
Employees	11 068	11 888	12 839	10 763	-16%
Repairs and Maintenance					
Other	4 759	17 009	18 141	9 942	-45%
Total Operational Expenditure	27 964	29 153	35 426	24 179	-32%
Net Operational Expenditure	-15 827	28 897	30 980	20 705	-33%
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

3.11.10

Capital Expenditure Year 0: Economic Development Services					
R' 000					
Capital Projects	2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	8 000	11 489	4 570	0%	
				0%	
Software				0%	-
Sportfield	7 000	7 000	2 025	0%	-
Animal Feed		3 489	2 545	0%	-
Warehouse construction	1 000	1 000	-	0%	-
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.11.10

Number of new employment opportunities through Expanded Public Works Programs and Public and Private Partnerships

The following employment opportunities were created through Local Economic Development:-

Placement of 34 lifeguards to provide safety during pick seasons

Tourism awareness campaigns

Five (5) Fishing Cooperatives were issued fishing permits by the Department of Economic Development Forestry and Fisheries

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

Delete Directive note once comment is completed – Provide brief introductory comments. Refer to support given to those communities that are living in poverty.

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

There are two main libraries located in both Libode (Mphathisi Nonkobongo Public Library) and Ngqeleni (Linda Dweba Public Library) towns and are funded by Department of Sports, Recreation, Arts and Culture (DSRAC). We have four modular libraries as follows: Ntsundwane Public Library (Ward 20) is operating currently Librarian responsible for this library has appointment. Lwandile Public Library (Ward 25) and Marhubeni Public Library (Ward 04) are operating personnel appointed for them. Ngeketso Public Library (ward 14) is operating fully from 03 May 2021. The three modular libraries are not operating yet. There is a School / Community Library project that was piloted by DSRAC with appointed Librarian at Ruze J.S.S. where two (2) classrooms were converted into a library (one is a computer lab and another has been converted into library with bookshelves, children area and study area. We supported eleven (10) schools with library materials. We perform library function through MoU with DSRAC that is signed every year. They supported us with R 700, 000. 00 during 2022 / 2023 financial year.

The municipality does not have museums, archives, galleries, zoo..

T.3.12.2

LIBRARY NAME	BOOKS BORROWED	BOOKS USED IN – HOUSE	WALK INS	REGISTERED MEMBERS
Mphathisi Nonkobongo Public Library	150	2, 090	3, 791	68
Linda Dweba Public Library	174	1, 320	3, 285	16
Ngeketso Public Library	497	4, 168	4, 469	10
TOTAL	821	9, 279	9, 844	94

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

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	700	700	700	700	0%
Expenditure:					
Employees	-			-	#DIV/0!
Repairs and Maintenance	-	-	-	-	
Other	700	700	700	423	-40%
Total Operational Expenditure	700	700	700	423	-40%
Net Operational Expenditure	-	-	-	-277	#DIV/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
T.3.12.3					

Libraries; Archives; Museums; Galleries; Community Facilities; Other Policy Objectives Taken From IDP											
Service Objectives		Outline Service Targets		Year -1		Year 0		Year 1		Year 3	
				Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Indicators (i)		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)		Conducted five Library activities.	(5) library activities by 30 June 2024	(5) library activities by 30 June 2025	*Current Year (viii)	*Following Year (x)
Service Objective xxx											
Provide access to information	Number of library activities conducted by 30 June 2023					Conduct five (5) library activities by 30 June 2023	Conducted five Library activities.	(5) library activities by 30 June 2024	Conduct five (5) library activities by 30 June 2025		Conduct five (5) library activities by 30 June 2026
	Report on utilization of Municipal Libraries through user registers by 30 June 2023	Measure access to Municipal Libraries by 30 June 2022	Number of walk ins: 285 Number of books used in house: 8, 796 number of books borrowed: 714	Measure access to Municipal Libraries by 30 June 2022	Measure User Access of Municipal library by 30 June 2023	Number of walk ins: 9844 Books used in house: 9279 Number of books borrowed: 821	Measure User Access of Municipal library by 30 June 2024	Measure User Access of Municipal library by 30 June 2025	Measure User Access of Municipal library by 30 June 2026		
Provide access to information	Number of Book Clubs established by 30 June 2023 (at ward 7, 21, 14, 20 and ward 3)				Establish five (5) Book Clubs (at ward 7, 21, 14, 20 and ward 3) by 30 June 2023	Five book clubs established at 1. Lighthouse book club Libode, 2.Nqeketho book club Ngqeleni, 3.Nonesi book club at Nonesi JSS, 4. Ntsundwana public library, a book, 5 Iqula book club.	Conduct four assessment for functionality of book clubs by June 2024	Establish four book clubs by June 2025	Conduct four assessment for functionality of book clubs by June 2026		
Provide access to information	Number of information centers established by 30 June 2023 (at ward 20, 7, 21 and 14)				Establish four (4) information centers (at ward 20, 7, 21 and 14)	Established four information centres at 1.Ntundwana, 2. Nonesi,	Conduct four assessment for functionality of information	Establish four information centers by June 2025	Conduct four assessment for functionality of information		

Service Objectives		Libraries; Archives; Museums; Galleries; Community Facilities; Other Policy Objectives Taken From IDP									
Service Indicators (i)		Outline Service Targets		Year -1		Year 0		Year 1		Year 3	
		Target	Actual	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	Actual	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx		(ii)							(vii)		
							by 30 June 2023	3.Nqeketho, 4. Lindadweba	centers by June 2024		centers by June 2026
<i>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.</i>											
T 3.12.3											

3.13 CEMETORIES AND CREMATORIUMS

3.13.1.

The municipality operates and manages two active cemeteries with the total size of 3.2 hectares at Erf 1 Ngqeleni town and 2.9 hectares at Erf 92 Libode. The primary purpose of cemeteries is the dignified disposition of human remains in accordance with provincial statute and municipal by laws. The municipality has recently upgraded the cemetery in Libode through subdivision and consolidation however, the Ngqeleni cemetery remains under – resourced and land for burial is quickly running out. The municipality is busy upgrading the Libode cemetery by doing sidewalks and parking area. Ngqeleni cemetery has been expanded and a new palisade fence has been erected to strengthen security. Both cemeteries have electricity connections and are energised.

3.13.2. SERVICE STATISTICS FOR CEMETORIES

Gravesite register

GRAVE SITE	GRAVE SOLD
Libode	17
Nggeleni	09

CEMETERIES AND CREMATORIUMS POLICY OBJECTIVES

Cemeteries and Crematoriums Policy Objectives Taken From IDP										
Service Objectives		Year -1		Year 0		Year 1		Year 3		
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Service Indicators	(i)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
		*Previous Year		*Previous Year	*Current					
Service Objective xxx										
Accessible and sustainable facilities					Construct two security guard rooms at cemetery (one at Ngqeleni and one at Libode) by 30 June 2023	Advert for construction was issued on 31/03/2023 and closed on the 02/05/2023. Appointment of the service provider is not yet done.	Finalise Construct two security guard rooms at cemetery (one at Ngqeleni and one at Libode) by 30 June 2023		Construction of mini offices for cemeteries by 2026	
	Accessible and sustainable facilities	Construction of Libode cemetery access ways (paving) 30 June 2023				Construction of Libode cemetery access ways (paving) 30 June 2023	The project is at 90% in terms of progress. Clearance and paving.	Construction of Libode cemetery access ways (paving) 30 June 2023		
	Accessible and sustainable facilities	Fencing of Ngqeleni Cemetery by 30 June 2023	Fencing of Ngqeleni Cemetery by 30 June 2022	Project tender re-advertised on the 23/05/2022 and closed on the 27/06/2022. Service provider appointed on the 30/06/2022	Fencing of Ngqeleni Cemetery by 30 June 2022	Fencing of Ngqeleni Cemetery by 30 June 2023	Fencing project 100% complete			
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.										

The municipality has experience challenges of security and vandalism of cemeteries

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

T.3. 14.1 Municipality focusses on Early Childhood development Infrastructure. Multiple spheres of social cluster Departments have different roles that they contribute towards the construction and implementation of the Early Childhood Development Centres such as Department of Social Development for example provide funding for early childhood development including nutrition and running of the early childhood development centres. In the previous year, the municipality has constructed 3 ECD Centres at Ward 09, 29 and 31, and in the year under review constructed four ECDCs at ward 6, 14, 15, and 16.

3.14.2 SERVICE STATISTICS FOR CHILD CARE

Ward	Number of ECDC's	Number of ECDC's Funded	Number of ECDC's Not Funded
06	09	04	05
14	04	01	03
15	05	03	02
16			

Employees: Childcare, Aged Care, Social Programme: T3. 14..3					
JOB LEVEL	EMPLOYEE NO. 2020/21	POSTS NO.	EMPLOYEE NO. 2021/22	VACANCY NO.	Vacancies (as a % of total posts)
7	1	1	1	0	0%
11	1	1	1	0	0%
TOTAL	2	2	1	0	0%

T.3.14.3

Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP									
Service Objective s	Outline Service Targets	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Promote access to community facilities by 2027	Number of Early Childhood Development Centers Constructed by 30 June 2023	Constructio n of Three (3) Early Childhood Development Centers in three Wards by 30 June 2022	Three ECDC's were constructe d- Achieved	Constructio n of Three (3) Early Childhood Development Centers in three Wards by 30 June 2022	Constructio n of Four (4) Early Childhood Development Centers in four wards (ward by 30 June 2023	50% progress on constructio n of four ECDC centres at 6,14, 15 and 16.	Constructio n of Four (4) Early Childhood Development Centers in four wards (Ward 17, 23,29, & 19 by 30 June 2024)	Constructio n of Four (4) Early Childhood Development Centres by 30 June 2025	Constructio n of Four (4) Early Childhood Development Centres by 30 June 2026
<i>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 Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.</i>									
T 3.14.3									

T 3.14.3

EMPLOYEES: CHILDCARE, AGED CARE, SOCIALPROGRAMME

FINANCIAL PERFORMANCE 2021/22: CHILD CARE, AGED CARE; SOCIAL PROGRAMMES

Included in SPU

CAPITAL EXPENDITURE: CHILD CARE, AGED CARE; SOCIAL PROGRAMMES

Include in SPU

COMMENTS ON THE PERFORMANCE OF CHILD CARE, AGED CARE; SOCIAL PROGRAMMES

The Municipality contributes annually on construction of early childhood infrastructure and coordinates the activities with other key Departments such as Department of Sports Arts and Culture , NGO's and Department of Education through an Early Childhood Forum.

COMPONENT E: ENVIRONMENTAL PROTECTION

EMPLOYEES: POLLUTION CONTROL

Not applicable

FINANCIAL PERFORMANCE: POLLUTION CONTROL

Not applicable

CAPITAL EXPENDITURE POLLUTION CONTROL

Not applicable

3.15 POLLUTION CONTROL

This component includes: clinics; ambulance services; and health inspections The Municipality only facilitates and/ or coordinates health matters arising through its social needs cluster. Environmental Health Services are provided by the District Municipality through Environmental Health Practitioners. The Municipality respond to issues of environmental protection e.g. sewerage spills and liaise with District and the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) for compliance. The Department of Community Services in conjunction with Municipal Law Enforcement Department conduct joint operation relating to waste management related issues

Air Quality Management

In terms of Section 155(6)(a) and (7) of the Constitution, air pollution is regarded as a local government matter and therefore it has to be managed by municipalities. Air quality management in South Africa has undergone drastic changes since the implementation of the National Environmental: Air Quality Act (Act 39 of 2004). The new Act shifts the emphasis from point-source control to proactively protecting the receiving environment. In keeping with the new approach, it is a legal requirement that Municipalities must compile and implement air quality management plans (AQMPs) as part of their Integrated Development Plans (IDPs).

There are few point sources of air quality pollution at Nyandeni as the area is not industrious at all. Main economic activities are administration and agriculture at a non-commercial level. The most contributing activity to pollution are gravel roads through dust pollution to the atmosphere.

ENVIRONMENTAL IMPACT ASSESSMENT (EIA) PROCESS

NEMA Chapter 5 stipulate about the Integrated Environmental Management. The Integrated Environmental Management can be achieved through utilization of Integrated Environmental Management Tools. Environmental Impact Assessment EIA is one of those tools. EIA is the administrative or regulatory process by which the environmental impact of a proposed project, the development or extension to an existing project or development is determined. E.g. Construction of Landfill site, Garages, hosing schemes, bridges and their extensions.

As a tool, EIAs are intended to facilitate informed and environmentally sound decision-making.

The NLM is currently complying with requirements of EIA when undertaking development.

3.16 BIODIVERSITY; LANDSCAPE (INC. OPEN SPACES); AND OTHER COASTAL PROTECTION

Biodiversity

The National Environmental Management Biodiversity Act 10 of 2004 and regulations to provide for the management and conservation of South Africa's biodiversity within the framework of the National Environmental Management Act, 1998; the protection of species and ecosystems that warrant national protection; the sustainable use of indigenous biological resources; Biodiversity Management function is a concurrent function in all spheres of governance as per schedule 4 of the Constitution of the Republic. Healthy ecosystems are recognised to underpin the 17 SDGs, by preventing climate catastrophe and mass extinction.

The municipality is cleaning the open spaces in our towns and beautifying the illegal dumping areas and have targets of improving the scenic

Coastal Management

The Integrated Coastal Management Act assigns mandate in schedule 5b for local government to be a custodian of coastal resources, beaches and amusement facilities.

TOURISM

There is one protected area within Nyandeni Municipality, namely the Hluleka Provincial Nature Reserve. Hluleka is managed by the Eastern Cape Parks and Tourism Agency and covers a total area of 772ha, which includes the coastal area. The nature reserve is situated about 90km to the south east of Mthatha and 53.1km south of Libode. Hluleka comprises of the coastal forest reserves of Congwane Mtombo and Ndabeni Hluleka as well as the old Strachan Grant Farm.

The 20km coastal belt of Nyandeni, which stretches from Mthatha Estuary in the south west, to Mnenu Estuary in the north east, is viewed as having ecotourism potential. The area possesses forests, areas specifically for nature conservation, estuaries and wildlife. Hluleka also holds potential for further development, with the location seen as being an anchor for tourism development. Tourism development at Hluleka would see a collaboration between Nyandeni, Mhlontlo and Ngquza Hill Municipalities (IDP, 2015). (source; NLM IDP)

The following projects are implemented to ensure a safe and healthy environment

Ntlangano Community Conservancy

The project is a nature conservation initiative encompassing the steep river valleys and gorges of Tina, Tsitsa and Mzimvubu Rivers. The area has some spectacular water falls at Tsitsa and Tina Rivers. It is characterized by valley bushveld vegetation with some rare plants in the gorges identified by SANBI. Largely the area is rural in nature and major land use is currently agriculture.

The area is at the confluence of Tsitsa, Tina Rivers which are tributaries of the Mzimvubu River, to be of strategic importance as one of the development nodes for the municipality. This area is characterised by high biodiversity attributes (as it falls within the Maputoland Biodiversity Hotspot area), high levels of poverty (as indicated in the 2011 Census), and high levels of land degradation. Biodiversity conservation is one of the themes of the development

An LSDF for Ntlangano Conservancy has been developed with the assistance from O.R. Tambo District Municipality

Working for the Coast

The program seeks to ensure a clean, safe and healthy environment along the coastline .

The program does cleaning, removal of alien invasive and provision of environmental and tourism infrastructure

Khonjwayo Eco-adventure trails

The project seeks to plant indigenous trees, nursery, fencing of overgrazed land and installation of solar. The project has been approved by the Department of Environmental Affairs to a value of R18 million.

Nggeleni Green Mini Park

Development of a park with furniture, lighting and other facilities. The program has been funded by the Department of Environmental Affairs to a value of R5 million. The National Lockdown delayed the implementation of these programs.

In accordance with the environmental right, all organs of state, including municipalities, are required to take legislative and other measures to give effect to this right. However, the development of these legislative instruments, read together with the mandates given to the spheres of government in the Constitution, has also resulted in some confusion as to the roles and responsibilities of local government in relation to environmental management.

The role of municipalities in respect of environmental management is further enhanced in section 152 of the Constitution, which requires municipalities to, amongst other things ensure the provision of services to communities in a sustainable manner and to promote a safe and healthy environment. The Local Government: Municipal Systems Act 32 of 2000 ("the Municipal Systems Act") gives further effect to these constitutional imperatives. Municipalities have the duty to strive to ensure that municipal services are provided in an environmentally sustainable manner.

- Overall environmental governance
- Air quality management and Climate Change Management
- Waste and chemicals management
- Environmental impact management
- Conservation and biodiversity
- Marine and coastal management

The priority service delivery

- Waste Management
- Coastal Management

Waste Management

Nyandeni LM has an approved IWMP 2021 to 2025 as required by section 11 of the National Environmental Management Waste Act 59 of 2008.

Nyandeni LM has a licenced and functional landfill site, licenced for 20 years from 2022 to 2042.

Have a Designated Waste Officer as required by section 10 of the National Environmental Management Waste Act 59 of 2008.

Nyandeni LM collects and reports its Waste Tons every month to the South African Waste information System as required by the National Environmental Management Waste Act 59 of 2008 and Waste information System Regulations.

The Municipality is having a well engineered Landfill site with weigh-bridge for measuring tones of waste, electrified, Waste Material Recovery Facility for recycling and security systems to control access to the site.

Number of Compliance Audits

Three quarterly Environmental Compliance Audits on landfill site conducted. External Landfill Audit is included in 2022/2023 financial year SDBIP and will be conducted in quarter 3. And achieved 81% compliance for landfill management.

Implementation of Integrated Waste Management Plan

Phased- in the implementation of Integrated waste management plan through the following programmes:

22 Awareness activities have been conducted in various wards, schools and communities

1. 13/ 07/2022 at Libode town,
2. 18/07/2022 at Libode and Nggeleni towns,
3. 27/07/2022 at Libode Showgrounds,
4. 07/09/2022 at Poni JSS, Ward 29,
5. 26/09/2022 at NLM Council Chamber,
6. Ntlaza Community Awareness 20/10/22,
7. Maganise School Awareness 27/10/22,

8. Moyeni School Awareness 24/10/22,
9. Hluleka Coastal Awareness 28/10/22,
10. Corana Community Awareness 11/11/22,
11. Hluleka Maritime Campaign 24/11/22,
12. Nqeketo JSS 27/02/2023
13. Kopshop junction 01/03/2023
14. Sibangweni Location 02/03/2023
15. Sibangweni Location 27/03/2023
16. Ngolo Location 28/03/2023
17. Waste Pickers Libode Municipality building 23/03/2023.
18. 02/04/2023 Awareness on Waste Management at Corana Church, Ward 12,
19. - 03/05/2023 Cleaning Campaign and awareness at Corana, Ward 12 ,
20. 17/05/2023 Environmental Awareness on veld fires at Tyara, Ward 08,
21. 29/05/2023 Institutional Climate Change Awareness,
22. Ward 7, 26 /05/ 2023 Awareness to waste pickers and identity cards.

Coastal Management

Life guards are placed in our six beaches for ensuring safety
EPWP teams are placed along the coast for waste collection along the coast

Number of waste tonnes of municipal solid waste sent to landfill site

Transferred 3049 tons of municipal solid waste to landfill site and reported to South African Waste Information System

Collection of waste from Seven peri-urban informal/formal settlements

Collected Waste from Seven peri urban informal/formal settlements (Ntlaza, Ziphunzana, Thabo Mbeki, Corhana, Canzibe hospital and Ngqeleni and M12, T12, Misty Mount,

OBJECTIVES AS TAKEN FROM IDP

Status quo

Nyandeni Local Municipality Wild Coast stretches over 20km of its wild coast with 6 active beaches Mthatha Mouth, Mdumbi, Mngcibe and Hluleka, Presley Bay, Lwandile. Nyandeni Coast is of biodiversity value; it has scenic beauty with beautiful natural landscape. The Mthatha Mouth area identified as a Special Economic Zone, furthermore with Mthatha Mouth proposed as a new small town and Mdumbi as a green destination by the department of Economic Development Environmental Affairs and Tourism.

The proposed Wild Coast Meander route relates to tourism destinations and provides links between tourism nodes and main mobility routes. Nyandeni forms part of the Integrated Wild Coast Development Plan and the Wild Coast Special Economic Zones.

Within the development Corridor stretching along R61 from Mthatha to Ntlaza with a potential to be developed as development corridor with a higher intensity of land use alongside it due to the proximity of three nodal elements of Ntlaza Junction, Libode and Mthatha (N2 Toll Road)

Available natural resources to complement the proposed infrastructure include natural indigenous forests, rocky hills, thatching grass, and rivers and estuaries.

The coast of Nyandeni has got a very high potential of economic development through eco-tourism. beauty of our towns and peri urbans.

COMPONENT G: SECURITY AND SAFETY

3.20 POLICE

The Municipality does not have Municipal Police but Traffic Officers, Examiners and Law Enforcement Officers. The personnel mentioned perform the same functions as in 3.8 Transport report above. Security services are provided internally for safeguarding of all Municipal assets. Duties of Traffic Officers is to enforce National Road Traffic Act within the Jurisdiction of Nyandeni Local Municipality and attend to incidents and accidents within Nyandeni. Law enforcement Officers Enforce Municipal By-Laws within the jurisdiction of Nyandeni L.M.

Traffic Law Enforcement Statistics

Traffic Law Enforcement Statistics July 2022- June 2023

T.3.20.2.1

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	20 By-laws	20 By-laws	20 By-laws	20 By laws
3	Number of police officers in the field on an average day	06 persons	06 persons	05 persons	06 persons
4	Number of police officers on duty on an average day	06 persons	05 persons	06 persons	06 persons
T 3.20.2					

T.3. 20.3

Police Policy Objectives Taken From IDP									
Service Objectives		Year -1		Year 0		Year 1		Year 3	
		Target	Actual	Target	Actual	Target	Actual	Target	
Service Indicators		*Previous Year		*Previous Year	*Current Year	*Current Year	*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Enforce 20 Municipal By-laws & relevant legislation by 30 June 2023	Number of by-laws enforced by 30 June 2023	Enforce 20 By-laws & relevant legislation by 30 June 2022 (public safety 09 Bylaws)	Municipal By laws enforced 1.Packing Violation 2. Encroachment of Property 3 .Public health By-Law 4 .Public meetings and Gatherings 5. Liquor Trading 6.Funeral Undertakers 7. Public Road and Miscellaneous 8.Waste Management By - Law 9.Street Trading By-Law	Enforce 20 By-laws & relevant legislation by 30 June 2022 (public safety 09 Bylaws)	Enforce 20 Municipal By-laws & relevant legislation by 30 June 2023	20 By laws were enforced	Enforce 20 Municipal By-laws & relevant legislation by 30 June 2024	Enforce 20 Municipal By-laws & relevant legislation by 30 June 2025	Enforce 20 Municipal By-laws & relevant legislation by 30 June 2026
	Report on implementation and monitoring of security plan by 30 June 2023	Implement and Monitor Security Plan by 30 June 2022	Security plan implemented and monitored	Implement and Monitor Security Plan by 30 June 2022	Implement and Monitor Security Plan by 30 June 2023	1. Posted Security Officers in Municipal facilities as per duty roster 2. Tighten security in problematic areas (Ngqeleni main office) 3. Reported security breaches and incidents. 6. Changed Door locks, 7.Development of utilisation of posting plan (Firearm, laptop register and walk in), 8. use of metal detectors.	Implement and Monitor Security Plan by 30 June 2024	Implement and Monitor Security Plan by 30 June 2025	Implement and Monitor Security Plan by 30 June 2026
Implement and Monitor Security Plan by 30 June 2023									

3.21 FIRE

Fire service is competency of the O.R Tambo District Municipality. Fire satellite office is based in Libode

3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENSING AND CONTROL, CONTROL OF PUBLIC NUISANCE AND OTHER)

The Nyandeni Municipality developed its Disaster Management Plan. The key intended outcomes of this plan are the integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the Nyandeni Municipality, the creation and maintenance of resilient communities within the Nyandeni Municipality and an integrated, fast and efficient response to emergencies and disasters by all role-players.

Nyandeni local municipality through Human Settlements unit assesses on reported disasters and provide response material to victims of disaster .

Response material includes:

- Blankets
- Mattresses
- Food parcels

When there are homeless victims' temporary shelters are requested from provincial department of Human Settlements.

Nyandeni Local Municipality has two pounds; one in each town in order to increase public safety by controlling stray animals and nuisance.

3.22 Disaster Management

The Disaster Management Act No. 57 of 2002 requires each local municipality to prepare a Disaster Management Plan for its area according to the circumstances prevailing in the area; to coordinate and align the implementation of its Plan with those of other organs of state and institutional role-players; and to regularly review and update its Plan. The legal requirements related to Disaster management are further elaborated in the O.R. Tambo District Disaster Management Plan.

Although Local Municipalities are not legislatively required to have specific Disaster Management coordinating structures, it is unlikely that a Nyandeni Municipality would be able to effectively conduct a participative Disaster Management planning process in the absence of some or other Disaster Management coordinating structure within the Nyandeni Municipality. It is recommended that Nyandeni Municipality should at least have an internal Disaster Management coordinating body such as an Inter-Departmental Disaster Management Committee. The additional establishment of an advisory forum is strongly recommended to co-ordinate Disaster Management policy within the Nyandeni Municipality and enable stakeholder involvement in Disaster Management matters.

Emergencies and disasters respect no boundaries and can destroy life and property suddenly and without warning. The South African government has recognized the need to prepare for and to reduce the risk of disasters and has made provision for such measures through the three spheres of government in partnership with the private sector and civil society.

The Nyandeni Municipality is not immune to emergencies and disasters and annually suffers the impact of various human-induced and natural hazards that have the potential to kill, injure, destroy and disrupt.

The Nyandeni Municipality developed its Disaster Management Plan. The key intended outcomes of this plan are the integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the Nyandeni Municipality, the creation and maintenance of resilient communities within the Nyandeni Municipality and an integrated, fast and efficient response to emergencies and disasters by all role-players.

The overall objective of this document is to define and describe the essential elements and procedures for preventing and mitigating major incidents or disasters, but also to ensure rapid and effective response and aspect specific contingency planning in case of a major incident or disaster that will:

- Save lives;
- Reduce risk exposure;
- Reduce suffering;
- Protect property;

- Protect the environment;
- Reduce economic and social losses; and
- Provide for the safety and health of all responders.

DISASTER MANAGEMENT CENTRE

ORTAMBO District Municipality is constructing Disaster Management Centre based in Ward 7.

3.22 ANIMAL LICENSING AND CONTROL (POUND MANAGEMENT)

Nyandeni Local Municipality has two pounds; one in each town in order to increase public safety by controlling stray animals.

POUND MANAGEMENT OBJECTIVES AS TAKEN FROM IDP

- Keep animals safe
- Maintain the health and welfare of animals
- Ensure environmental sustainability
- Contributes towards revenue generation
- Reduction of road accidents, that maybe caused by stray animal
- There was no IDP target in the year under review on operational functions.

Disater Management, Animal Licencing and Control, Control of Public Nuisances, Etc Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
Keeping Anaimal safe	Feed and Medication								
Improving public facilities infrastructure	Fencing of Libode Animal Pound			Fencing of Libode animal pound wall.		In progress		Building of pound kraals and offices for both Libode and Ngqeleni	

COMPONENT H: SPORT AND RECREATION

3.23 SPORT AND RECREATION

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

Nyandeni Local Municipality has two sport fields Libode Sport field and Ngqeleni Sport Field that is under construction. The sport ground entails different types of sport activities or grounds such as netball, soccer field, volley ball and gymnasium for exercising.

The sport fields are residing under Community Services Directorate maintenance and in both towns of the Municipality. We are responsible to manage and maintain these facilities within the available budget. We also manage client services, access control, handle the reservations and ensure the execution of the Council's Policy on facilities.

Parks

ECO PARK

The Libode Eco Park is a facility under the Nyandeni Local Municipality that renders services to the community and all surrounding areas. It functions under the rules and regulations of the municipality whereby all functions and events that take place are first to go through the internal administration. Eco park is short for Ecological

park where it is mostly situated in the interior of the population intended for lawns, gardens, play areas and indigenous trees serving as a place of leisure and recreation for citizens of surrounding areas. The most common activities that take place and are photoshoots, birthday parties, walk-ins, picnics, educational tours and braais. The most common activity that is usually booked for is photoshoot.

Sport and Recreation Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0		Year 1		Year 2	Year 3		
		Target	Actual	Target	Actual	Target			
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Improve infrastructure capacity of our public facilities by 2027.	Construction of Ngqeleni Sport Field					Development of Ngqeleni Sport field	Finalization of Ngqeleni Sport Field	Extension of Libode Eco park	
<i>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 Intergrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.</i>									
T 3.23.2									

T 3.23.2

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

INTRODUCTION TO CORPORATE POLICY OFFICES

Nyandeni Local Municipality offices are in both towns of Libode and Ngqeleni with the latter being the seat of Council. The majority of the employees are based in Libode though plans are in place that the Infrastructure Development department will move to the new offices in Ngqeleni. The Mayor has an office in both towns.

T 3.24

3.24 EXECUTIVE AND COUNCIL

INTRODUCTION TO EXECUTIVE AND COUNCIL

The following are the top service delivery priorities:

- Waste and Refuse Collection and disposal
- Construction and maintenance of Roads
- Electrification of households

Highlights in the 2022/23 financial year.

- Completion of the Nxukhwebe to Mthombetsitsa Bridge that was ravaged by torrential rains.
- The electrification of houses within both the informal and formal settlements within the greater Nyandeni area was completed, in some cases utilizing alternative energy thus reducing dependency on the National Grid.
- Intervention directed at Mpindweni community to deal with its crisis of dislocation.
- Completion of ECDC Centres allowing for greater access to learning

The municipality has improved performance mainly by strengthening the capacity of oversight committees, especially MPAC. Council and its committees sit according to the Council Calendar to receive reports according to the compliance requirements. Risk Management (which is chaired by an independent external person) and Audit Committee reports regularly to Council on performance

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

SERIAL NO	STRUCTURE	NO OF PLANNED MEETINGS	ACTUAL SITTINGS
4.	Section 80 Committees		
	LED Standing Committee	6	6
	Human Settlements, Spatial Planning and Disaster Management	6	6
	Community Services and Public Safety	6	6
	Corporate Services	6	6
	Budget and Treasury	6	8
	SPU & Social Services	6	6
	Planning, IGR and Research	6	6
	Infrastructure	6	6
5.	Ward Committees	384	384
7.	Community Meetings	128	128
8.	Mayoral Imbizo	16	16

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

SERIAL NO	STRUCTURE	NO OF PLANNED MEETINGS	ACTUAL SITTINGS
1.	Council	12	15
2.	Open Council	1	1
2.	Executive Committee	12	15
3.	Section 79 Committees		
	Women's Caucus	6	6
	Public Participation and Petitions Committee	6	6
	Ethics and Members Interest Committee	6	6
	MPAC	6	8

Employees: Executive & Council (Secretaries, Admin Officers, Committee Clerks & Public Participation :T3.24.4 Year 0 : 2022/2023					
Job Level (Task Grades)	Employees No. 2021/22	Posts No.	Employees No. 2022/23	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
TG 8	17	19	19	0	0%
TG 11	4	4	3	1	25%
TG 16	1	1	1	0	0%
TOTAL	22	24	23	1	4,3%

Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Year -1		Year 0		Year 1		Year 3		
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(viii)	*Current Year (ix)	*Following Year (x)	
Service Objective xxx										
To strengthen public participation (with communities)	Conducting of Voter and Civic Education sessions	4	6	4	40	65	64	64	64	
To strengthen effective and efficient performance of council	Council and its Committees to meet according to Council Calendar	All	All	All	All	All	All	All	All	
To provide publicity, marketing and media coordination to citizens	Produce quarterly newsletter	40 000 copies	40 000 copies	40 000 copies	40 000 copies	40 000 copies	40 000 copies	40 000 copies	40 000 copies	
To promote equity and inclusiveness of vulnerable groups	To contribute to national development priorities on designated groups (women, youth, disabled, children and elderly).	Support designated groups programs	Youth, Elderly, Women, Youth, Children programs supported	Support designated groups, Youth, designated groups, Veterans were supported	Support designated groups	Youth, Elderly, Women, Youth, Children programs including Military Veterans were supported	Support designated groups	Support designated groups	Support designated groups	

Employees: Financial Services				
Job Level	Year -1		Year 0	
	Employees	Posts	Employees	Vacancies (as a % of total posts)
0 - 3	No. 0	No. 0	No. 0	% #DIV/0!
4 - 6	6	6	6	17%
7 - 9	16	16	14	13%
10 - 12	8	8	8	0%
13 - 15	2	2	2	0%
16 - 18	2	2	2	0%
19 - 20	1	1	1	0%
Total	35	35	33	9%

Financial Performance Year 2023: The Executive and Council					
R'000					
Details	2022	2023			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue				2 430 000	#DIV/0!
Expenditure:					#DIV/0!
Employees	21 487 351	22 546 242	23 192 732	22 104 170	-5%
Repairs and Maintenance					#DIV/0!
Other	45 353 342	29 320 181	34 509 349	47 020 013	36%
Total Operational Expenditure	66 840 693	51 866 423	57 702 081	69 124 183	20%
Net Operational Expenditure	-66 840 693	-51 866 423	-57 702 081	-66 694 183	16%
<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 3.24.5

Capital Expenditure Year 2023: The Executive and Council					
R' 000					
Capital Projects	2022				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 500 000	3 590 047	2 008 108	56	
Motor Vehicle		2 008 108	2 008 108	100	2008108
Container	50 000	100 000	-	-	0
Tools Equipment	1 450 000	1 481 939		-	0
Computer Equipment SPU Youth	150 000	150 000	-	-	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 3.24.6

3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

What we have achieved?

Monitoring payment of supplies within legislative framework.
Cash flow monitoring and at the end of the financial year the municipality had a positive bank balance and the liquidity ratio indicated a going concern capacity of the municipality.

Budget Preparation

Nyandeni Local Municipality prepared and submitted a cash funded budget to National Treasury and complied within the legislative framework.
Nyandeni Local Municipality complied with mSCOA regulations.

Preparation of Annual Financial Statements

Nyandeni Local Municipality prepared Annual Financial Statements in-house and submitted to Auditor General by 31 August 2023.

T 3.25.1

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	Year -1		Year 0			Year 1	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	18317	70%	20323	19129	94%	18580	50%
Electricity - B							
Electricity - C							
Water - B							
Water - C							
Sanitation							
Refuse	413	29%	343	591	172%	309	56%
Other							
<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>							<i>T 3.25.2</i>

Nyandeni Local Municipality appointed Amanquhe Debt Collectors to assist in collecting area debt from households and businesses.

T 3.25.2.

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Financial Service Policy Objectives Taken From IDP										
Service Objectives Service Indicators (i)	Outline Service Targets (ii)	Year 0		Year 1		Year 2		Year 3		
		Target	Actual	Target		Actual	Target			
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)	
Service Objective xxx										
To ensure effective and efficient Budget and Expenditure management						the Council for approval in the Council meeting of the 30 June 2023. The municipality appointed the Municipal Valuer to assist in compilation of General Valuation Roll which will be finalised on 30 June 2024 implemented on 1 July 2024.				
	Prepared and Approved Budget for 2022/2023 by Council by 30 June 2022	Prepared the budget for 2022/23 and submitted to the Council for approval and approved in the Council Meeting on the 30 May 2022	Prepared and approved Budget for 2022/23 by Council by 31 May 2022	Preparation and approval of Budget for 2022/23 by Council by 31 May 2022	Prepared and approved Budget for 2023/2024 prepared and submitted to the Council for approval in the Council meeting of the 31 May 2023.	Preparation and approval of Budget for 2024/25 by Council by 31 May 2024	Preparation and approval of Budget for 2025/26 by Council by 31 May 2025	Preparation and approval of Budget for 2026/27 by Council by 31 May 2026		
	Prepared and submitted Budget returns, s 52(d) s71, s72 B schedule, and C schedule as per MFMA	1. C-schedule and Section 71 reports for 12 months were signed by CFO and submitted to	Preparation and submission Budget returns, s 52(d) s71, s72 B schedule, and C schedule as per MFMA calendar	Preparation and submission Budget returns, s 52(d) s71, s72 B schedule, and C schedule as per MFMA calendar	Prepared 12 x S71 and C-schedule reports and submitted to the National by uploading on LG data portal by regulated	Preparation and submission Budget returns, s 52(d) s71, s72 B schedule, and C schedule as per MFMA calendar	Preparation and submission Budget returns, s 52(d) s71, s72 B schedule, and C schedule as per MFMA calendar	Preparation and submission Budget returns, s 52(d) s71, s72 B schedule, and C schedule as per MFMA calendar	Preparation and submission Budget returns, s 52(d) s71, s72 B schedule, and C schedule as per MFMA calendar	

Financial Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 0		Year 1		Year 2		Year 3	
		*Previous Year (iii)	Actual (iv)	Target (v)	*Current Year (vi)	Actual (vii)	*Current Year (viii)	Target (ix)	*Following Year (x)
	calendar by 30 June 2023		Provincial Treasury and National Treasury as per the MFMA calendar. 2. Section 52(d) report for four quarters were tabled to the Council for adoption. 3. Section 72 report was prepared and submitted to Provincial Treasury and National Treasury. 4. 3x B-schedule were prepared tabled to the Council and submitted to Provincial and National Treasury through upload on LG Gomon Portal		per MFMA calendar	time. 4 x Quarterly S71 reports verified and signed by the CFO and Municipal Manager and submitted to National Treasury by regulated time Prepared 4 x 52 (d) report and submitted to the Council and to National Treasury by regulated time. Prepared S72 report and tabled to the Council and submitted to National Treasury on the 25 January 2023. Budget adjusted four times in 2022/2023 financial year. B-Schedule compiled and			

Financial Service Policy Objectives Taken From IDP											
Service Objectives	Outline Service Targets	Year 0		Year 1		Year 2		Year 3			
		*Previous Year	Actual	Target		Actual	Target				
				(iii)	(iv)		*Previous Year (v)	*Current Year (vi)	(vii)		*Current Year (viii)
Service Indicators (i)	(ii)					Service Objective xxx					

Financial Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0		Year 1		Year 2		Year 3	
		*Previous Year (iii)	Actual (iv)	Target		Actual (vii)	*Current Year (viii)	Target	
				*Previous Year (v)	*Current Year (vi)			*Current Year (ix)	*Following Year (x)
Service Indicators (i)	(ii)	(iii)	(iv)	Service Objective xxx					
			and expenditure reports were signed.			R8,000,000 as at 30 June 2023 translating 100% expenditure against the 2022/23 allocation of R8,000,000 million.			
% of expenditure on FMG by 30 June 2023	Report on payment on invoices within 30 days by 30 June 2021	100% of payment of all invoices was paid within 30 days by 30 June 2022 in line with the creditors age analysis. Signed quarterly report on 100% paid compliant invoices was prepared and signed.	Spend 100% on EPWG,MIG,FMG,INE P, by 30 June 2024	Spend 100% on FMG by 30 June 2023	Report on FMG spending prepared and signed with an expenditure amounting to R1,650,000 in the year ending 30 June 2023 translating to 100% of the total allocation, the total allocation has been fully spent.	Spend 100% on EPWG,MIG,FMG,INE P by 30 June 2025	Spend 100% on EPWG,MIG,FMG,INE P by 30 June 2026	Spend 100% on EPWG,MIG,FMG,INE P by 30 June 2027	
% of expenditure on MIG by 30 June 2023	Update GRAP Compliant Asset Register by 30 June 2021	GRAP Compliant Asset register was updated by 30 June 2022.	100% Payment of all invoices paid within 30 days by 30 June 2022	Spend 100% on MIG by 30 June 2023	The municipality has received 100% of the allocation and has spent R69,440,000.00 (Inclusive of Retention) as at 30 June	Spend 100% on EPWG,MIG,FMG,INE P by 30 June 2025	Spend 100% on EPWG,MIG,FMG,INE P by 30 June 2026	Spend 100% on EPWG,MIG,FMG,INE P by 30 June 2027	

Financial Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 0		Year 1		Year 2		Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	(ix)	*Following Year (x)
					Service Objective xxx				
					2023 translating 100% expenditure against the 2022/23 allocation of R69 440 million.				
	% payment of all invoices paid within 30 days by 30 June 2023			Update GRAP Compliant Asset Register by 30 June 2022	100% Payment of all compliant invoices received within 30 days by 30 June 2023	All compliant creditors were paid within 30 days on receipt of invoice except invoices submitted after 30 June 2023 relating to expenditure committed in 2022/2023 financial year amounting to R3,111,540.47 which have been recorded as accruals.	100% Payment of all compliant invoices received within 30 days by 30 June 2025	100% Payment of all compliant invoices received within 30 days by 30 June 2026	100% Payment of all compliant invoices received within 30 days by 30 June 2027
To ensure proper management of municipal assets	Updated GRAP Compliant Asset Register by 30 June 2023	Implement the fleet management policy and procedure by 30 June 2021	Municipal Fleet was maintained and four quarterly reports were compiled: Fuel and Oil expenditure amounts to R4 073 677	Update GRAP Compliant Asset Register by 30 June 2022	Update GRAP Compliant Asset Register by 30 June 2023	Report prepared and signed for all asset additions. GRAP Asset Register updated as at 30 June 2023 with asset additions	Update GRAP Compliant Asset Register by 30 June 2025	Update GRAP Compliant Asset Register by 30 June 2026	Update GRAP Compliant Asset Register by 30 June 2027

Financial Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0		Year 1		Year 2		Year 3	
		*Previous Year	Actual	Target	Actual	*Current Year	Target	*Current Year	Target
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
			Maintenance expenditure amounts to R1 693 057 Vehicle licensing amounts to R238541 Vehicle Tracking amounts R102 494			amounting to R96,438,950.12			
	Number of reports compiled on insured municipal assets by 30 June 2023			Maintain Municipal fleet and compile four quarterly reports by 30 June 2022	Compile four quarterly reports on insured Municipal assets by 30 June 2023	All new assets for 2022/2023 financial year insured with the municipal insurer. Report prepared and signed by CFO for all new assets insured.	Monitor and Report on number of Municipal assets insured by 30 June 2025	Monitor and Report on number of Municipal assets insured by 30 June 2026	Monitor and Report on number of Municipal assets insured by 30 June 2027
	Annual Report on monitoring of municipal fleet by 30 June 2023			Implement 100% of 2021/22 Procurement plan and develop procurement plan for 2022/2023 by 30 June 2022	Monitor and report on fleet management by 30 June 2023	- Fleet Register had been updated and maintained. - Fuel and oil expenditure in 2022/2023 financial year amounted to R 5,571,438 - A sum of R2,199,126 had been paid for repairs & maintenance	Monitor and report on fleet management by 30 June 2025	Monitor and report on fleet management by 30 June 2026	Monitor and report on fleet management by 30 June 2027

Financial Service Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Year 0		Year 1		Year 2		Year 3		
		*Previous Year	Actual	Target		Actual	Target			
				(iii)	(iv)		*Previous Year (v)	*Current Year (vi)	(vii)	
Service Indicators (i)	(ii)									
Service Objective xxx										
To implement and maintain a fair, equitable and cost effective supply chain management system						of municipal fleet in 2022/23 financial year	• 15 municipal vehicles were auctioned including 1 compactor truck & 1 Motor Grader			
	Number of reports prepared on the implementation of the SCM policy and submitted to Council, PT and NT by 30 June 2023	Procurement plan developed and implemented by 30 June 2021	Implemented 100% of procurement plans for 2021/2022 and prepared procurement plan for 2022-23 Financial Year	Prepare GRAP Compliance AFS for 2020/21 and submit to Auditor General, Provincial Treasury and National Treasury by 31 August 2021	Prepare four Quarterly Reports on implementation of the SCM policy and regulations to Council, PT and NT by 30 June 2023	Specification minutes have been signed, Adverts have been done, Bids and quotes register is updated.	Prepare four Quarterly Reports on implementation of the SCM policy and regulations to Council, PT and NT by 30 June 2025	Prepare four Quarterly Reports on implementation of the SCM policy and regulations to Council, PT and NT by 30 June 2026	Prepare four Quarterly Reports on implementation of the SCM policy and regulations to Council, PT and NT by 30 June 2027	
	Number of reports prepared on maintained contracts register by June 2023			Submit mSCOA compliance reports to both Provincial Treasury and National Treasury as per MFMA calendar by 30 June 2022	Prepare four quarterly Reports on maintenance of contracts register by 30 June 2023	2022-2023 Contract Register has been compiled, maintained and updated with new acquisitions for the year. This update includes projects that are at WIP stage as well as completed projects.	Prepare four quarterly Reports on maintenance of contracts register by 30 June 2025	Prepare four quarterly Reports on maintenance of contracts register by 30 June 2026	Prepare four quarterly Reports on maintenance of contracts register by 30 June 2027	

Financial Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i>	Outline Service Targets	Year 0		Year 1		Year 2		Year 3	
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(ix)	(ix)	(x)
	Report on implementation of Procurement plan for 2022/2023 and developed Procurement plan for 2023/24 by 30 June 2023	Implement 100% of plan and develop procurement plan for 2022/2023 by 30 June 2022	4 Quarterly Reports on Implementation of Procurement Plans prepared		Implement Procurement plan for 2023 and develop procurement plan for 2023/2024 by 30 June 2023	• Report on implementation of the procurement plan has been prepared and signed • Procurement Plan for 2023/2024 financial year prepared and approved together with the budget. Awards made during the current year are as follows:- - 17 tenders awarded to projects above R200,000 - 22 awards tendered for RFQ projects. Deviations amounted to R4,973,396-88 (refer to Section 52(d))	Implement Procurement plan for 2026 and develop procurement plan for 2026/2027 by 30 June 2026	Implement Procurement plan for 2027 and develop procurement plan for 2027/2028 by 30 June 2027	
	To comply with the provisions of MFMA, norms and standard of	Prepare GRAP compliant AFS for 2020/21 and submit to Auditor General, Provincial Treasury and National Treasury by 31 August 2021	GRAP compliant 2020/21 AFS prepared and submitted to Auditor General,		Prepare GRAP compliant 2021/2022 AFS and submit to Auditor	2021/2022 GRAP compliant AFS prepared and submitted to Auditor General.	Prepare GRAP compliant 2024/2025 AFS and submit to Auditor General, Provincial Treasury and National Treasury by 31 August 2025	Prepare GRAP compliant 2025/2026 AFS and submit to Auditor General, Provincial Treasury and National Treasury by 31 August 2026	

Financial Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i>	Outline Service Targets (i)	Year 0		Year 1		Year 2		Year 3	
		Target		Actual		Target		Target	
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	Actual (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
National Treasury	General, Provincial Treasury and National Treasury by 31 August 2022		Provincial Treasury and National Treasury by 31 August 2021		General, Provincial Treasury and National Treasury by 31 August 2022	Provincial Treasury and National Treasury by 31 August 2022. AFS roadmap compiled submitted to the Accounting Officer and tabled to the Council.			
	Submitted mSCOA compliant reports to both Provincial and national Treasury as per MFMA calendar by 30 June 2023	Submit mSCOA compliance reports to both Provincial and National Treasury as per MFMA calendar by 30 June 2022	Monthly and Quarterly mSCOA reports extracted from the system and uploaded to LG database portal		Submit mSCOA reports to both Provincial and National Treasury as per MFMA calendar by 30 June 2023	Monthly and Quarterly data strings for 2022/2023 financial year extracted from the system and successfully uploaded to LG data portal by regulated time.	Submit mSCOA reports to both Provincial Treasury and National Treasury as per MFMA calendar by 30 June 2025	Submit mSCOA reports to both Provincial Treasury and National Treasury as per MFMA calendar by 30 June 2026	Submit mSCOA reports to both Provincial Treasury and National Treasury as per MFMA calendar by 30 June 2027
	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.								

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Employees: Financial 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 3.25.4					

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	428683	433594	466006	469222	8%
Expenditure:					
Employees	183203	216184	216700	186351	-16%
Repairs and Maintenance	8616	29416	43842	11146	-164%
Other	136181	214065	124584	169550	-26%
Total Operational Expenditure	328000	459665	385126	367047	-25%
Net Operational Expenditure	-100683	26071	-80880	-102175	126%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. T 3.25.5					

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	112178	168023	131952	15%	
Infrastructure assets	90313	100870	111900	19%	111900
Motor vehicles	0	22799	14462	100%	14462
Machinery and Equipment	7665	23277	1416	-441%	1416
Computer equipment		661	1376	100%	1376
Office furniture and equipment	3000	7851	1351	-122%	1351
Land and building	9200	13200	241	-3717%	241
Leased assets	0		1206	100%	1206
Computer software	2000	-635	0		0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate. T 3.25.6					

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

Nyandeni Local Municipality depends on grants to fund Capital expenditure and the big portion of the grant is Municipal Infrastructure Grant. Largest Capital projects are road construction which are also the main priority of community at large. Projects are prioritized during public participation programs and their implementation depends on the available budget.

Nyandeni Local Municipality spent 100% budget on grant funded capital expenditure and did not spent 100% operational budget due to cost containment measures and savings.

INTRODUCTION TO HUMAN RESOURCES

Internally, the functions within the Corporate Services department are aligned in terms of their own corporate roles and the overall role of Corporate Services. Corporate Affairs is primarily a support function, which plays a key role in ensuring that the Municipal core operations receive the required support.

Human resources development, transformation, mobilization and the need to create a motivated, competent and effective workforce is the responsibility of all levels of organizational leadership and management. Nyandeni Local Municipality will continue develop the necessary institutional capacity and organizational culture required to mobilize the workforce towards the necessary performance levels. The Human Resources function is geared up in executing the necessary Human Resources processes, systems and policies that will ensure effective institutional development of Nyandeni Local Municipality.

The Corporate Services Department is also responsible for Support Services Function which range from Customer Care Services, Office Accommodation, Facilities Management, Office automation and Registry/Archives Management. The Support Services Function is in a position to support with the necessary levels of capacity, competence, technology and resources.

Key priorities in the year under review include:

- Policy development and review Organizational design
- Human Resource Development
- Employee Relations and Wellness
- Performance Management
- ICT Governance and Support Services
- Records Management and Auxiliary Services

SERVICE STATISTICS FOR HUMAN RESOURCES SERVICES

APPOINTMENTS FROM JUNE 2022 - JULY 2023

POST NAME	INITIALS & SURNAME	START DATE	
1. Registry Clerk	Y. Sitsheke	01 July 2022	New appointment
2. Security Guard	T. Zweni	01 July 2022	New appointment
3. Security Guard	Z. Siguca	01 July 2022	New appointment
4. GA: Waste removal	N. Bambeni	01 July 2022	New appointment
5. GA: Waste removal	T. Mavumengwana	01 July 2022	New appointment
6. Field Ranger	M. Mvovo	01 July 2022	New appointment
7. Town Planning Technician	T. Rafheti	04 July 2022	New appointment
8. Office cleaner	A. Ndwangu	01 July 2022	New appointment
9. Executive Secretary MM	N. Nani	05 September 2022	Internal Transfer
10. Examiner of driver's License	P. Mgunjana	01 September 2022	New appointment
11. Examiner of driver's License	S. Gcelu	01 September 2022	New appointment
12. Examiner of driver's License	S.S. Mthala	01 September 2022	New appointment
13. Office cleaner	M. John	01 September 2022	New appointment
14. Truck Driver	Z. Nyati	01 September 2022	New appointment
15. Supervisor :Waste Removal	M. Hoya	01 September 2022	New appointment
16. Budget &Reporting Accountant	W. Jali	03 October 2022	Internal Transfer
17. Building Control officer	N. Gqetywa	01 November 2022	New appointment
18. GA: Waste Removal	X. Mbuzi	01 December 2022	Internal Transfer
19. GA Waste Removal (Nggeleni)	T. Ndamase	01 February 2023	New Appointment
20. GA Waste Removal (Nggeleni)	L. Qoyi	01 February 2023	New Appointment
21. GA Waste Removal (Nggeleni)	K. Qangule	01 February 2023	New Appointment
22. Executive Secretary : Fulltime Councillor (Community Services)	S. Ntsasela	01 February 2023	New Appointment
23. Executive Secretary :Mayor's Office	A. Soganga	01 March 2023	New Appointment
24. Personal Assistance Mayor	A. Maqebula	01 March 2023	New Appointment

PROMOTIONS 2022/2023

PROMOTIONS (refers to people who are in the municipal employee and have since been appointed on other positions in the normal recruitment and selection process)

	POST NAME	INITIALS & SURNAME	START DATE
1.	Assistant Budget & Reporting	Z. Lusawana	01 July 2022
2.	Senior Expenditure Clerk	S. Mnyekemfu	01 July 2022
3.	Security Guard	Z. Mdokwe	01 July 2022
4.	Municipal Manager	Z. Masumpa	01 July 2022
5.	Superintendent Licensing	M. Ngcongolo	01 February 2023
6.	Senior Manager Community Services	J. Sikhuni	01 February 2023
7.	Team Leader Waste Removal	N. Mbangatha	01 February 2023

TERMINATIONS 2022/2023

	NAME OF POSITION	INITIAL & SURNAME	DATE OF TERMINATION	REASON
1.	VIP Officer	Z. Ncoyini	29 July 2022	Resignation
2.	Driver	M. Lucwaba	10 August 2022	Death
3.	Secretary to Fulltime Councillor (Community services)	S. Ngongo	26 August 2022	Resignation
4.	LED Manager	B. Ngqongwa	18 August 2022	Death
5.	Superintendent Traffic	B. Godlo	26 Sept 2022	Dismissal
6.	Executive Secretary Comm. Services	N. Nani	31 August 2022	Internal transfer
7.	Expenditure Accountant	W. Jali	30 September 2022	Internal transfer
8.	GA :Waste Removal	Z. Mdoda	31 October 2022	Early retirement
9.	Low bed Operator	M. Nonkwelo	31 October 2022	Retirement
10.	Electrician Capital Projects	M. Zibi	31 October 2022	Resignation
11.	Excavator Operator	M. Matomane	30 November 2022	Incapacity due to Ill Health
12.	IDP Manager	N. Mcingane	31 January 2023	Resignation
13.	GA: Waste Removal (Ngqeleni)	N.E. Silwana	30 March 2023	Retirement
14.	Public Participation Officer	X. Yase	27 March 2023	Resignation

Human Resource Services Policy Objectives Taken From IDP									
Service Objectives/Indicators	Outlines Service Targets	2021/22		2022/23		2022/23		2023/24	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Service Objectives									
To provide standard procedures and norms for effective governance and decision making	Council Policy Development and Review session	Review 67 HR and ICT policies which were approved by Council by 30 June 2022	Reviewed 67 human resource management & ICT policies by 30 June 2022	Review 67 HR and ICT policies which were approved by Council by 30 June 2023	Reviewed 67 human resource management & ICT policies by 30 June 2023	Review 67 HR and ICT policies which were approved by Council by 30 June 2023	Review 67 HR and ICT policies which were approved by Council by 30 June 2024		
To provide standard procedures and norms for effective governance and decision making	Council Policy Development and Review session	Convene 1 Policy Review Workshop by 30 June 2022	Institutional policies are developed and reviewed annually	Convene 1 Policy Review Workshop by 30 June 2022	Convened 1 Policy Review Workshop by 30 June 2023	Convene 1 Policy Review Workshop by 30 June 2023	Convene 1 Policy Review Workshop by 30 June 2024		
To provide standard procedures and norms for effective governance and decision making	Review the Institutional Organogram	Review organogram by 30 June 2022	Reviewed Institutional Organogram by Council by 30 June 2022	Review organogram by 30 June 2022	Reviewed organogram by 30 June 2023	Review organogram by 30 June 2023	Review organogram by 30 June 2024		
To build capacity to municipal employees and unemployed in order to have the required competency levels	Reduce vacancy rate for all funded posts to 3% (10 out of 340 posts) by 30 June 2022	Reduce vacancy rate for all funded posts to 3% (10 out of 340 posts) by 30 June 2022	Reduce vacancy rate for all funded posts to 3% (10 out of 340 posts) by 30 June 2022	Reduce vacancy rate for all funded posts to 3% (10 out of 340 posts) by 30 June 2022	Reduce vacancy rate for all funded posts to 3% (10 out of 340 posts) by 30 June 2022	Reduce vacancy rate for all funded posts to 3% (10 out of 340 posts) by 30 June 2022	Review organogram by 30 June 2024		

T3.26.4 EMPLOYEES: HUMAN RESOURCE SERVICES

JOB LEVEL	HUMAN RESOURCE STAFF T.3.26.4		Year 0 -2022/23		VACANCIES AS%
	EMPLOYEE NO.FY /222019/20	POSTS NO.	EMPLOYEE NO. FY 22/23	VACANCIES NO.	
3	26	28	27	1	3.5%
4	1	2	2	0	0%
7	9	9	9	0	0%
8	1	1	1	0	0%
10	0	0	0	0	0%
11	5	5	5	0	0%
12	0	0	0	0	0%
16	1	1	1	0	0%
20	1	1	1	0	0%
TOTAL	44	47	46	1	2,%

3.27.1 INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT is a unit within the municipality that falls under Corporate Services Department and it ensures that all other municipal departments are being advised and supported on information and communication technologies. The department is responsible for planning, advising and managing the ICT Systems. The ICT have set out the following priorities and achieved them:

- Provision of server room environmental equipment at Ngqeleni
- Supply and delivery of computers and computer equipment
- Replacement of server infrastructure
- Website revamp
- Provision of network vulnerability solution
- Networking and cabling at Ngqeleni new building and workshop
- Service and maintenance of server room equipment

The unit is responsible for the planning and maintenance of ICT infrastructure in accordance with the required standards of good governance and maintenance of municipality systems to ensure that municipal activities are communicated both internally and externally, end user support and coordination of the ICT Governance Committee.

ICT GOVERNANCE

Information and Communication Technology (ICT) Governance is described as the effective and efficient management of ICT resources to facilitate the achievement of organisational goals and objectives. ICT does not exist on its own within an organisation; ICT is there to make sure that organisations achieve sustainable success through the use of their ICT.

ICT is an integral part of enterprise governance and consists of the leadership and organisational structures and processes that ensure that the organisation's ICT [the infrastructure as well as the capabilities and organisation that is established to support ICT] sustain and extends the organisation's strategies and objectives.

I.C.T. governance framework was approved on the 31st of May 2016 which its aim is to institutionalise the I.C.T. governance as an integral part of corporate governance within the municipality in a uniform and coordinated manner. This framework was adopted and implemented the following three phased approach of establishing and clarifying principles and practices to support and sustain the effective Corporate Governance of ICT.

- **Phase1- Enablement phase:** Approved governance charter, appointment of ICT governance champion, approval of policies, procedure manuals, ICT Disaster Recovery and continuity Plan.
- **Phase2- Strategic alignment:** Approved Enterprise Architecture, ICT Strategic Plan and performance indicators.
- **Phase3- Continuous improvement of Corporate Governance of ICT:** Ongoing

ICT GOVERNANCE COMMITTEE

The ICT Governance Committee has been established and is functional with the full support of the municipal management. The municipality appointed an independent ICT Steering Committee chairperson.

The chairperson possesses the required ICT expertise and experience, this is to ensure credibility, objectivity and integrity of the Committee. The main responsibilities of the committee are as follows:

- Take action to ensure that the ICT projects are delivered within the agreed budget and timeframe.

- Oversee development, approval and implementation of ICT Strategic objective
- Make recommendations on ICT related projects
- Advise the management and council on all ICT related matters

ICT PERFORMANCE

During 2022-2023 financial year, ICT Section has prioritised three performance targets:

- Convene four ICT Steering Committee meetings.
- Establish and maintain alternative disaster recovery centre.
- Maintain ICT infrastructure and equipment.

Out of three targets the section has achieved two targets, the reason to deviate on one target was caused by the limited supply of servers.

3.27.2 SERVICE STATISTICS FOR ICT SERVICES

- During 2022-2023 financial year twenty-two (22) policies has been reviewed and adopted by the council.
- Procured five (5) servers to improve ICT infrastructure.
- Procured 30 computers for staff.
- There has been an improvement on internet access as there was minimal internet downtime. The municipality has acquired uninterrupted power supply devices in order to ensure that there is internet access continuity when there is load shedding. The internet speed is currently at 20mbps and since it was upgraded last financial year there hasn't been any complaint from users in terms of speed.
- Acquired network vulnerability software (LAN Guard) to enhance network security scanning and patch management solution.

1. ICT Governance Policy
2. Acquisition of Computer Equipment Policy
3. Acceptable Use of ICT Resources Policy
4. Internet, Email and Intranet Usage Policy
5. Facilities and Environmental Control Policy
6. ICT risk management policy- review
7. ICT vendor and SLA management - new
8. Change control management- review
9. ICT security management- new
10. User account management- review
11. ICT asset management- new
12. Business and ICT continuity- new
13. Data backup and restore- new
14. ICT capacity planning and availability management
15. Incident and problem management- new
16. Bring your own device
17. Telephone management policy
18. New system roll out policy
19. Configurations and setup policy
20. Protection of Personal Information policy for ICT
21. Project Management
22. Cellphone Management Policy

T.3.27.3

ICT Services Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0		Year 1		Year 3	
		Target	Actual	Target	Actual	*Current Year	Target	*Current Year	*Following Year
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	(vi)	(vii)	(ix)	(x)	(x)
Service Objective xxx									
To provide sustainable ICT infrastructure and solutions that support business strategy	ICT governance framework monitored by June 2022	Convene 4 ICT Steering committee meetings by 30 June 2022	Convened 4 ICT Steering committee meetings by 30 June 2022	Convened 4 ICT Steering committee meetings by 30 June 2023	Convened 4 ICT Steering committee meetings by 30 June 2023	Convened 4 ICT Steering committee meetings by 30 June 2023	Convened 4 ICT Steering committee meetings by 30 June 2025	Convened 4 ICT Steering committee meetings by 30 June 2025	Convened 4 ICT Steering committee meetings by 30 June 2025
To provide sustainable ICT infrastructure and solutions that support business strategy	Appropriate use of ICT for efficient service delivery by June 2022	Establish alternative disaster recovery centre by 30 June 2022	Maintenance of Ngqeleni Off-site disaster recovery centre by June 2022	Establish alternative ICT disaster recovery centre by 30 June 2022	Establish and maintenance of alternative disaster recovery centre by 30 June 2023	Procured five servers including the one for disaster recovery centre by 30 June 2023	Maintain disaster recovery server and server room by 30 June 2025	Maintain disaster recovery server and server room by 30 June 2026	Maintain ICT infrastructure and equipment as need arises by 30 June 2025
To provide sustainable ICT infrastructure and solutions that support business strategy	Appropriate use of ICT for efficient service delivery by June 2022	Maintain ICT infrastructure and equipment by 30 June 2022	Maintained Disaster Recovery Server and Server Room at Ngqeleni by June 2022	Maintain ICT infrastructure and equipment by 30 June 2022	Maintain ICT infrastructure and equipment as need arises by 30 June 2023	Maintained ICT infrastructure and equipment by 30 June 2023	Maintain ICT infrastructure and equipment as need arises by 30 June 2025	Maintain ICT infrastructure and equipment as need arises by 30 June 2025	Maintain ICT infrastructure and equipment as need arises by 30 June 2025

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Financial Performance Year 2023: ICT Services					
R' 000					
Details	2022	2023			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-			-	
Expenditure:					
Employees	2 846 957	3 398 099	3 359 566	2 899 005	-14%
Repairs and Maintenance	27 767	157 200	157 200	65 553	-58%
Other	1 570 421	3 201 740	3 446 053	1 712 602	-50%
Total Operational Expenditure	4 445 145	6 757 039	6 962 819	4 677 159	-33%
Net Operational Expenditure	-4 445 145	-6 757 039	-6 962 819	-4 677 159	-33%
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

R' 000					
Capital Projects	2023				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	2 650 000	2 482 411	804 914	32%	
Computer Equipment		648 088	694 214	107%	694 214
IT Infrastructural Development	650 000	1 469 411		0%	-
Computer Software	2 000 000	364 912	110 700	30%	110 700
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.27.6

T3.27.7

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL

During 2022-2023 financial year the municipality has prioritised the following projects:

1. Supply and delivery of five servers. The project costed R 632 419.50, the project was completed.
2. Provision of network vulnerability solution. The project costed R 384 312.75, the project was completed.
3. Provision of network vulnerability solution. The budget was R 180 000.00, the project was advertised twice and was non-responsive. The project is budgeted for 2023-2024 financial year.
4. Provision of secondary internet service provider. The budget was R 360 000.00, the project was advertised twice and was non-responsive. The project is budgeted for 2023-2024 financial year.

No	Project Name	Funding	Amount	Progress
1.	Supply and delivery of- five servers	Equitable share	R 632 419.50	Project completed.
2.	Provision of server room equipment for Nggeleni Unit	Equitable share	R 384 312.75	Project completed
3.	Provision of network vulnerability solution	Equitable share	R 180 000.00	The project was advertised twice and was non-responsive. The project is budgeted for 2023-2024
4.	Provision of secondary internet service	Equitable share	R 360 000.00	The project was non-responsive as it was advertised twice. The project is budgeted for 2023-2024



NYANDENI

LOCAL MUNICIPALITY

Deciding with the people not for the people



CHAPTER 4

ORGANISATIONAL
DEVELOPMENT
PERFORMANCE

CHAPTER 4 ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

The municipal transformation and organizational development is about planning and implementing strategies that will enhance the achievement of institutional goals and targets through building institutional capacity and resilience. The department of Corporate Services is responsible for leading this mandate by ensuring that there is capable and transformed human resource, optimal use of technology, provision of administration support services, and adequate policies.

Hence the focus areas for this key performance area: -

- Policy Development and Review,
- Organisational Development;
- Skills Development
- Employment Equity
- Labour Relations;
- Occupational Health and Safety;
- Individual Performance Management;
- Information and Communication Technology;
- Records Management;
- Property Management; and
- Customer Care.

Location of Administration Centres and Political Seat

Nyandeni Main Municipal Offices are based in Libode approximately 30km from Mthatha, with a Satellite Office based in Ngqeleni Town. All departments are located in one central area in Libode (Main Offices). Both the administrative and political seats are based in Libode Town. The Council Chambers are currently based in Libode. Council Meetings are held regularly in accordance with the approved council calendar.

Satellite Office is established to render the following functions and services: -

- Revenue management
- Administration and customer care services
- Registering Authority for motor vehicle registration
- Pound management and Cemetery services
- Refuse removal, and
- Library Services

Each function has a Supervisor responsible for management and supervision of day to day monitoring and report directly to the Manager Responsible for each Function. Senior Managers responsible for functions performed by the satellite Office are directly accountable for level of service rendered.

The expansion of Ngqeleni municipal Offices project has been completed. Infrastructure Department will relocate to Ngqeleni to improve service delivery performance.

The municipality has also taken a decision to establish Youth Office in Ngqeleni. The purpose of the Office is to support youth development initiatives.

Nyandeni Local Municipality is an integral component of Provincial and National Government and consequently has a critical role in the development and execution of local government strategy and strategic objectives. Overall, Nyandeni Local Municipality possesses the competency and capability to translate many of Government's vision and related legislation and policy into a blueprint framework through its Integrated Development Plan document.

Organisational overview

The institutional capability of Nyandeni Local Municipality is informed by overall organizational functioning, the interventions of management to engage in organizational leadership, development and management of organizational systems and processes to promote effective operations and service delivery through optimum use

of resources. It is intended to inform Nyandeni Local Municipality's organizational strategy to enhance service delivery to key customers/stakeholders.

Nyandeni Local Municipality is represented by two components in terms of its organization and service delivery outcomes. These are the political structures represented by the politically elected councillors and the administrative structure represented by the Municipal Manager, the management team and municipality employees. The municipality's organizational structure enhances the interface between the council and its committees, governance committees and the administration as led by the Municipal manager.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Year -1 FY 2021/22	Year 0-22 /23		Vacancies %
	Employee No.	Approved Posts No.	Vacancies No.	
Water	0	0	0	0%
Landfill, Parks and Gardens	11	11	0	0%
Electricity	3	3	0	0%
Solid Waste Management (GA's, Supervisor, Team leader, Drivers, Caretaker) Leader)leader& Driver	55	43	2	4,6%
Housing	5	5	0	0%
Risk Management ,Internal Audit	10	10	0	0
Roads	31	33	3	9 %
Transport	8	7	1	0,14%
Planning (IDP, SM, Spatial, Sec.)	6	3	0	0%
Local Economic Development	6	5	1	20%
Planning(Strategic and Regulatory) (MM)	39	41	3	1,2%
Community and (Library, Sec, Managers, Officers) Social Services	7	7	0	0%
Environmental Protection	3	3	0	0%
Health	1	1	0	0%
Security and Safety (Public Safety)	79	74	7	9,4%
Sport and Recreation (SPU)	1	2	0	0%
Corporate Policy Office and other (CPS+BTO)	73	74	1	1,3 %
Total	317	322	18	5,6%

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Vacancy Rate Year: 0 FY 2022/23			
Designation	Total Approved Post No	Vacancies (Total time that vacancies exist using fulltime equivalents) No.	Vacancies % (as a proportion of total posts in each category)
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers(Excluding finance posts)	4	0	0%
Other S57 Managers (finance posts)	0	0	0%
Police Officers	0	0	0%
Firefighters	0	0	0%
Senior Management Levels13-15 (Task Grade 16) Excluding Finance Posts	15	2	13,3%
Senior Management Levels 13-15(Task Grade 14-16) (Finance Posts)	4	0	0%
Highly Skilled supervision Levels 9-12(Task Grade 9-11) (Excluding Finance Posts)	44	5	11,3%
Highly Skilled supervision Levels 9-12(Task Grade 9-11 (Finance Posts)	8	0	0%
TOTAL	77	7	9 %

TURN OVER -RATE			
DETAILS	TOTAL APPOINTMENTS AS OF THE BEGINNING OF THE FINANCIAL YEAR	TERMINATIONS DURING THE FINANCIAL YEAR	TURN OVER RATE
Year -2 FY 202019/20	311	19	7 %
Year -1 FY 2020/2021	317	10	3,1%
Year -0 FY 2022/2023	322	14	5%

COMMENT ON VACANCIES AND TURNOVER:

The Turnover rate is not high comparatively in the Local government sphere looking at the turnover rate in Local government generally, the turnover rate is due to natural attrition and personal growth. The stability of the political environment, unqualified audit outcomes for the past 6 years, and employee benefits such as bursary opportunities are the measures that attract potential employees and are able to retain the existing competent staff.

The filling of senior manager positions is conducted with the guidance of local government regulations on appointment and conditions of employment for senior managers. At a minimum, the Section 57 positions take up to 5 months to complete the recruitment process; this is due to the prolonged processes.

***Vacancy %= Number of vacant post divided by Total number of approved posts**

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Note: MSA 2000 S67 requires Municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

- The Municipality has policies in place for the management of the workforce, which comply with the relevant Legislations and are reviewed on an annually basis, the policies are utilised to regulate the employer employee relationship and management use policies for reference and compliance purposes.

HUMAN RESOURCE POLICIES

No	Name of Policy	Completed %	Reviewed%	Date adopted by Council or comment on failure to adopt
1.	Human Resource Development	100%	100%	30 June 2022
2.	Induction	100%	100%	30 June 2022
3.	Recruitment & Selection	100%	100%	30 June 2022
4.	Placement	100%	100%	30 June 2022
5.	HIV /AIDS	100%	100%	30 June 2022
6.	Cellphone	100%	100%	30 June 2022
7.	Transport	100%	100%	30 June 2022
8.	Employee Health &Wellness	100%	100%	30 June 2022
9.	Records Management	100%	100%	30 June 2022
10.	Employment Equity	100%	100%	30 June 2022
11.	Bursary and Other forms of Financial Ass.	100%	100%	30 June 2022
12.	Personnel Regulations	100%	100%	30 June 2022
13.	Overtime	100%	100%	30 June 2022
14.	Harassment in the Workplace	100%	100%	30 June 2022
15.	Leave	100%	100%	30 June 2022
16.	Staff Retention	100%	100%	30 June 2022
17.	Disciplinary and Grievance Procedure	100%	100%	30 June 2022
18.	Strike Management	100%	100%	30 June 2022
19.	Incapacity Due to Ill health	100%	100%	30 June 2022
20.	Incapacity due to poor performance	100%	100%	30 June 2022
21.	Performance Management	100%	100%	30 June 2022
22.	Customer Care	100%	100%	30 June 2022
23.	Incapacity due to Operational Requirements	100%	100%	30 June 2022
24.	Inclement Weather	100%	100%	30 June 2022
25.	Dress Code	100%	100%	30 June 2022
26.	Smoking	100%	100%	30 June 2022
27.	Policy on Organizational Establishment	100%	100%	30 June 2022
28.	Policy Development Guidelines	100%	100%	30 June 2022
29.	Sport & Recreation	100%	100%	30 June 2022
30.	Internship Policy	100%	100%	30 June 2022
31.	Scarce Skills	100%	100%	30 June 2022
32.	Private Work & Declaration of Interest	100%	100%	30 June 2022
33.	Internal transfer	100%	100%	30 June 2022
34.	Policy on Alcohol & Substance Abuse	100%	100%	30 June 2022
35.	Employee Retention	100%	100%	30 June 2022
36.	Secession Planning	100%	100%	30 June 2022
37.	Probation	100%	100%	30 June 2022
38.	Relocation	100%	100%	30 June 2022
39.	Termination of Services	100%	100%	30 June 2022
40.	Work Attendance	100%	100%	30 June 2022
41.	Job Evaluation	100%	100%	30 June 2022
42.	Subsistence & Travel	100%	100%	30 June 2022
	Employment Equity Plan	100%	-	30 June 2022
	Workplace Skills Plan	100%	100%	30 April 2023
	Human Resource Plan	100%		July 2019

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The Municipality has 42 HR policies in place. The following policies had changes : Human resource development, Job evaluation, personnel regulation, Harassment in the workplace ,Dress code for the management of the workforce, which comply with the relevant Legislations and are reviewed on an annually basis.

The policy review process start at departmental level where the user department identifies areas where policies required to be reviewed and areas where Internal Audit has made recommendations on policy changes. The policies for review are presented to Management for input and recommendations, then to other structures as standing committee, Executive committee, Council then consultation to employees. The following policies which were had changes are Performance management, recruitment and selection.

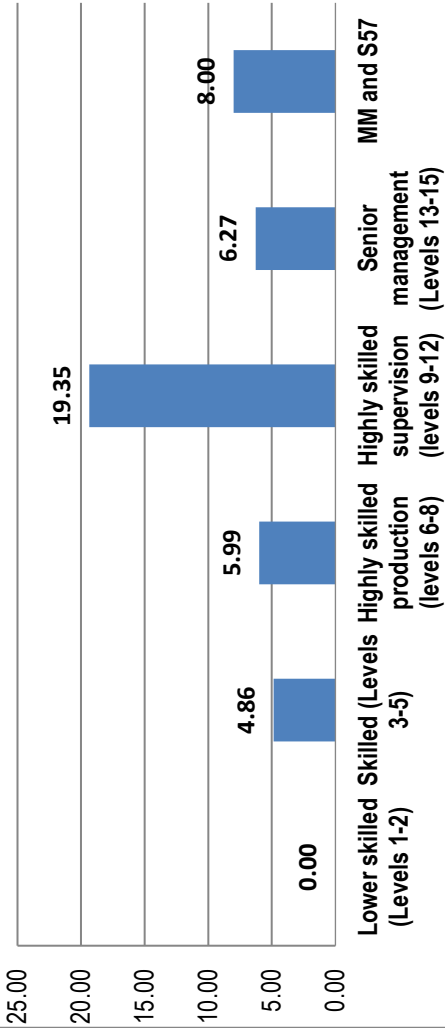
4.3. INJURIES, SICKNESSES AND SUSPENSIONS

Type of injury		Number and Cost of Injuries on Duty				
		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		30	2	0.6%	15	33 998,07
Temporary total disablement		0	0	0	0	0
Permanent disablement		0	0	0%	0	0
Fatal		0	0	0%	0	0
Total		30	2	0.6%	15	33 998,07

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)	0	0%	0	0	#DIV/0!	R0
Skilled (Levels 3-5)	646	4%	74	133	4,86	R436 859
Highly skilled production (levels 6-8)	713	5%	43	119	5,99	R858 632
Highly skilled supervision (levels 9-12)	503	2%	2	26	19,35	R799 126
Senior management (Levels 13-15)	69	0%	6	11	6,27	R187 591
MM and S57	64	0%	12	8	8,00	R214 092
Total	1995	2%	137	297	6,72	R2 496 300

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000

Average Number of Days Sick Leave (excluding IOD)



COMMENT ON INJURY AND SICK LEAVE:

The municipality is registered with the Compensation Fund for the compensation of injuries and Diseases. The Return of Earning are submitted annually in time as a result the Municipality is in good standing the with the Compensation Fund.

Workshops and sessions twice a year to convey policies, are provided and the Leave Policy and Occupational Health and Safety Policy are included in such sessions.

The Municipality does not have special doctor or their own doctors, medical practitioners are acquired through the Supply chain processes, personal records are maintained. Two employees were injured this Financial Year but the Municipality has injury on duty cases from previous years that are still pending, due to non-responsive by Compensation Fund

Number and Period of Suspension				
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Date of Suspension	Disciplinary Action Taken	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalized
During 2022/2023 Financial year, no employees were placed on suspension pending finalization of their disciplinary cases.	N/A	N/A	N/A	N/A

.3.6.: DISCIPLINARY CASES

Disciplinary Action Taken on Case of Financial Misconduct				
POSITION	Nature of the Alleged Misconduct and the Rand value loss to the Municipality	Disciplinary Action Taken	Date Finalised	
SUPERINTENDENT TRAFFIC	The employee was charged for: ✓ Fraud and corruption ✓ Gross dishonesty ✓ Contravention of provision of National Road Traffic Act ✓ Bringing the name of municipality into disrepute	✓ Constituted a disciplinary committee ✓ Matter has been finalized	✓ The employee was found guilty of the charges preferred against him. ✓ The Presiding Officer imposed a sanction of DISMISSAL and as such the employee was dismissed on the 26th September 2022 .	
CASHIER	The employee was charged for ✓ Absent from work without authorization ✓ Gross Insubordination ✓ Theft and Fraud (to the amount of 3800)	✓ Constituted a disciplinary committee ✓ Matter has been finalized	✓ The Disciplinary hearing was held on the 06th July 2023 . ✓ The employee conceded to the charges levelled against him and requested to enter into a plea agreement in terms of the Disciplinary Procedure Collective Agreements. ✓ The employer agreed to enter into the plea agreement on basis that stringent sanction(s) less of dismissal will be imposed, in order to deter any similar conduct from occurring again in future. The following sanctions were imposed to the employee: i) Reimburse the municipal money. ii) Final Written warning valid for 12 months iii) Suspension without pay for a maximum period of 10 days as per the disciplinary procedure collective agreement. ✓ That the above will be implemented over a period of three months starting from August 2023 to October 2023. ✓ The Presiding Officer endorsed the agreement entered into by the parties.	
Senior Manager Operations	Financial Misconduct	✓ Constituted a disciplinary committee ✓ Matter has not been finalized	✓ Not yet finalised	

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

- No employees were put on suspension for the 2022 /2023 financial year.
- The two cases conducted internally have been finalized.
- The one case that is not yet finalised is conducted by an independent Disciplinary tribunal which is regulated by the Regulations Municipal Finance Management Act

4.4 PERFORMANCE REWARDS – NONE

Designations	Performance Rewards by Gender				
	Beneficiary Profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1	Proportion of beneficiaries within group %
Lower skilled (TG 1-2)	Female				
	Male				
Skilled (TG 3-5)	Female				
	Male				
Highly skilled production (TG 6-8)	Female				
	Male				
Highly skilled supervision (TG 9-12)	Female				
	Male				
Senior Management (TG13-15)	Female				
	Male				
MM and S56	Female				
	Male				
Total					
Has the statutory municipal calculator been used as part of the evaluation process?					Yes/No

COMMENT ON PERFORMANCE REWARDS

No performance rewards awarded, In the previous financial year the Performance Management assessment was not finalised for senior manager, out of 5 only 3 were assessed.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Municipality complied with requirements of the Skills Development Act and Skill Levies Act, we have a Skills Development Committee which plays an oversight role on training and development matters within the Organization, which is convened on a quarterly basis.

The Workplace Skills Plan is developed in consultation with the trade unions representatives, submission of the Workplace skills plan is done annually to the Local Government SETA. The following challenges are being the following challenges with the implementation of training, procurement of the accredited services provider, monitoring of the services provider performance and the ensuring that there is investment on training returns.

CAPACITY DEVELOPMENT

4.5. SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management Level	Gender	Employees in posts as at 30 June 2023	Number of skilled employees required and actual as at 30 June 2023											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2023 /2024 Target
MM and 56	Female	2	1	0	0	2	0	0	0	0	0	1	1	1
	Male	5	0	0	0	5	0	0	0	0	0	5	5	4
Cllrs, Senior officials and managers	Female	38	0	0	0	17	0	0	0	0	0	17	17	32
	Male	43	0	0	0	19	0	0	0	0	0	19	19	37
Technicians associate professionals	Female	3	0	0	0	2	0	0	0	0	0	2	2	3
	Male	4	0	0	0	1	0	0	0	0	0	1	1	2
Professionals	Female	19	0	0	0	6	0	0	0	0	0	6	6	15
	Male	19	0	0	0	8	0	0	0	0	0	8	8	16
Sub total	Female	62	1	0	0	27	0	0	0	0	0	26	26	51
	Male	71	0	0	0	33	0	0	0	0	0	33	33	59
Total		131	1	0	0	60	0	0	0	0	0	59	59	110

FINANCIAL COMPETENCY DEVELOPMENT PROGRESS REPORT

Financial Competency Development :Progress Report						
Description	A. Total number of employed by the Municipality (Regulations 14(4) (a) &(c)	B. Total number of employed by the Municipal Entities (Regulations 14(4) (a) &(c)	Consolidated of A & B	Total	Consolidated: Competency Assessment Completed for A & B (Regulation 14 (4) (b) &(d)	Consolidated: Total number of officials that meet prescribed competency levels Regulations 16 (Regulation 14 (4)(e)
Financial Officials						
Accounting officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	4	0	4	4	4	4
Any other Financial Officials	7	0	7	7	7	7
Supply chain Management						
Heads of supply chain management units	0	0	0	0	0	0
Supply chain management senior management	1	0	1	1	1	1
TOTAL	15	0	15	15	7	15

HUMAN RESOURCES DEVELOPMENT ANNUAL REPORT JULY 2022- JUNE 2023		JULY 2022 -JUNE 2023							
TOTAL EXPENDITURE									
Training Intervention				BENEFICIARIES					
		Departments		Gender		Levels		Amount	
				Female	Male				
Hygiene and Cleaning Training		CPS		5	1	11,7,8		R63 585.00	
GIS Training		Infra. Str. Dev.		6	2	11,8		R15 948.00	
Project Management		Infra. Str. Dev. CPS		7	2	8,7		R31 492.67	
First Aid		Plann. and Dev., Comm. Serv., CPS, MM., Infra. Str. Dev.		8	4	11,8,7		R27 504.00	
Fire Fighting		Comm. Serv., CPS, Infra. Str. Dev.		4	7	11, 8		R45 988.00	
ICT Governance		Plann. and Dev., Comm. Serv., CPS, MM.		2	8	11,8,7		R69 019.00	
Examiner of Drivers Licences		Comm. Serv.			3	8		R76 173.00	
First Aid		BTO, Comm. Serv.		1	11	8,7		R88 483.29	
Horticulture		Comm. Serv.		1	5	11,8,7,5		R78 173.00	
Contract Management		BTO, Infra. Str. Dev.		9	14	16,11,8		R110 518.75	
OHS Training		Comm. Serv. CPS,BTO		6	6	8,5		R62 250.00	

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

The Workplace Skills plan serves as the plan for skills development of the employees which is adequate for the training and development, municipality prepares and submit the Workplace Skills plan on an annual basis to the Local Government SETA. The variance between the actual budget and expenditure are as a result of not responsiveness from the service providers and currently we have appointed a panel of service providers for a period of there year, which is started in 2021.

There are two Senior managers that are currently attending the Municipal Finance Management Program and the other 4 Senior managers have completed the program.

No employees were appointed on posts that are not approved

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

No posts were upgraded and are at variance with normal practice
T 4.6.5

DISCLOSURES OF FINANCIAL INTERESTS

Councillors and Senior Manager have disclosed their financial interests.
T 4.6.6

ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT (COGTA INDICATORS)

This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulation (June 2007) In compliance with National Treasury Local Government MFMA Competency Regulations (June 2007) the municipality has achieved the following:

SENIOR MANAGEMENT

MUNICIPALITY	NAME	DESIGNATION	STATUS
Nyandeni LM	G.N. Cekwana	Planning & Dev.	Completed
	S. Mvunelo	Corporate Services	Completed
	Rev. J. Sikhuni	Community Services	In progress
	Z. Masumpa	Municipal Manager	Completed
	S.V. Poswa	Operations Manager	Completed
	B.K. Benxa	Chief Financial Officer	Completed
	N Mondli-Mqoqi	Senior Manager :Infrastructure	In progress

MIDDLE MANAGEMENT

NAME	DESIGNATION	STATUS
T. Tshisa Ndamase	Human Resource Manager	In progress
A. Mtimba	LED Manager	In progress
L. Magayana	Internal Audit Manager	Completed
G. Nomqonde	Legal Services Manager	Completed
Z.Z. Madyibi	Supply Chain Management Manager	Completed
F. Mgwedane	Human Settlement Manager	Completed
M. Bambeni	Monitoring and Evaluation Manager	In progress
M. Mvanyashe	Chief Law Enforcement	In progress
A. Zituta	Manager Spatial Planning	In progress
B.B. Nodada	ICT and Admin Manager	In progress
J. Yengane	PMU Manager	In progress
T.C.M Matikita	Maintenance Manager	Completed
N. Tukela-Langa	Budget Management Manager	Completed
L. Ndamase	Council Secretary	In progress

OFFICIALS

Municipality	Name	Designation	STATUS
Nyandeni LM	N. Matshikiza	Project Accountant	Completed
	Z. Lusawana	Assistant Manager :Budget	Completed
	B. Mabuya	Internal Audit	Completed
	T. Jozana	Assistant Manager :Asset	Completed
	A. Norolela	Fleet Management	Completed
	B. Rani	Senior Payroll Clerk	Completed
	Z. Noah	Senior Revenue Clerk	Completed
	S. Mnyekemfu	Expenditure Accountant	Completed
	W. Jali	Budget & Reporting Accountant	Completed



NYANDENI

LOCAL MUNICIPALITY

Deciding with the people not for the people



CHAPTER 5

FINANCIAL
PERFORMANCE

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

COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

Note: Statements of Revenue Collection Performance by vote and source are included at appendix K.

The purpose of the Statement of Financial Performance is to give an account of the results of Nyandeni Local Municipality's operation. These transactions result from operating budget. The result is expressed as being either being either a surplus or deficit being difference between revenue and expenditure.

A surplus is indicated as revenue being more than expenditure and a deficit of expenditure being more than revenue. The purpose of the financial position is to give an account of the assets and liabilities at the end of the financial year. Net assets are shown, which are the difference between asset and liabilities.

The cashflow statement shows the net cash result. Technically, the statement starts with the accounting surplus as per the Statement of Financial Performance which gets adjusted all non-cash transactions. All other cash transactions are resulted from Statement of Financial Performance are recorded. These items can be referenced back to both capital budget as well as the items reported as part of the quarterly.

These are the three main categories:

Net cash resulting from operating activities- this section shows results of the operating's of Nyandeni in cash terms. It includes the rendering of municipal services, purchasing of inventory kept in stores, debtors and creditors transactions and interest paid and received.

Net cash resulting from investing activities- this section shows the result from amounts invested either the capital budget or as cash investment as well as investments withdrawn.

Net cash resulting from financing activities- this section shows result from financing activities. A healthy financial situation is one where Nyandeni has net cash surplus resulting from operations as main source of revenue rather than from financing activities. A second important issue measure is to look for a correlation between cash generated from financing activities and investing activities which shows that funds borrowed were invested in capital infrastructure and not used for operations. A very serious situation would be where there is a net cash deficit from operations or limited cash invested but received from financing activities. That would mean of the municipality utilising borrowing to fund operations instead of infrastructure assets.

STATEMENT OF FINANCIAL PERFORMANCE

Description	2022/2023					2021/2022									
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustment s budget	Shifting of funds (i.t.o. s31 of MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome	
R thousand	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Revenue By Source															
Property rates	17,786	-				20,065	19,129		937	95%	108%				18,317
Property rates - penalties & collection charges	-	-				-	-		-						-
Service charges - electricity revenue	-	-				-	-		-						-
Service charges - water revenue	-	-				-	-		-						-
Service charges - sanitation revenue	-	-				-	-		-						-
Service charges - refuse revenue	294	-				294	591		(297)	201%	201%				413
Service charges - other	-	-				-	-		-						-
Rental of facilities and equipment	20	-				20	192		(172)	960%	960%				183
Interest earned - external investments	17,981	1,786				24,160	30,553		(6,393)	126%	170%				16,743
Interest earned - outstanding debtors	1,262	-				3,048	3,408		(360)	112%	270%				1,965
Dividends received	-	-				-	-		-						-
Fines	421	-				421	343		77	82%	82%				515
Licences and permits	5,220	-				5,220	3,090		2,130	59%	59%				2,904
Agency services	1,300	8,806				1,300	454		846	35%	35%				1,576
Transfers recognised – operational	322,274	-				33,773	326,515		7,258	98%	101%				315,768
Other revenue	1,070	535				1,070	9,481		(8,411)	886%	886%				5,009
Gains on disposal of PPE	-	11,126				535	1,526		(991)	285%	#DIV/0!				
Total Revenue (excluding capital transfers and contributions)	367,626	22,252				389,904	395,282								363,394
Expenditure By Type															
Employee related costs	188,499	3,198				191,698	161,825		29,873	84%	86%				158,739
Remuneration of councillors	27,685	(2,683)				25,003	24,526		477	98%	89%				24,464
Debt impairment	6,756	-				6,756	12,302		(5,546)	182%	182%				-
Depreciation & asset impairment	58,611	-				58,611	57,275		1,336	98%	98%				46,456
Finance charges	-	-				-	1,405		(1,405)						1,099
Bulk purchases	-	-				-	-		-						-
Other materials	8,459	(1,795)				5,938	4,927		1,011	83%	58%				5,481
Contracted services	75,381	7,184				100,575	43,189		57,386	43%	57%				30,158
Transfers and grants	15,318	928				22,890	13,685		9,205	60%	89%				7,880
Other expenditure	78,956	(2,754)				73,657	47,915		25,742	65%	61%				49,748
Loss on disposal of PPE	-	-				-	8,049		(8,049)	#DIV/0!	#DIV/0!				122
Total Expenditure	459,665	4,078				485,126	375,098								324,146

Description	2022/2023						2021/2022				Restate d Audited Outcome e				
	Original Budget	Budget Adjustment s (i.t.o. s28 and s31 of the MFMA)	Final adjustment s budget	Shiffin g of funds (i.t.o. s31 of the MFMA)	Virem ent (i.t.o. Coun cil appro ved policy)	Final Budget	Actual Outcom e	Unauthorise d expenditure	Variance	Actual Outc ome as % of Final Budg et		Actual Outcom e as % of Original Budget	Reported unauthorise d expenditure	Expenditur e authorised in terms of section 32 of MFMA	Balance to be recovere d
R thousand	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Surplus/(Deficit) Transfers recognised – capital Contributions recognised - capital Contributed assets Surplus/(Deficit) after capital transfers & contributions Taxation Surplus/(Deficit) after taxation Attributable to minorities Surplus/(Deficit) attributable to municipality Share of surplus/ (deficit) of associate Surplus/(Deficit) for the year	(92,039)	7,048				(95,222)	20,184		–	#DIV/0!	#DIV/0!				39,248
	65,968	–				76,102	80,034		(115,406)	-21%	-22%				74,664
	–	–				–	–		(3,932)	105%	121%				
	–	–				–	–		–						
	(26,071)	7,048				(19,120)	100,217		(119,337)						113,913
		–				–			–						
	7,048	–				(19,120)	100,217		(119,337)						113,913
	–	–				–			–						
	(26,071)	7,048				(19,120)	100,217		(119,337)						113,913
	–	–				–			–						
(26,071)	7,048				(19,120)	100,217		(119,337)						113,913	

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

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						
Water					0.00%	0.00%
Waste Water (Sanitation)					0.00%	0.00%
Electricity	9,509	14,047	5,409	4,544	-209.14%	-19.03%
Waste Management	20,404	29,254	35,165	19,181	-52.51%	-83.33%
Housing	3,493	6,772	8,841	6,106	-10.91%	-44.80%
Component A: sub-total	33,406	50,073	49,415	29,831	-67.86%	-65.65%
Waste Water (Stormwater Drainage)					0.00%	0.00%
Roads	24,832	43,821	62,213	27,793	-57.67%	-123.84%
Transport					0.00%	0.00%
Component B: sub-total	24,832	8,455	8,624	9,554	11.50%	9.73%
Planning					0.00%	0.00%
Local Economic Development	26,395	28,898	30,981	18,948	-52.51%	-63.50%
Component B: sub-total	26,395	28,898	30,981	18,948	-52.51%	-63.50%
Planning (Strategic & Regulatory)					0.00%	0.00%
Local Economic Development					0.00%	0.00%
Component C: sub-total	-	-	-	-	0.00%	0.00%
Community & Social Services	13,428	21,598	2,245	11,497	-87.85%	80.48%
Environmental Protection					0.00%	0.00%
Health	311	1,051	1,308	850	-23.60%	-53.82%
Security and Safety	30,126	47,951	36,154	28,682	-67.18%	-26.05%
Sport and Recreation					0.00%	0.00%
Corporate Policy Offices and Other					0.00%	0.00%
Component D: sub-total	43,865	70,600	39,706	41,029	0.00%	0.00%
Total Expenditure	128,498	158,026	128,726	99,363	-59.04%	-29.55%
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T 5.1.2

Grant Performance						
Description	R' 000					
	Year -1	Year 0		Year 0 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	341,332	386,242	405,725	400,447		
Equitable share	246,809	313,293	313,293	313,293	0%	0%
Municipal Systems Improvement						
Department of Water Affairs						
Levy replacement						
MIG	69,607	65,968	65,968	65,968	0%	0%
FMG	1,650	1,650	1,650	1,650	0%	0%
INEP electrification grant	16,067	–	8,000	8,000	0%	0%
Expanded Public Works Programme -EPW	1,716	1,859	1,859	1,859	0%	0%
MIG Operational	3,664	3,472	3,472	3,472	0%	0%
Neighbourhood Grant	1,820		4,190	3,627	0%	13%
Municipal Disaster Relief Grant	–	–	7,293	2,578	0%	65%
Provincial Government:	673	700	2,834	2,569		
Health subsidy						
Housing	–	–	2,134	2,134	0%	0%
Ambulance subsidy	–	–	–	–		
Sports and Recreation	673	700	700	435	38%	38%
District Municipality:	–	–	–	–		
	–	–	–	–		
	–	–	–	–		
Other grant providers:	282	1,300	1,316	538		
DEDEAT		1,000	1,000	416	58%	58%
LG SETA	282	300	316	122	59%	61%
Total Operating Transfers and Grants	342,288	388,242	409,875	403,554		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						
Full list of provincial and national grants available from published gazettes.						T 5.2.1

5.3 ASSEST MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Asset management is crucial for the sustainability of the Municipality as it is not possible to render any services without properly maintained assets. From the capital budget, it can be noted that objective is to upgrade and maintain assets on a continuous basis. The condition of the assets is still such that a good level services rendered, but this is not a sustainable trend. Increased investment in infrastructure.

The Asset management policy in the year under review was reviewed and adopted by council. A GRAP compliant fixed asset register was compiled. In the 2022/23 Financial Year, the Asset Register was updated on a monthly basis with additions. An increase in the Municipal Assets is predominantly as a result of the Infrastructure Assets.i.e. Roads that have been constructed and fully recognised as completed in the asset register.

The repairs and maintenance budget of the municipality is also not in line with the National Treasury norm of 8% of the asset value. The protection of the municipality's asset base is regarded as the high priority as it is both base of the service delivery mandate.

The Asset Management Unit consists of 3 officials as per the approved organogram. Officials are well capacitated to perform their tasks and are receiving on ongoing basis. With the growth in assets over the years, the department needs to be further capacitated.

T 5.3.1

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0				
Asset 1				
Name	Sofia Low Volume Roads			
Description	Construction of Access Road			
Asset Type	Infrastructure Development			
Key Staff Involved	PMU Manager 3 x Technicians 1 x Project Accountant 1 x Data capture			
Staff Responsibilities	Project Implementation, Management and quality assurance			
Asset Value	Year -3	Year -2	Year -1	Year 0
		R7,838,426	R10,038,316	R1,926,221
Capital Implications	Asset Creation			
Future Purpose of Asset	Access Road			
Describe Key Issues	To have good quality roads for our communities			
Policies in Place to Manage Asset	Yes			
Asset 2				
Name	Majikija-Dokotela Access Road			
Description	Construction of Access Road			
Asset Type	Infrastructure Development			
Key Staff Involved	Technical Support Unit			
Staff Responsibilities	Project Implementation, Management and quality assurance			
Asset Value	Year -3	Year -2	Year -1	Year 0
				R7,000,000
Capital Implications	Asset Creation			
Future Purpose of Asset	Access Road			
Describe Key Issues	To have good quality roads for our communities			
Policies in Place to Manage Asset	Yes			
Asset 3				
Name	Langakazi Access Road Ward 27			
Description	Construction of Access Road			
Asset Type	Infrastructure Development			
Key Staff Involved	Technical Support Unit			
Staff Responsibilities	Project Implementation, Management and quality assurance			
Asset Value	Year -3	Year -2	Year -1	Year 0
		R8,120,663		R965,422
Capital Implications	Asset Creation			
Future Purpose of Asset	Access Road			
Describe Key Issues	To have good quality roads for our communities			
Policies in Place to Manage Asset	Yes			
T 5.3.2				

COMMENT ON ASSET MANAGEMENT:

Asset Management is done in line with requirements of GRAP 17 and best practices as per the National Treasury Asset Management Guidelines. Various assets were impaired as required by GRAP, based on the asset condition assessment performed. The increased maintenance spending in future years should lead to reduced asset impairment on the coming years.

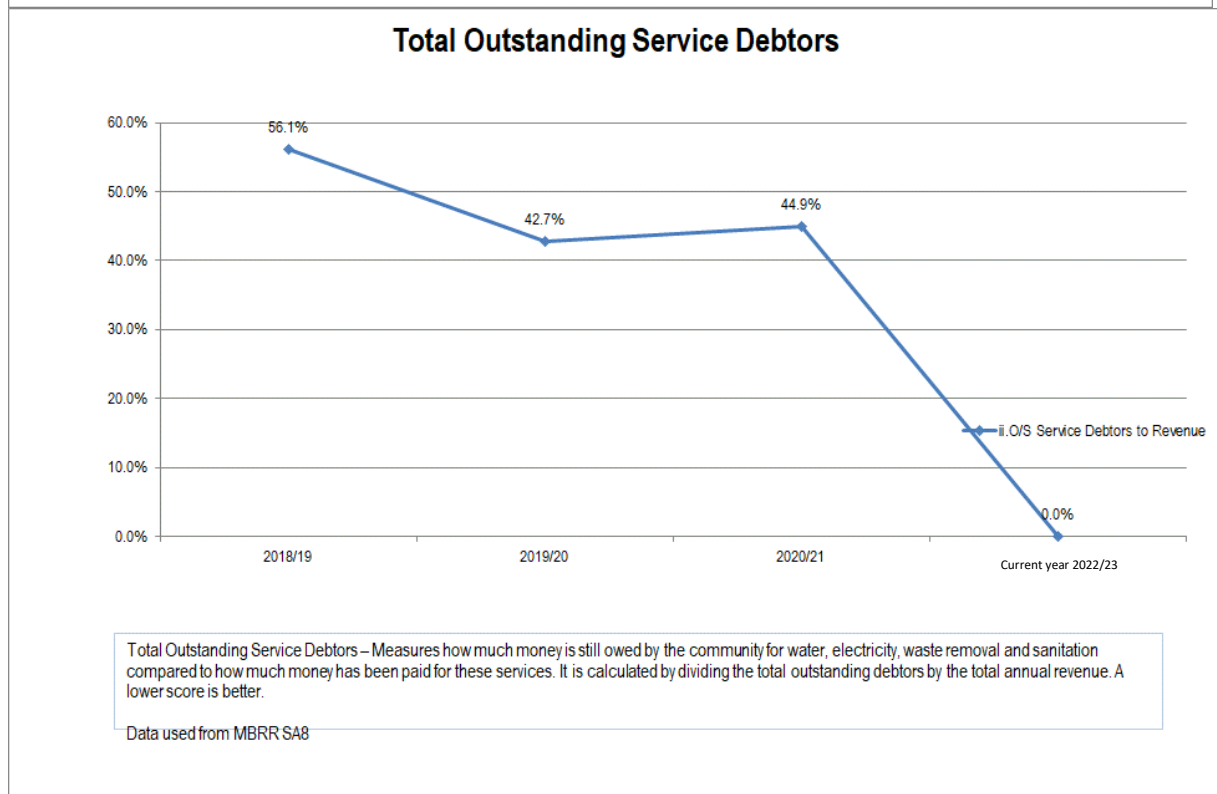
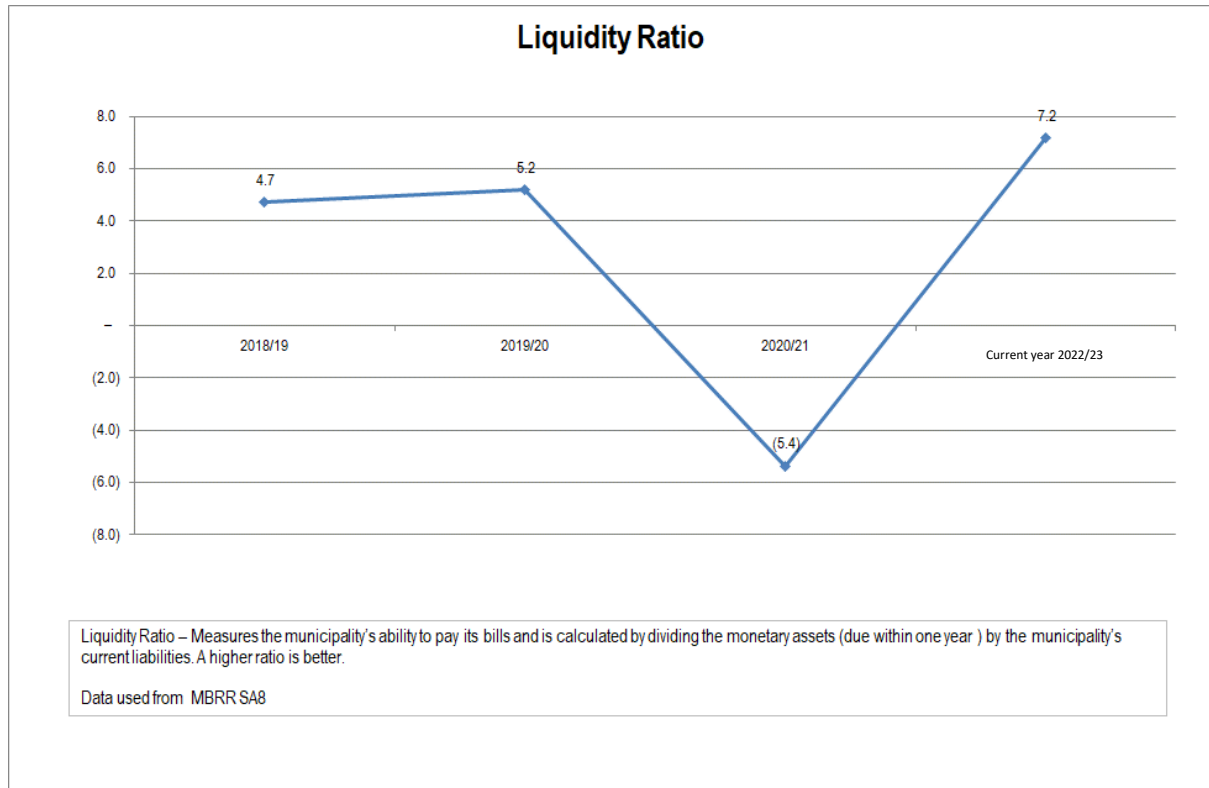
T 5.3.3

Repair and Maintenance Expenditure: Year 0				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	30133	45115	11146	25%
				T 5.3.4

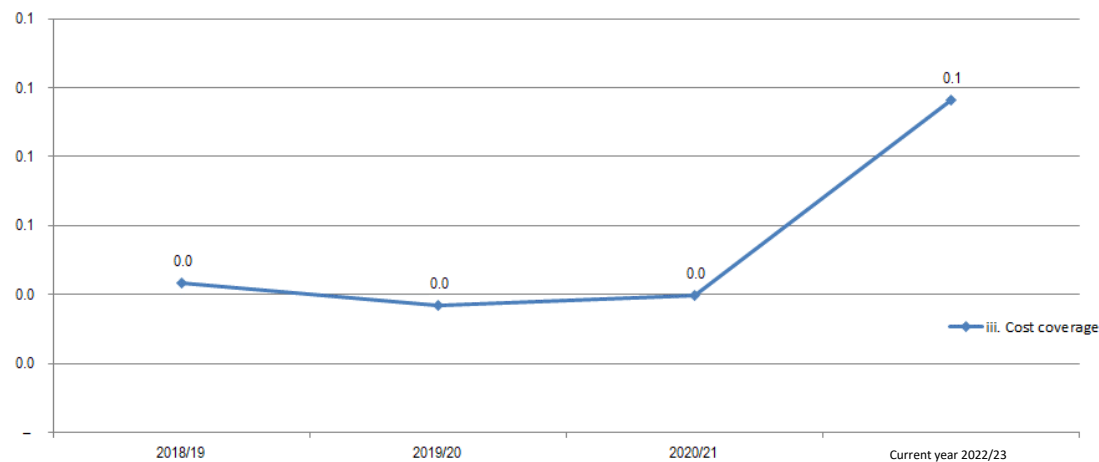
COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

The repairs and maintenance is lower than the National Treasury norm of 8% of the asset value. This is being addressed through higher than inflation tariff increases with corresponding increases in the maintenance cost. Protections of the municipal assets base is regarded as a high priority as it the both base for good service delivery for our communities.

T 5.3.4.1



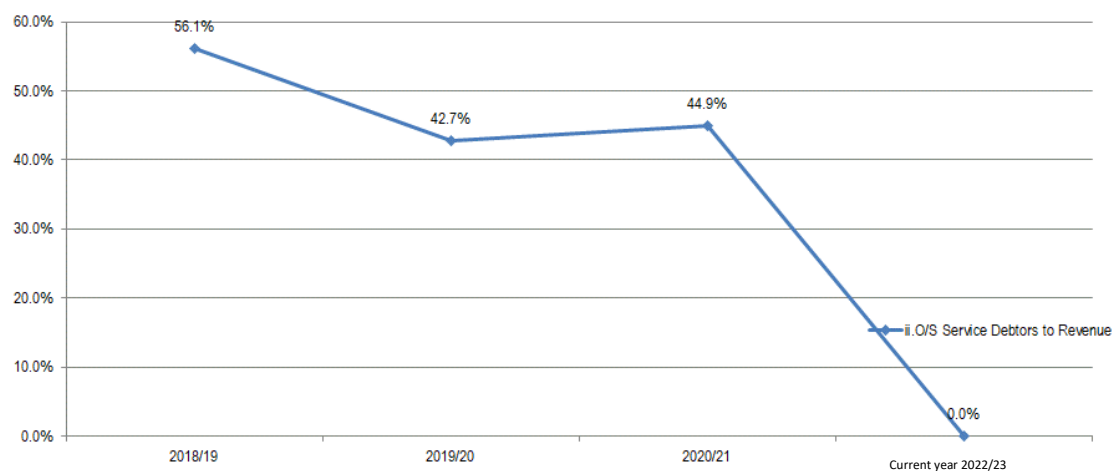
Cost Coverage



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

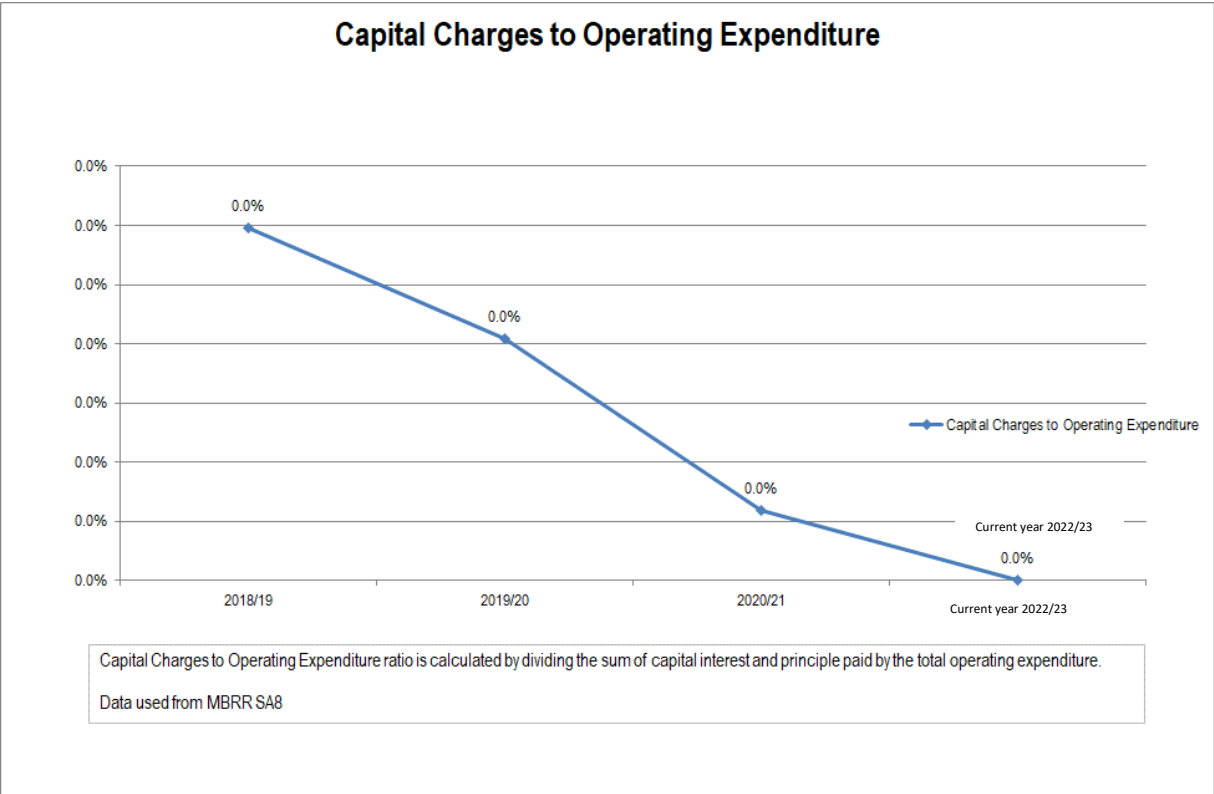
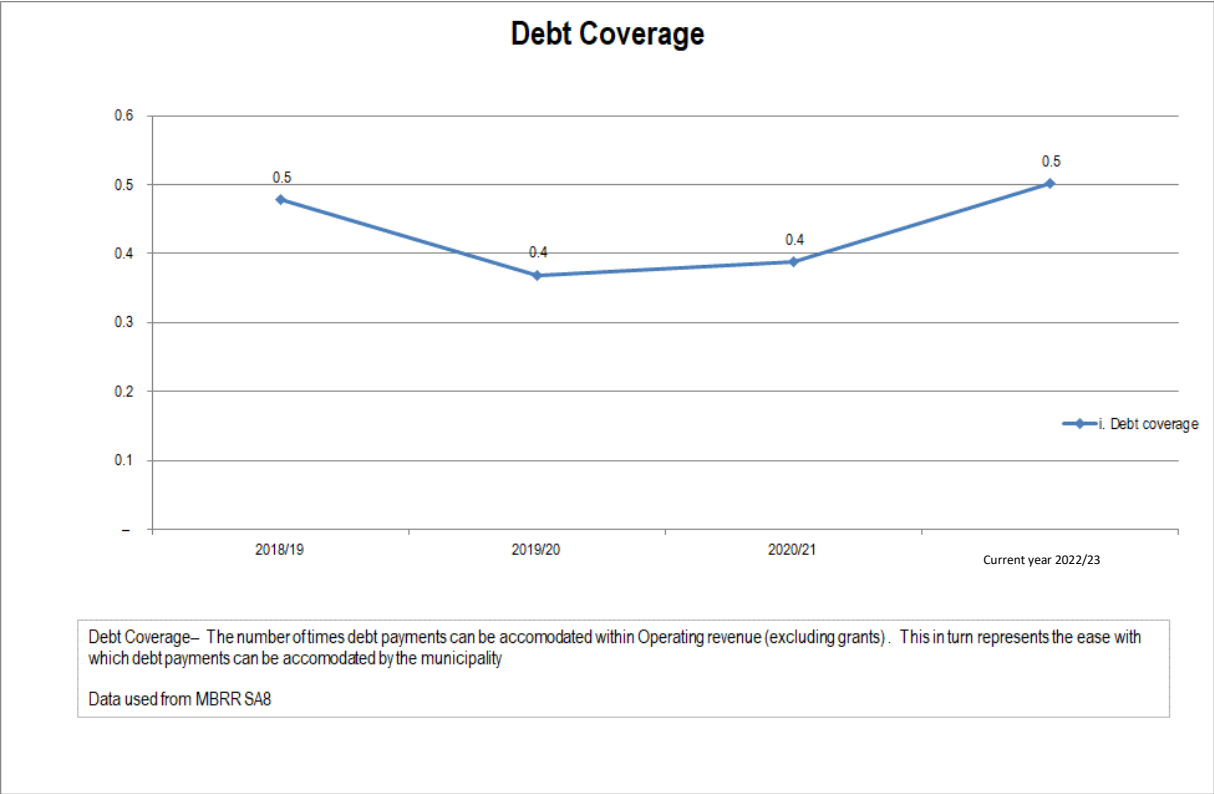
Data used from MBRR SA8

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.

Data used from MBRR SA8



COMMENT ON FINANCIAL RATIOS:

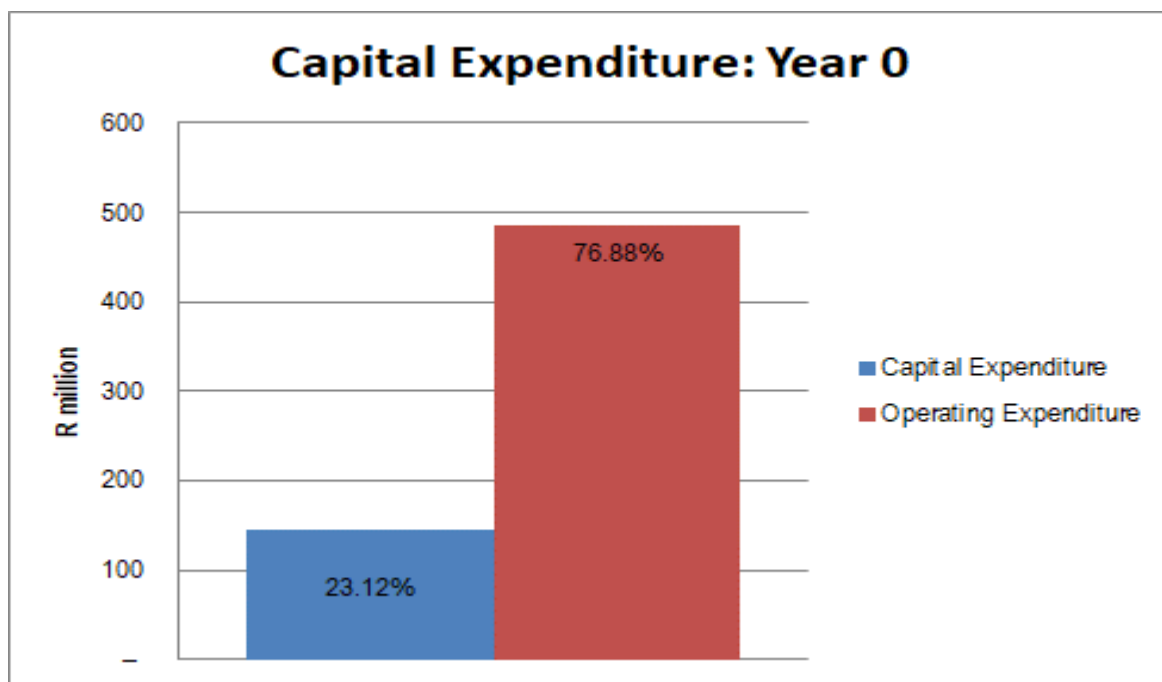
Nyandeni is within the broad norms and standards.
T 5.4.9

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The municipality achieved 77% on the capital budget. This have encourage all the departments to spend much on their capital budget.

T 5.5.0



Capital Expenditure - Funding Sources: Year -1 to Year 0						
R' 000						
Details	Year -1	Year 0				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans						
Public contributions and donations						
Grants and subsidies	74664	65968	72730	80034	10.25%	21.32%
Other	51790	46210	72557	52369	57.02%	13.33%
Total	126454	112178	145287	132403	67.27%	34.65%
Percentage of finance						
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	59.0%	58.8%	50.1%	60.4%	15.2%	61.5%
Other	41.0%	41.2%	49.9%	39.6%	84.8%	38.5%
Capital expenditure						
Water and sanitation						
Electricity						
Housing	0	0	0	0		
Roads and storm water	0	0	0	0		
Other	0	0	0	0		
Total	0	0	0	0	0.00%	0.00%
Percentage of expenditure						
Water and sanitation						
Electricity						
Housing						
Roads and storm water						
Other						

T 5.6.1

COMMENT ON SOURCES OF FUNDING:

Nyandeni Local Municipality is grant dependent for the implementation of its capital projects.

T 5.6.1.1

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 0			Variance: Current Year 0	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Road Construction	58,268	58,412	58,412	0%	0%
Building	9,200	13,200	241	97%	98%
Furniture and Office Equipment	3,000	7,851	1,351	0%	83%
Transport Assets	0	22,800	14,462	0%	37%
Plant and Equipment	4,000	9,256	1,416	65%	85%
Road renewal	23,200	32,355	32,355	-39%	0%
* Projects with the highest capital expenditure in Year 0					
Road Construction - A					
Objective of Project	Community road network				
Delays	Delays experience due to climate change that came up with heavy rain				
Future Challenges	Climate Change				
Anticipated citizen benefits	Whole of the municipality				
Municipal Building - B					
Objective of Project	To extend municipality building with a Council Chamber and political head offices				
Delays	No delays				
Future Challenges	N/A				
Anticipated citizen benefits	Whole of the municipality				
Furniture and Office Equipment - C					
Objective of Project	To procure furniture for new offices at Ngqeleni unit				
Delays	No delays				
Future Challenges	N/A				
Anticipated citizen benefits	Municipal administration				
Transport Assets - D					
Objective of Project	To procure new pool vehicles to assist on service delivery				
Delays	No delays				
Future Challenges	N/A				
Anticipated citizen benefits	Municipal administration				
Plant and Equipment - E					
Objective of Project	To procure machinery to assist on service delivery				
Delays	No delays				
Future Challenges	N/A				
Anticipated citizen benefits	Whole of the municipality				
T 5.7.1					

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Nyandeni Local Municipality has backlogs on construction and maintenance of T-roads which is the responsibility of Department of Transport.

Nyandeni Local Municipality has backlog on electrification because of new sites that are established and infields. Electrification are addressed by requesting Eskom to assist by including infields in their project list and for new sites they are attended through INEP grant.

T 5.8.1

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality has a favourable cash flow position.

T 5.9

Cash Flow Outcomes				
R'000				
Description	Year -1	Current: Year 0		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	24,662	17,121	674	22,185
Government - operating	315,768	322,100	313,921	326,515
Government - capital	74,664	65,968	65,968	80,034
Interest	16,743	–	–	30,552
Dividends				
Payments				
Suppliers and employees	(270,919)	(385,909)	(155,577)	(279,584)
Finance charges	(410)			(1,405)
Transfers and Grants	(7,880)	(8,599)	(8,599)	(13,685)
NET CASH FROM/(USED) OPERATING ACTIVITIES	152,629	10,683	216,387	164,612
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets	(111,112)	(112,178)	(112,178)	(124,088)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(111,112)	(112,178)	(112,178)	(124,088)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–			
Borrowing long term/refinancing	–			846
Increase (decrease) in consumer deposits	–			
Payments				
Repayment of borrowing	1,421			4,736
NET CASH FROM/(USED) FINANCING ACTIVITIES	1,421	–	–	5,583
NET INCREASE/ (DECREASE) IN CASH HELD	42,937	(101,495)	104,209	46,106
Cash/cash equivalents at the year begin:	340,919			383,856
Cash/cash equivalents at the year end:	383,856	(101,495)	104,209	429,962
Source: MBRR A7				T 5.9.1

COMMENT ON CASH FLOW OUTCOMES:

Nyandeni Local Municipality has a healthy financial situation which is financed by the reserves and own revenue. The Municipality has net cash surplus resulting from operations as main source of revenue rather than from financing activities.

T 5.9.1.1

5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Nyandeni Local Municipality does not have loans. The municipality has short term investments with banking institutions.

T 5.10.1

Actual Borrowings: Year -2 to Year 0 R' 000			
Instrument	Year -2	Year -1	Year 0
Municipality	0	0	0
Long-Term Loans (annuity/reducing balance)	0	0	0
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			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	0	0	0
T 5.10.2			

Municipal and Entity Investments			
	R' 000		
Investment* type	Year -2	Year -1	Year 0
	Actual	Actual	Actual
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	340919	383856	429962
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	340919	383856	429962
Municipal Entities			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	0	0	0
Consolidated total:	340919	383856	429962
			<i>T 5.10.4</i>

COMMENT ON BORROWING AND INVESTMENTS:

Nyandeni Local Municipality does not have loans.

The municipality has short-term investment with the following banks:- Nedbank, First National Bank and Standard Bank. The municipality opened individual call investment accounts for all conditional grants.

T 5.10.5

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

Nyandeni Local Municipality does not have Public Private Partnership

T 5.11.1

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Municipality reviewed and approved the Supply Chain Management (SCM) Policy on the 30 May 2023 aimed at assisting service delivery in a cost effective manner. The Supply Chain Management Unit has been fully established, all posts in the SCM are filled. Training of Bid Committees and SCM officials has been conducted.
T 5.12.1

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

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

Nyandeni Local Municipality prepare Annual Financial Statements which are GRAP compliant.
T 5.13.1

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Financial Summary						
Description					R' 000	
	2022 Actual	Original Budget	2023 Adjusted Budget	Actual	Year 2023 Original Budget	Variance Adjustments Budget
Financial Performance						
Property rates	18 317	17 786	20 065	18 317	-3%	9%
Service charges	413	344	344	413	-20%	-20%
Investment revenue	15 694	17 981	24 160	15 694	13%	35%
Transfers recognised - operational	382 370	322 274	333 773	382 370	-19%	-15%
Other own revenue	11 857	9 292	11 613	11 857	-28%	-2%
Total Revenue (excluding capital transfers and contributions)	428 652	367 676	389 955	428 652	%	%
Employee costs	159 230	188 499	191 698	159 230	16%	17%
Remuneration of councillors	24 464	27 685	25 003	24 464	12%	2%
Depreciation & asset impairment	43 473	6 756	6 756	43 473	-544%	-544%
Finance charges	675	58 611	58 611	675	99%	99%
Materials and bulk purchases	5 639	75 381	100 575	5 639	93%	94%
Transfers and grants	9 666	15 318	22 890	9 666	37%	58%
Other expenditure	90 855	87 415	79 595	90 855	-4%	-14%
Total Expenditure	334 002	459 665	485 126	334 002	%	%
Surplus/(Deficit)	94 650	(91 989)	(95 171)	94 650	%	%
Transfers recognised - capital	71 224	65 968	76 102	71 224	-8%	6%
Contributions recognised - capital & contributed assets					%	%
Surplus/(Deficit) after capital transfers & contributions	165 874	(26 021)	(19 070)	165 874	%	%
Share of surplus/ (deficit) of associate					%	%
Loss on disposal of assets and liabilities	122			122	%	%
Fair value adjustments	2 797	-	-	2 797	%	%
Surplus/(Deficit) for the year	168 793	(26 021)	(19 070)	168 793	%	%
Capital expenditure & funds sources						
Capital expenditure	101 188 693	68 661	72 151		%	%
Transfers recognised - capital	71 224	580	580		100%	100%
Public contributions & donations	0	-	-		%	%
Borrowing		-	-		%	%
Internally generated funds	46 282	73 165	72 557		%	%
Total sources of capital funds	117 506	73 745	73 137	-	%	%
Financial position						
Total current assets	402 746	301 655	303 441		100%	100%
Total non current assets	775 591	869 937	875 200		100%	100%
Total current liabilities	46 041	58 326	58 372		100%	100%
Total non current liabilities	11 670	11 839	11 837		100%	100%
Community wealth/Equity	1 120 626	1 101 478	1 109 853		100%	100%
Cash flows						
Net cash from (used) operating	104 658	28 067	43 491		100%	100%
Net cash from (used) investing	(21 233)	(140 633)	(144 753)		100%	100%
Net cash from (used) financing	(251)	-	(308)		0%	0%
Cash/cash equivalents at the year end	385 436	272 126	245 793		%	100%
Cash backing/surplus reconciliation						
Cash and investments available	347 362	245 709	248 789		100%	100%
Application of cash and investments	0	38 026	38 042		100%	100%
Balance - surplus (shortfall)	244 657	207 683	210 747	-	%	%
Asset management						
Asset register summary (WDOV)	693 333				#DIV/0!	#DIV/0!
Depreciation & asset impairment	43 473				0%	0%
Renewal of Existing Assets	1 353				#DIV/0!	#DIV/0!
Repairs and Maintenance	8 360				0%	0%
Free services						
Cost of Free Basic Services provided	2 525	7 602	6 844		%	%
Revenue cost of free services provided	-	-	-	-	#DIV/0!	#DIV/0!
Households below minimum service level						
Water	0	-	-	0	%	%
Sanitation/sewerage	0	-	-	0	%	%
Energy	0	-	-	0	%	%
Refuse	0	-	-	0	%	%

Variances are calculated by dividing the difference between actual and original/adjusted budget by the actual. This table is aligned to MBRR table A1

T 5.1.1

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

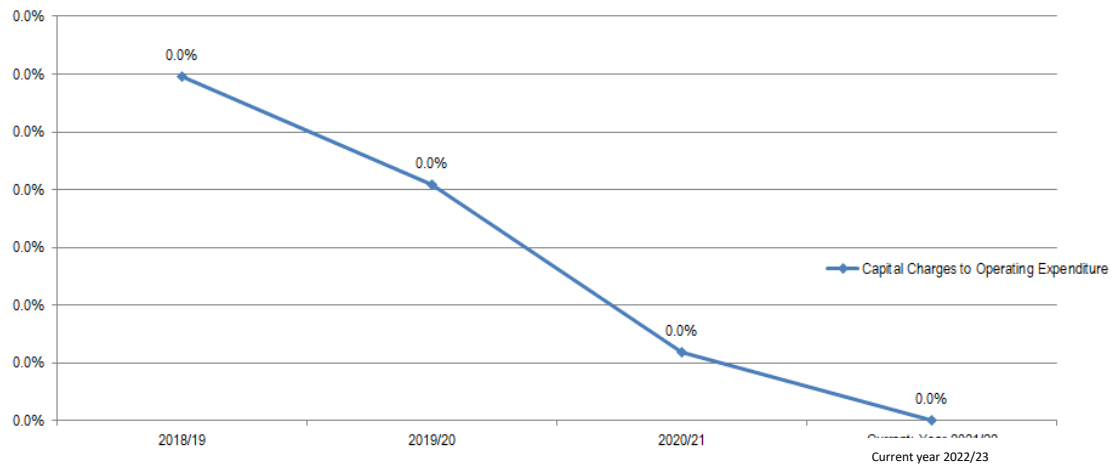
Financial Performance of Operational Services						
Description	2022	2023		Year 2021 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	–	–	–	–		
Waste Water (Sanitation)	–	–	–	–		
Electricity	16 607	14 047	12 909	11 737	-19,68%	-9,98%
Waste Management	20 649	25 933	27 032	19 902	-30,30%	-35,83%
Housing	3 493	6 772	8 841	6 020	-12,49%	-46,86%
Component A: sub-total	40 748	46 752	48 782	37 659	-24,15%	-29,54%
Waste Water (Stormwater Drainage)	–	–	–	–		
Roads	26 186	43 821	60 513	43 131	-1,60%	-40,30%
Transport	–	–	–	–		
Component B: sub-total	26 186	43 821	60 513	43 131	-1,60%	-40,30%
Planning	–	–	–	–		
Local Economic Development	11 640	33 984	36 686	25 716	-32,15%	-42,66%
Component B: sub-total	11 640	33 984	36 686	25 716	-32,15%	-42,66%
Planning (Strategic & Regulatory)	–	–	–	–		
Local Economic Development	–	–	–	–	#DIV/0!	#DIV/0!
Component C: sub-total	–	–	–	–	#DIV/0!	#DIV/0!
Community & Social Services	15 361	21 598	22 443	12 732	-69,63%	-76,27%
Environmental Protection	–	–	–	–		
Health	310	1 051	1 558	856	-22,75%	-82%
Security and Safety	28 414	24 783	37 248	28 414	12,78%	-31%
Sport and Recreation	–	–	–	–		
Corporate Policy Offices and Other	–	–	–	–		
Component D: sub-total	44 086	47 432	61 248	42 002	-12,93%	-45,82%
Total Expenditure	122 660	171 989	207 230	148 508	-15,81%	-39,54%

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Grant Performance						
R' 000						
Description	2022	2023		Year 2023 Variance		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	341 753	398 432	398 432	342 598		
Equitable share	247 230	313 293	313 293	266 905	15%	15%
Municipal Systems Improvement	–	–	–	–		
Department of Water Affairs	–	–	–	–		
MIG	69 607	65 968	65 968	62 948		
FMG	1 650	1 650	1 650	1 650	0%	0%
INEP electrification grant	16 067	8 000	8 000	–	100%	100%
Expanded Public Works Programme -EPWP	1 716	1 859	1 859	2 033	-9%	-9%
MIG Operational	3 664	3 472	3 472	5 435	-57%	-57%
Neighbourhood Grant	1 820	4 190	4 190	3 627	13%	
Municipal Disaster Relief Grant	–	–	–	–	#DIV/0!	#DIV/0!
Provincial Government:	700	700	700	427	0	0
Health subsidy	–	–	–	–		
Housing	–	–	–	–		
Ambulance subsidy	–	–	–	–		
Sports and Recreation	700	700	700	427	39%	39%
CoGTA (Local Elections)	–	–	–	–		
District Municipality:	–	–	–	–	-	-
OR Tambo						
Other grant providers:	282	6 127	10 743	4 775		
DEDEAT		1 000	1 000	337	0%	0%
LG SETA	282	300	316	122	59%	61%
Human Settlement		2 134	2 134	1 737		
Disaster Relief Grant		2 693	7 293	2 578		
DEDEAT-Ngqeleni Transfer station	–	–	–	–	0%	0%
Department of Public Works -SIDEWALKS	–	–	–	–	0%	0%
Total Operating Transfers and Grants	342 735	405 258	409 875	347 800		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.						
T 5.2.1						

Repair and Maintenance Expenditure: Year 2023				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	30 133	45 115	35 759	-19%
T 5.3.4				

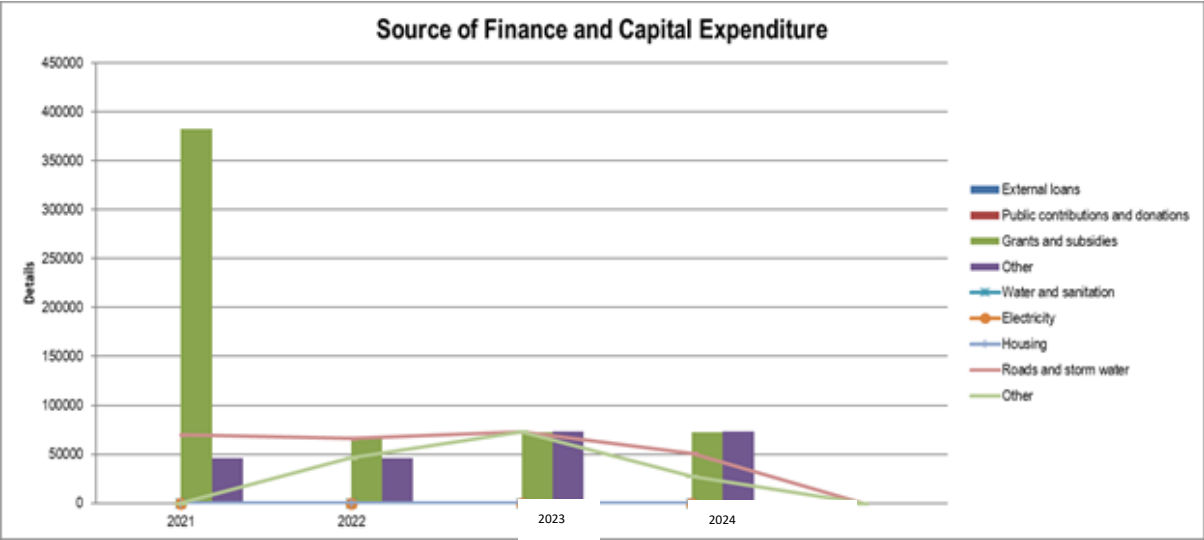
Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

Capital Expenditure - Funding Sources: Year 2022 to Year 2023						
R' 000						
Details	2021 Actual	Original Budget (OB)	Adjustment Budget	2022 Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans	0	0	0	0		
Public contributions and donations	0	0	0	0		
Grants and subsidies	382370	65968	72730	72730	10,25%	10,25%
Other	46282	46210	73165	73165	58,33%	58,33%
Total	428652	112178	145895	145895	68,58%	68,58%
Percentage of finance						
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	70,9%	58,8%	49,9%	0,0%	14,9%	14,9%
Other	29,1%	41,2%	50,1%	0,0%	85,1%	85,1%
Capital expenditure						
Water and sanitation	0	0	0	0		
Electricity	0	0	0	0		
Housing	0	0	0	0		
Roads and storm water	69607	65968	72730	50943	10,25%	-22,78%
Other	0	46210	73165	27449	58,33%	-40,60%
Total	69607	112178	145895	78392	68,58%	-63,38%
Percentage of expenditure						
Water and sanitation	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Electricity	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Housing	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Roads and storm water	100,0%	58,8%	49,9%	0,0%	14,9%	35,9%
Other	0,0%	41,2%	50,1%	0,0%	85,1%	64,1%
75,61						





NYANDENI

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CHAPTER 6

AUDITOR GENERAL
AUDIT FINDINGS

CHAPTER 6 AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

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

Auditor-General has audited the financial statements that comprised of statement of financial position, statement of financial performance and other comprehensive income, statement of changes in net assets, cash flow statement and statement of budget information with actual information as well as notes to the financial statements including a summary of accounting policies of the Nyandeni Local Municipality for the year ending 30 June 2022 (2021/22) and 30 June 2023 (2022/23).

Auditor General further audits the usefulness and reliability of the reported performance against predetermined objectives for the selected Basic Service Delivery development area reported in the Annual Performance Report.

The objectives of Auditor General are to obtain reasonable assurance whether the financial statements as whole are free from material misstatements, whether due to fraud or error and to issue an audit report that includes a n opinion.

During the 2021/22 financial year the municipality received an unqualified audit opinion with matters of emphasis and during 2022/23 financial year the municipality received a qualification audit opinion with emphasis of matter.

No material findings were issued on the performance report.

T 6.0.1

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

6.1 AUDITOR GENERAL REPORTS : 2021/22 FINANCIAL YEAR (PREVIOUS YEAR)

Auditor-General Report on Financial Performance:	
Audit Report Status*:	
Non-Compliance Issues	Remedial Action Taken
Material misstatements on the non current assets, current liabilities, impairment and disclosure assets that have been subsequently corrected and resulted to the financial statements receiving an unqualified audit opinion.	1. Ensure that verification of financial data for classification purposes is done monthly 2. Introduce performance of monthly management accounts through running financial statements using the tool from SebatEMS Desktop. Ensure that subsequent to month end closure procedures, prepare monthly management accounts. Submit the financial statements on a quarterly basis to Internal Audit for review. 3. Monitor and track progress on each component of the AFS Roadmap plan. Ensure that weekly progress is kept to deal with challenges and resolve them as at when they arise for each component 4. Consider establishing the unit for preparation of financial statements. Ensure continuous training on preparation of financial statements as a form of building capacity internally. Ensure that the staff attends the ongoing tranings on implementation of GRAP. 5. Verify each component disclosed in the AFS against the checklist, and update any outstanding disclosure notes
No sufficient appropriate evidence provided that the municipal manager and senior managers signed performance agreements within the prescribed period.	Maintain file for all performance agreements signed supported by a council resolution for each financial year.
An adequate management and accounting system which accounts for assets was not in place as required by section 63(2)(a) of the MFMA.	1. Management will ensure that the transfers from Work-in-progress are accurately and properly disclosed in the financial statements
An effective system of internal control for revenue was not in place as required by section 64(2)(f) of the MFMA.	1. Prepare the reconciliation of monies receipted (on NATIS) against monies deposited for DLTC in the bank 2. Prepare the reconciliation of monies receipted in the general ledger against monies receipted and deposited for

Auditor-General Report on Financial Performance:	
Audit Report Status*:	
Non-Compliance Issues	Remedial Action Taken
	DLTC. 3. Agree the general ledger to the trial balance and Financial Statements
An adequate management, accounting and information system was not in place which recognized expenditure when it was incurred as required by section 65(2)(b) of the MFMA.	1. Run payroll reports on a monthly basis, 2. Reconcile the payroll report against the general ledger on monthly basis. 3. Review the reconciliations on a monthly basis 4. Agree the trial balance with the financial statements 5. Ensure proper disclosure in the AFS
Some of the invitation to tender for procurement of commodities designated for local content and production as required by 2017 preferential procurement regulation (8)(2)	1. Development of controls (checklist) that will assist to ensure that all the tender documents submitted by the suppliers are properly scrutinized to ensure suppliers have submitted all the required documents 2. Provide guidance during bid invitation process in order to assist bidders to correctly declare.
<i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i>	
T 6.1.1	

Auditor-General Report on Service Delivery Performance: Year -1 (2021/22)	
Audit Report Status:	
Non-Compliance Issues	Remedial Action Taken
Achievements were reported against indicators and their planned targets that were unrelated to their planned indicators and their predetermined measurements.	1. Review indicators to ensure that they meet the SMART criteria 2. Review the planned information to ensure that it complies with the Framework for Managing Programme Performance Information. 3. Adequate review of quarterly and annual performance information reports by the Head of Departments prior submission to Monitoring & Evaluation and Internal Audit Office.
T 6.1.2	

COMPONENT B: AUDITOR-GENERAL OPINION: 2022/23 FINANCIAL YEAR (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR

Auditor-General Report on Financial Performance - 2022/23 FINANCIAL YEAR (YR 0)	
Status of audit report:	
Non-Compliance Issues	Remedial Action Taken
Financial Statements submitted for audit were not prepared in all material respects in accordance with requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current liabilities, impairment and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected; but the supporting records could not be provided resulting in the financial statements receiving a qualified audit opinion.	1. All invoices approved for payment when a clear detailed invoice is submitted clearly stating the services that were rendered in line with the service level agreement. 2. All payments should be limited to amounts agreed upon service level agreements. 3. When service level agreements are revised, the agreements must clearly indicate what is revised and clearly state the reasons for the revision, to ensure there is a clear distinction of the prior year services done and completed and the revised agreement for the remaining services. 4. Infrastructure department and BTO to have a session to go to total population of all invoices already paid from July 2023 to December 2023 to ensure that all necessary documentation is attached as required.
Effective system of internal controls for the assets (including asset register) was not in place as required by section 63(2) of the MFMA.	1. The municipality will prepare 9 months Annual Financial Statements to ensure that all supporting schedules agree with AFS and allow enough time for proper review of Financial statements with its supporting schedules. 2. A proper reconciliation of AFS with supporting schedules will be performed. 3. During the physical verification of municipal assets, condition of all municipal assets will also be assessed so that the municipality can perform assets useful life review. 4. An asset register will also be updated with changes in the assets condition. 5. A Reconciliation between General Ledger and Inventory

Auditor-General Report on Financial Performance - 2022/23 FINANCIAL YEAR (YR 0)	
Status of audit report:	
Non-Compliance Issues	Remedial Action Taken
	register will be performed to ensure occurrence, completeness and correct valuation of Inventory in the AFS.
The senior managers did not sign performance agreements within the prescribed period as required by section 57(2) of the MSA.	1. Maintain file for all performance agreements signed supported by a council resolution for each financial year. 2. Municipal Manager will perform assessment of all Senior Managers and Managers. 2. Performance plans of all Managers to be signed by the regulated time
The invitation to tender for procurement of commodities designated for local content	During the revision of the PPPFA regulations in January 2023, the requirement was removed. Therefore, no action is applicable.
Performance of service providers was not monitored on a monthly basis as required by section 116(2) of the MFMA.	1. Prepare monthly reports for all projects with POEs (rain gage, dated/updated photos) 2. To ensure sitting of the contract management committee 3. To ensure enforcement of the SLA (termination clause) on non-performing service providers
Note:* The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 0.	
T 6.2.1	

Auditor-General Report on Service Delivery Performance: Year 2022/23	
Status of audit report**:	
Non-Compliance Issues	Remedial Action Taken
No material findings were reported in the audit report. The identified findings noted during the audit were subsequently corrected.	
* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance Year 0	
** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.	
T 6.2.2	

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 0



NYANDENI

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REPORT OF THE AUDITOR GENERAL

Report of the auditor-general to the Eastern Cape Provincial Legislature and the council of the Nyandeni Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Nyandeni Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2022, the statement of financial performance and other comprehensive income, statement of changes in net assets, and cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and Divisional Revenue Act 9 of 2021 (Dora).

Basis for opinion

3. 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.
4. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Restatement of corresponding figures

6. As disclosed in note 58 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of reclassification in the financial statements of the municipality at, and for the year ended, 30 June 2022.

Other matter

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

Unaudited disclosure notes

8. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the annual financial statements. This disclosure 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

9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP, the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
10. 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

11. 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.
12. 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

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

14. 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.
15. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priority presented in the municipality's annual performance report for the year ended 30 June 2022.

Development priority	Pages in the annual performance report
Development priority 1 - <i>Basic services and infrastructure</i>	x – x

16. 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.
17. The material findings on the usefulness and reliability of the performance information of the selected development priority are as follows:

Development priority 1 – Basic service delivery

Achievements were reported against indicators and their planned targets that were unrelated to their planned indicators and their predetermined measurement processes. As a result, I was unable to obtain sufficient appropriate audit evidence for the achievements reported in the annual performance report. I was unable to confirm these achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements for the indicators listed below.

No	Indicator	Target	Reported achievement
1	Number of Gravel Road Kilometres Constructed for Langakazi A/R at Ward 27 by 30 June 2022	Complete construction of 5km Langakazi A/R in Ward 27 by 30 June 2022	Overall progress is at 95% complete
2	Number of Gravel Road Kilometres Constructed for Sofia AR in Ward 10 by 30 June 2022	Complete construction of 5.9km at Sofia A/R in Ward by 10 June 2022	Overall progress is at 95% complete

No	Indicator	Target	Reported achievement
3	Percentage Progress Report for Construction of Tholeni AR in Ward 26 by 30 June 2022	Develop progress report for Construction of 5.5km in Tholeni A/R at ward 26. Project to be at 55% percent by 30th June 2022	Overall Progress is at 55%
4	Percentage Progress Report for Construction of Ntshazini Bridge to Canzibe in Ward 22 & 28 by 30 June 2022	Develop progress report for Construction of 11.2km Ntshazini Bridge to Canzibe low volume road in Wards 22 and 28 project to be at 30% percent by 30 June 2022	Overall Progress is at 33%
5	Percentage Progress Report for constructed Mbange in Ward 20 by 30 June 2021	Develop progress report for Construction of 9.5km of Mbange Internal Roads in Ward 24 by 30 June 2022. (Project to be at 30%)	Overall progress is at 31%
6	Number of kilometres constructed for surfaced road at Libode by 30 June 2022	Complete Construction of 2.5km of surfaced road at Libode by 30 June 2022	Overall progress is at 85%
7	Number of kilometers Constructed for 5.1km Mdina JSS to Mcwilli in Ward 04 by 30 June 2022	Construction of 5.1km at Mdina JSS to Mcwilli A/R at Ward 04 by 30 June 2022	Overall Progress is at 67%
8	Constructed Ngqeleni Sport Field at Ward 21 by 30 June 2022	Construction of Ngqeleni Sport Field at ward 21 by 30 June 2022	Overall Progress is at 33%

Other matters

18. I draw attention to the matters below.

Achievement of planned targets

19. 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 paragraph 18 of this report.

Adjustment of material misstatements

20. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of basis service delivery development priority. I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Introduction and scope

21. 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.
22. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

23. 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 non-current assets, liabilities and expenditure identified by auditors in the submitted financial statements were subsequently corrected and supporting documents were provided and resulted to the financial statements receiving a unqualified audit opinion.

Human resource management

24. I was unable to obtain sufficient appropriate audit evidence that the municipal manager and senior managers signed performance agreements within the prescribed period, as required by section 57(2) of the Municipal Systems Act 32 of 2000 (MSA).

Asset management

25. An adequate management accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA.

Revenue management

26. An effective system of internal control for revenue was not in place, as required by section 64(2)(f) MFMA.

Expenditure management

27. An adequate management, accounting and information system was not in place which recognised expenditure when it was incurred, as required by section 65(2)(b) of the MFMA.

Procurement and contract management

28. Some of the invitation to tender for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2).

Other information

29. The accounting office is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported in this auditor's report.
30. 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.
31. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

33. 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.
34. There was a lack of effective controls at the municipality related to the daily processing, reconciling, reviewing and monitoring over financial and performance reports as well as compliance with key legislation.

Auditor General

09 December 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Consolidated Draft Audit Action Plan 2022-23

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
1. 1-COAF 006: ICD: Performance management	During the overall planning, the following issues were noted; 1. Performance evaluations/Assessments are were not done. The last reviews completed were in 2017/18 Financial Year. 2. Performance agreement of the SCM Manager is not signed by the employee and the Municipal representative	Lack of oversight by management to comply with the municipal service act/impact This is a non-compliance with Municipal Systems Act section 57(2)(a) & 67(1)(d).	Senior managers and managers reporting to the Municipal manager should sign an annual performance agreement within one month after the beginning of the financial year (31 July) or within a reasonable time after being appointed and the evidence of complying with MSA 57(2)(a) & 67(1)(d) must be stored and be ready available for review.	1. Municipal Manager will perform assessment of Senior Managers and Managers 2. Performance plans of all Managers to be signed by the regulated time	31 March 2024 31 July 2024	Municipal Manager All HODs
2. ISS-62-LIMITATION: COAF 035: Property plant and Equipment: Payment to consultant not supported by sufficient appropriate evidence	During the assessment of the payment to consultants to determine if payments were made for services rendered as per the service level agreement we noted that there is a service level agreement between the municipality and Chule Consulting CC has the following services in Schedule one of the agreement: • Arrange site handover to contractor • Issue construction documentation • Conduct & regular site meetings		Management should ensure that all invoices are approved for payment when a clear detailed invoice is submitted clearly stating the services that were rendered in line with the service level agreement. All payments should be limited to amounts agreed upon service level agreements. When service level agreements are	1. All invoices approved for payment when a clear detailed invoice is submitted clearly stating the services that were rendered in line with the service level agreement. 2. All payments should be limited to amounts agreed upon service level agreements. 3. When service level agreements are revised, the agreements must clearly indicate what is revised and clearly state the reasons for the revision, to ensure there is a clear distinction of the prior year services done and completed and the revised agreement for the remaining services. 3. Infrastructure department and BTO to have a session to go to total population of all invoices already paid from July 2023 to December 2023 to ensure that all necessary documentation is attached as required.	30 June 2024 28 February 2024	SM: Infrastructure SM: Infrastructure / Chief Financial Officer

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	• Review approve & monitor the preparation of the construction programme • Regularly monitor performance of the contractor against the construction programme • Adjudicate entitlement that arise from charges required to the construction programme • Agree on quality assurance • Monitor preparation & auditing of the contractors health and safety plan and approval thereof • Monitor preparation of the environmental management plan by the environmental consultant • Establish procedures for the monitoring scope and cost variations • Monitor, review, approve and issue certificates • Receive, review, adjudicate any contractual claims • Monitor preparation of financial report • Prepare and submit progress reports • Co-ordinate, monitor and issue practical completion certifies The consultant have not handed over the site to the contractor and therefore the above services were not		revised, the agreements must clearly indicate what is revised and clearly state the reasons for the revision, to ensure there is a clear distinction of the prior year services done and completed and the revised agreement for the remaining services.			

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	rendered, the project plan states the following Items Description of service 23 Nov 2018 Preliminary designs 31 Jan 2019 Detailed design report 15 Feb 2019 Tender document 15 April 2019 Site handover 29 April 2019 Contractor on site 27 Mar 2020 Completion date 30 April 2020 Final handover 31 Mar 2021 Release retention On assessment of the service level agreements, to determine how much was agreed upon and how much was paid, in the initial submitted service level agreement signed on the 9th October 2018 a total cost of R6 251953 (Excl VAT) for professional fees was agreed upon for the detailed designed scheduled to be done by 31 January 2019, last payment made 10 April 2019 per schedule above however a total amount of R18 529 999 (Excl VAT) was paid by 6 August 2020 for the same detailed design					

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	report. Management has submitted a revised service level agreement that was signed and advised that the fees were revised, on assessment of the new agreement, the agreement was signed on the 27th March 2020, the detailed design report is scheduled to be completed on the 20 August 2020 for R18 583 501 however the revised service level agreement does not state what is revised, why the amounts are revised, which fees were initial incurred and what is the revised amounts on the new service level agreement, the agreement is done after payments were done over the previous contract and there is no distinction of what services were done and what further services will be done. Per the paragraph 3.3 of the service level agreement which states The Tax invoice must set out the days or time spent and consulting fees payables together with a short description identifying the consulting services provided during					

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
3. ISS.36-COAF 037: SCM - Deviation: No declarations were made in compliance with SCM regulations 13(c)	that month and such other information as the client may require. On assessment of the tax invoices submitted and approved for payment it is noted that the invoices did not detail the time nor the days spent, and the only description written in the tax invoices are professional fees and there is no short description identifying the consulting services received as required by the service level agreement as a result I was unable to determine the consulting services that were done and paid for. Lack of oversight by management on payment made to consultants and revision of service level agreements This will result to a limitation of consultant fees paid as there is no description on what was services in invoices	This is caused by management lack of oversight in ensuring that the supply chain management regulations	Management should ensure that a service provider sign declaration of interest prior awarding a job irrespective of whether it is a deviation or normal	Ensure all relevant MDB forms are signed by all service providers awarded services by the municipality.	30-Jun-24	Chief Financial Officer
	During the testing of deviations from the quotation/ competitive bids process to determine compliance with section 13(c) of the SCM regulation, it was noted that the following deviations were considered without the					

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	service provider's declaration of interest: Deviation from the quotation procurement processes: Deviation details 2022/11 20972 Ikwezi Glass 2022/11 D/4852 25/10/2022 R 189 750,00 Supply and delivery of Bullet proof windows with tint: Ngqeleni unit new building 2023/03 21385 Tyeks plant hire 2023/03 D/5116 30/01/2023 R 155 250,00 Hiring and transporting of Bulldozer Payments made in the 2022/23 financial year: R 345 000 Deviation from the competitive bid process: 31-Aug 20712 Adapt IT 31-Aug D/4673 29/08/2022 R 280 568.56 CaseWare renewal software 13-Sep 20754 Adapt IT 13-Sep D/4035 2022/12/07 R 210 967.50 CaseWare System Support Total payments made in the 2022/23 financial year R 491 536.06	have been complied with. Impact: The non-compliance will result in an irregular expenditure amounting to R 2 683 625,80 which is the total expenditure on deviation from the competitive bid procurement processes. Furthermore a significant internal control deficiency will be reported accordingly in the management report and audit report.	procurement process.			
4. ISS:38-COAF 031: SCM - Local content: Minimum threshold not specified on the bid Invite/documents	1. During the audit of the following competitive bids and quotations to determine compliance with Preferential	Lack of oversight reviews in ensuring the bids achieve	Management should adhere to all applicable laws and regulations for procurement and	During the revision of the PPPFA regulations in January 2023, the requirement was removed. Therefore no action is applicable.	30-Jun-24	Chief Financial Officer

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	Procurement Regulations 2017 with regards to local production and content, it was noted that the invitation to tender and/or the MBD 6.2 did not specify the minimum threshold for local production and content prescribed in the relevant NT Instruction Notes. It was further noted that the winning providers did not provide a declaration on local production and content and thus it was impossible to determine whether the winning service providers met the minimum threshold for local production and content.	the objectives of the PPR Impact This will lead to non-compliance with the Preferential Procurement Regulations, 2017 paragraph 8(2) and 8(5) and an irregular expenditure amounting to R 16 133 167,23.	contract management. Further to that, management must develop controls for ensuring that all the tender documents submitted by the suppliers are properly scrutinized to ensure suppliers have submitted all the required documents and thus a fair tender/quotation process is achieved for everyone. The bid invitations do not indicate the minimum threshold as per policy (but only specify that a tender that fails to meet stipulated threshold will not be acceptable. For bidders to comply, guidance must be given in the bid invitation in order to assist bidders to correctly declare.			
5. ISS.71-COAF 039: Contract management- Non-compliance with MFMA 116 (2)	During the audit of contract management compliance to determine if the municipality implemented monthly monitoring on their contracts as per the requirement of the above	The issue was caused by lack of management oversight over review and monitoring of compliance with applicable	It recommended that management put controls in place to ensure oversight over the implementation of monthly monitoring and	1. Prepare monthly reports for all projects with POEs (rain gage, dated/updated photos) 2. To ensure sitting of the contract management committee 3. To ensure enforcement of the SLA (termination clause) on non-performing service providers	30-Jun-24	SM: Infrastructure

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	legislation and in line with the municipality's internal processes of completing monthly reports, it was noted that following contracts we not monitored monthly as there were no reports in place. 1. 43/2021-Tholeni A/R 2. Nxukhwebe to Mthombetsisa-Umzomhle trading and projects 3. 19/2022-Nggeleni sport field 4. 24/2019-THABO MBEKI INTERNAL ROADS 5. 43/2020-Langakazi Low Volume Road 6. 44/2020-UPGRADE OF SOFIA ACCESS ROAD 7. 40/2019-Nkanunu electrification 8. 44/2021-Ntshazini Bridge 9. 15/2022-Mbange 10. 45/2021-Mdina Jss – Mcwili 11. 28/2018-Animal feed processing plant 12. DR 301 Road upgrade	laws and regulations.	reporting on contracts to ensure these are done monthly in compliance with the MFMA requirements for contract management.			
6. ISS.68-ADJUSTED: COAF 043: Commitment register: Differences identified	During the audit of the Capital commitments, the following discrepancies between the commitment register and auditor's recalculation were noted:	The issue was caused by lack of management oversight over review and monitoring of compliance with applicable laws and regulations.	Management should ensure that the commitment register, and all supporting schedules are thoroughly reviewed before being submitted for audit	1. Preparation of files for commitment register	30-Jun-24	SCM Manager

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
7. ISS.66-COAF 040: Employee benefits: Leave provision	During the testing of employee benefits-leave provision to determine if it was calculated in line with GRAP 25 requirements, the following difference were noted on reperforming the calculations based on submitted leave records.	The above is caused by a lack of management oversight over review and reconciliation of Leave provision as register as leave days captured by HR do not agree with those posted on the leave register and ultimately used to determine the provision balance.	Management should monitor leaves taken by employees and ensure they are recorded accurately and timeously. Furthermore, information posted to the leave provision account should agree with leave balances as per HR reports to ensure accuracy of leave provision balance	1. Prepare leave monthly reconciliation 2. Start the process of biometric system 3. Implementation of HR Leave system 4. Reconcile opening and closing leave days in the provision schedule with the balances in the system	30 June 2024 31 July 2024	HR Manager SM: Corporate Services
8. ISS.7-COAF 012: Limitation of scope: Capital assets	During the review of the capital assets registers submitted for audit to confirm that the registers agree to the Annual Financial Statement (AFS) as disclosed, the following differences as per the table below were noted:	Lack of proper review of AFS and accompanying schedules to the AFS.	Management should ensure that all supporting schedules submitted for audit agree to the AFS in order to avoid additional time being spent on the audit and the possibility of a limitation of scope. Management should also ensure that AFS are thoroughly reviewed before being submitted for audit	1. The municipality will prepare 9 months Annual Financial statements to ensure that all supporting schedules agree with AFS and allow enough time for proper review of annual Financial statements with its supporting schedules. 2. A proper reconciliation of AFS with supporting schedules will be performed .	31 March 2024 31 June 2024	Chief Financial Officer
9. ISS.9-COAF 009: Fruitless and Wasteful Expenditure was not investigated in the current year	There were no investigations instituted for fruitless and wasteful expenditure prior to the write off an amount of R5	The issue was caused by lack of management oversight over review and	Management should put processes in place to ensure that the write-off relating to	1. To identify fruitless and wasteful expenditure quarterly and include the report to Section 52 (d) report	30-Jun-24	Manager: Budget and reporting /SCM Manager / CFO

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	646 as disclosed in the 2022-23 annual financial statements.	monitoring of compliance with applicable laws and regulations	fruitless and wasteful expenditure is certified by the municipal council, after investigation by a council committee as required by section 32(2)(b) of the MFMA.			
10. ISS.74-COAF 047 - ADJUSTED: Financial Instrument: Disclosure note incomplete	During the audit of financial instrument note to determine if it is disclosed appropriately as required by GRAP 104, the following omissions were noted During the audit of financial instrument note to determine if it is disclosed appropriately as required by GRAP 104, the following omissions were noted # Item omitted Amount 1 Total interest income and interest income on impaired financial assets accrued 30 748 428 2 Total interest expense 1 405 030 3 Impairment loss on receivables from exchange 12 301 736 4 Income received in advance 1 044 406 Total 45 499 600	The cause of the finding is due to lack of management oversight, proper reviews, and adequate application of GRAP 104	Management should disclose all the information relevant to the municipality that is required by GRAP 104 and implement adequate review processes over recording and preparation of financial statements and its related disclosures.	1. Disclose income received in advance during preparation of interim AFS and Annual AFS in addition to other disclosure items as required by GRAP 104	30-Jun-24	Manager: Budget and Reporting / CFO
11. ISS.73-ADJUSTED: COAF 49: Fruitless and wasteful not disclosed	During the consequence management testing, we followed about the investigation that was to be conducted for the	Lack of consequence management.	Management should ensure that all investigations should be conducted as	1. To identify irregular expenditure quarterly and include in Section 52(d) report 2. Irregular expenditure identified be disclosed in the interim AFS and also in the annual AFS.	31 March 2024 30 June 2024	SCM Manager / CFO

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	improper conduct in SCM by officials who were involved in the procurement of water tanks together with the suppliers that were involved. As per the report we received there were financial implications calculated for the suppliers that were involved which amounted to R272 442 We concluded that this amount should be disclosed as a fruitless and wasteful expenditure.		required by legislation. Management should consider to disclose this amount as fruitless and wasteful			
12. ISS.67-ADJUSTED: COAF 48- Statement of Actual vs budget	During the audit of Budget vs Actual Statement as presented in the 2021/22 Annual Financial Statements, the following differences were identified between the final approved budget and the budget amounts as presented in the financial statements:	The above is caused by a lack of management oversight in the reviews of budget vs actual statement.	Management should accurately prepare a budget vs actual statement that is in terms of the final approved budget by the council. Explanations should also be given for significant fluctuations between the final budget and the actual amounts.	1. Budget vs Actual statement will be prepared and reviewed thoroughly 2. Explanation of variances will be given to all material fluctuations between the final budget and actual amount	30-Jun-24	Assistant Manager: Budget & Reporting/ Manager Budget & Reporting / CFO
13. ISS.69-COAF 042- Consequence management: Investigation not conducted	During the consequence management testing, we followed about the investigation that was to be conducted for the improper conduct in SCM by officials who were involved in the procurement of water tanks together with the suppliers that were	Lack of consequence management	Management should ensure that all investigations should be conducted as required by legislation.	1. To submit to the council for referral to MPAC 2. Monitor progress on the investigation by MPAC and implement recommendations thereof. 3. Monitor implementation of council resolutions	30-Jun-24	Accounting Officer

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	involved. However, we noticed that there was no investigation that was conducted instead we were given one report about one official who was called for hearings for several times, they were postponed due to non-availability of him, he submitted sick notes up until the Council took a decision that the disciplinary action should be discontinued. We concluded that the investigations were not conducted to all the affected officials and the suppliers.					
14. ISS.19-ADJUSTED: COAF 013: Casting difference on the PPE note 9	During the audit of the PPE lead schedule, it was noted that the amount as per the AFS note 9 (Land and Building) does not cast. Further noted that the land and building (opening balance) does not agree to the amount as per the AFS by the same amount.	Lack of proper review of the Annual Financial Statement	Management should ensure that the AFS are thoroughly reviewed before being submitted for audit.	1. The municipality will prepare 9 months Annual Financial statements so that errors as a results of casting and any other system related issues can be identified early and resolved before the final submission of Annual Financial statements for the year 30 June 2024. 2. This process will also allow proper review of Annual Financial Statements. 3. The municipality will prepare a register of all Infrastructure projects that have delays and this register will be checked against WIP Register to ensure completeness and also disclose them in the Annual Financial Statements.	31 March 2024 30 June 2024	Chief Financial Officer
15. ISS.25-ADJUSTED:COAF 024: Completeness on the disclosure of delayed projects under note 9.2	During the execution of PPE, it was noted that the WIP register included projects that are delayed but have not been disclosed in the AFS note 9. The DR 301 project has been halted since 2020, however, it has not been included as such in the note on the AFS.	Lack of review of the supporting schedules to ensure that all necessary information has been disclosed in the AFS.	Management should ensure that all projects that are delayed should be included in the PPE note to ensure the PPE note is disclosed in line with the reporting standards.			

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
16. ISS.44-ADJUSTED: COAF 024: No impairment reversal in the current year	During the assessment of PPE, it was noted that there was no impairment reversal assessment done in the current year for assets impaired in the prior year. Further noted that assets that were impaired in the prior year to 100% and rehabilitated in the current year were not removed in the FAR, and therefore there are two assets sitting in the FAR.	Lack of oversight and monitoring of the work done by consultants	Management should ensure that assets impaired in the prior year are assessed in the current year to ensure that there are no indications of reversals necessary. Further, when impairments are recovered, management should ensure that prior year impairment recognised is reversed.	1. During the physical verification of all municipal assets, management will also do impairment assessment of all municipal assets and if an indication of impairment exist then management will raise impairment. 2. Management will also consider all minutes of management meetings to ensure that all assets that were affected by floods are considered for impairment. 3. All assets that were impaired in the prior will be assessed to check if the indicators of impairment raised in the prior year still exist.	31-Mar-24	Chief Financial Officer
17. ISS.55-COAF 024:Immovable assets useful lives	During the audit of PPE to assess the appropriateness of the amount disclosed on the AFS relating to depreciation. It was noted that the useful lives of infrastructure assets (access road and bridges) range from 2-100 year, however, based on the knowledge obtained on the audit and physical verifications performed, it was noted that the assets do not last this long as they need to be rehabilitated and maintained regularly. The useful lives of these assets are therefore inappropriate and need to be adjusted.	Lack of proper review and oversight on the work performed by consultants	Management should ensure that the useful lives of all assets are assessed at every reporting period to reflect the true conditions on the ground.	1. During the physical verification of municipal assets, condition of all municipal assets will also be assessed so that, the municipality can perform assets useful life review. 2. An asset register will also be updated with changes in the assets condition.	31-Mar-24	Chief Financial Officer
18. ISS.42-COAF 032 Inventory consumed is overstated	During the testing of inventory consumed to determine if the inventory	Proper reviews by management	Management should ensure that proper reviews are	A Reconciliation between General Ledger and Inventory register will be performed to ensure accuracy, completeness and correct valuation of Inventory in the AFS.	30-Jun-24	Assistant Manager: Asset management /

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	was issued at the correct price, was approved when issued and captured in the GL, we notice that, in the inventory consumed register, there were two transactions with same quantity issued but issued at different unit price. In the store request form, one transaction was issued with correct unit price and the other was issued with incorrect unit price.	were not performed when inventory consumed register was prepared.	performed when preparing inventory consumed register in order to identify errors when capturing the transactions in the register.			Chief Financial Officer
19. ISS.27-COAF 021: Differences noted on Investment property	During the execution of investment properties, it was noted that 5 properties on the investment property register were not included on the Windeed report (AGSA generated), thereby confirming that the property is not registered under the municipality. Further noted through enquiry with management that there are no title deeds for the said properties.	Lack of management oversight on ensuring that the properties owned by management are registered with the deed's office on time and that the properties are office timeously registered using the correct square meters.	Management should ensure that all properties owned by the Municipality are registered with the deed's office on time and that the properties are registered using the correct square meters.	1. Appointment of a Land Surveyor for the diregistration of the general plan.	30-Jun-24	Senior Manager: Planning and Development
20. ISS.33-ADJUSTED: COAF 024: Opening balance assets not in a good condition and not assessed for impairment	During the physical verification of the opening balance, it was noted that some of the assets in the FAR were not in a good condition and were not assessed	Lack of proper review of the municipal assets by management Impact	Management should ensure that verifications are done for all assets and ensure that impairment assessment is	1. During the physical verification of all municipal assets , management will also do assessment of all municipal assets and if an indication of impairment exist then management will raise impairment. 2. Management will also consider all minutes of management meetings to ensure that all assets that were	30-Jun-24	Assistant Manager: Asset management / Chief Financial Officer

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	for impairment. Consequently, these assets were not removed from the FAR.		properly done to identify assets that need to be impaired.	affected by floods are considered for impairment. 3. All assets that were impaired in the prior will be assessed to check if the indicators of impairment raised in the prior year still exist.		
21. ISS.52-COAF 033: Incorrect classification of Inventory items as Transfers and subsidies	During the assessment of expenditure to determine if all expenditure recognised are relations to municipality operations incurred during the year, I noted that the below expenditure incurred are in relation to inventory items stored by the municipality to be utilised in future and they were not incurred for current operations	Finding 1 This is because of lack of adequate assessment and review of the nature of transactions when processing the classification of transactions in the general ledger and subsequently in the financial statements. Finding2 The above result in internal control deficiency over expenditure as payments are being made above the amount estimated and authorised.	Finding 1 Management should consider establishing a process of allocating items that will be expensed during the year and remaining items should be recognised as inventory for all purchases that are used over the years to ensure that items are correctly classified in the AFS. Management should ensure appropriate reviews of financial statements to ensure that the annual financial statements agree to the supporting schedules and journals raised are valid and supported by appropriate and sufficient information.	1. Expenditure Accountant will verify vouchers monthly to ensure that there is no misallocation of expenditure, prepare a journal if there is any misallocation identified and be reviewed by Manager: Budget and Report. During the preparation of interim AFS and Annual AFS Expenditure Accountant will ensure that all supporting schedules and journals are filed after reviewed by Manager: Budget and Reporting	31 March 2024 30 June 2024 31 March 2024 30 June 2024	Expenditure Accountant / Manager Budget and Reporting Expenditure Accountant / Manager Budget and Reporting
22. ISS.56-COAF 030- Expenditure misstatement- general expenses	During assessment of expenditure information, we noticed the following	It is lack of reviews and reconciliation	Management should ensure that proper reviews	1. Perform monthly VAT reconciliation and be reviewed thoroughly. 2. Process journal on identified errors	30 June 2024	Manager: Budget and reporting / CFO

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
23. ISS.57-COAF 029- Wet fuel misstatement	discrepancies: There was a transaction that was captured with VAT in the GL.	on the expenditure transactions	and reconciliation are performed on expenditure transactions,		28 February 2024	
	During the testing of expenditure, to assess if the expenditure is correctly classified, we noted an amount of R638855.90 of the inventory purchase was included in the wet fuel accounts	Lack of management oversight in the reviews of expenditure items.	Management should strengthen its review processes in expenditure to ensure that expenditure items are recorded accurately, recognized and classified correctly.	1. Expenditure and Asset accountants will verify vouchers monthly to ensure that there is no misallocation of expenditure, prepare a journal if there is any misallocation identified and be reviewed by Assistant Manager: Asset Management and authorised by Manager: Budget and Report.	30-Jun-24	Chief Financial Officer
24. ISS.64-COAF 038 - Expenditure- payments made after 30 days	During the testing of expenditure, to assess if the expenditure items were paid within 30 days, noticed that one of the transactions was paid after 30 days, refer to the table below	Lack of expenditure management by ensuring that all expenditure transactions are paid within 30 days	Management should ensure that all expenditure items are paid within 30 days to avoid noncompliance of expenditure management	1. To develop a register to record invoices received with the date of receipt 2. A report with valid reason be attached to the invoice if it can not be processed within 30 days.	31-Jan-24	Chief Financial Officer
25. ISS.35-ADJUSTED: COAF 023: Payables- Differences between AFS and Age analysis	During the audit of the trade payables balance, the following discrepancies between the lead schedule and creditors age analysis were noted:	Lack of proper review of the Annual Financial Statement and the supporting schedules.	Management should ensure that the AFS and all supporting schedules are thoroughly reviewed before being submitted for audit	1. Perform monthly reconciliation of creditors and be reviewed monthly 2. During preparation of interim AFS and Annual AFS supporting documentation will be reviewed	2024/03/31 30 June 2024	Chief Financial Officer
21. ISS.60-COAF: Retention - Non-submission of information	During the execution of the audit, we requested information through RFI 029 issued on 01 November 2023 which	Lack of oversight and monitoring of financial information that	Management should improve record-keeping processes to ensure that			

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	was due on 06 November 2023, to date the information has not been fully received to enable the auditor to continue with the detailed planning	should be timely availableImpact of the above is a limitation of scope which may have an adverse effect on the audit fees.	supporting documentation is available on request and that there are no delays in the audit as a result of late submission			
22. ISS.65-Payable-Other assertions	During the assessment of payable balance to determine if it was correctly accounted for as required by GRAP, it was noted that the following invoices which make up the total balance of payables where incorrectly classified as payables/accruals	The issue was caused by lack of management oversight in ensuring that creditor's reconciliation are prepared timeously and adequately reviewed for all transactions pertaining to payables and accrual.	Management should ensure adequate and prompt reviews of creditor's reconciliations	1. Management will develop a form to reflect the date of when the actual work was done for confirmation by project managers 2. A report with valid reason be attached to the invoice if it can not be processed within 30 days.	28-Feb-24	Chief Financial Officer
23. ISS.15-Segment Reporting-Discrepancies in the disclosure of segments	The following differences were noted on reconciliation of material line items per the segment reporting note to totals per the face of statement of financial performance and position	The cause of the finding is due to lack of management oversight, proper reviews, and adequate application of GRAP 18	Management should disclose all the information relevant to the municipality that is required by GRAP 18 and implement adequate review processes over recording and preparation of financial statements and its related disclosures	1. Management will ensure proper disclosure of segment reporting as required by GRAP 18 and be reviewed accordingly	31-Mar-24	Assistant Manager: Budget & Reporting/ Manager: Budget & Reporting /Chief Financial Officer
24. ISS.17-ADJUSTED: COAF 015 : Presentation and Disclosure APR	During the testing of AoPO CMRPD (Consistency, Measurability, Relevance, Presentation	The cause of the above is lack of proper review on the implementation	Management must review the Annual performance report against the requirements of	1. The column for previous year performance on continuing projects has been included in the mid year review for 2023/2024 financial year 2. The corrective measures will be aligned with the reason	30-Jun-24	Accounting Officer

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
25. ISS.18-ADJUSTED: COAF 15: AOPO-Indicator and target not relevant	and Disclosure), it was noted that: 1. The prior include a table achievement were not presented in the APR for all projects, 2. The reason for deviation disclosed on the APR are generic and not supported by valid collaborative evidence. 3. In overall the corrective measures disclosed in the APR do not address the root causes for under achievement on planned target. During the audit of the 2022-23 APR of the municipality to determine whether the indicators and targets measure an aspect of the mandate (core and support functions) and will enable the achievement of strategic goals (i.e. key service delivery matters directly affecting the citizen), it was noted that the indicators per the tableS below do not measure the basic service delivery in line with the mandate of the municipality.	and application of the Framework for Managing Programme Information in preparing the APR The cause of the above is lack of proper review on the implementation and application of the Framework for Managing Programme Performance Information in preparing the APR.	the municipal systems act for presentation and disclosure of APR to enable full compliance with the provisions of this act. Management must review the planned information against its mandate and ensure that only indicators and targets that relate logically and directly to an aspect of the municipality's mandate and to the achievement of strategic goals are included in the SDBIP and ultimately the APR to enable compliance with the Framework for Managing Programme Performance Information	for deviation in order to address the root cause of the deviation 1. The finding was resolved. Management will write to AG to send an updated report.	30-Jun-24	Accounting Officer

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
26. ISS.8-COAF 010: Contract register is not complete	1. The contract register does not have complete information for all projects listed, the following details were not included for some of the projects, > Contract numbers > Awarded bidder's Name > Date of acceptance > Project status > Ward numbers > Progress, duration and planned completion date or revised completion date > Reasons for delays or actions taken. 2. It was further noted that the following projects in the WIP register are not included in the contract register	There are inadequate controls around project management which prevents the municipality from monitoring projects performance which could potentially lead to fruitless and wasteful expenditure and /or unauthorised expenditure.	Management should ensure that all relevant fields are completed and the contract register is updated regularly.	1. Review of the Contract Register spreadsheet to align it to best practise 2. Assign an official to clean the current contract register to remove all projects that were completed 2 financial years ago and remain with active projects	31-Mar-24	SCM Manager / Assistant Manager: Asset Management
27. ISS.13-COAF 007: Supply Chain Management CAATs	The following CAATs exceptions were identified for the supply chain management of Nyandeni Local municipality: 1. Supplier in the service of state - Suppliers in which persons in service of other state institutions have an interest (excluding employees of institutions of higher learning, non-executive board members of public entities) 2. No VAT suppliers	Management did not take necessary steps to ensure that the suppliers appointed comply with all supply chain management legislation and regulations.	The municipality must ensure that the suppliers declare interest and suppliers are regularly verified with the revenue service for VAT and CIPC.	1. Prepare data cleansing on the supplier database to remove redundant suppliers 2. Prepare data cleansing on the supplier database to update supplier information 3. Align the municipality's database with CSD for all service providers listed in our database	31-Mar-24	SCM Manager / Chief Financial Officer

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	Suppliers with no VAT numbers. 3. Supplier CIPC 1. Awards to suppliers that are private companies or close corporations (CC) and are liquidated or deregistered. 4. Family member with Interest					
28. ISS.29-COAF 037: SCM -Bids were not advert in the Municipality's website	During the testing of competitive bids to determine whether invitation to prospective providers to submit bids were advertised in a newspaper commonly circulating locally, the website of the municipality or any other appropriate ways, we noted that the following bids were not advertised in the municipality's website:	The municipal website was under construction for the better part of 2022/23 financial year and some documents were not the website before the end of their required time on the website.	It recommended that management should ensure that there's adequate oversight over the implementation of the SCM policy. Furthermore, invitation to prospective providers to submit bids should be advertised on the municipality's website to allow for a large number of bidders to respond resulting in a more competitive and fair bidding process.	1. Train all SCM Officials on website maintenance 2. Create user accounts for all relevant SCM Officials to update and maintain the website	30-Jun-24	Chief Financial Officer
29. ISS.30-COAF 037: SCM - Awards made to spouse not disclosed in the AFS	During the testing of competitive bids to determine where the winning bidder is a spouse of a person in the service of the state, or has been in the service of the state in the previous 12 months	The issue was caused by lack of management oversight over review and monitoring of compliance with applicable	It is recommended that management should keep a record/ register of awards of more than R2 000 to a person who is a spouse of a person in the	Develop a register of awards made to close family members of employees and councillors of Nyandeni Local Municipality	30-Jun-24	Legal Manager

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
30. ISS:31-COAF 037: SCM - Long term contract not advertised for a minimum of 30 days	whether the details of the award and the person were disclosed in the notes to the annual financial statements as required by section 45 of the SCM regulation, it was noted that the director of KZN Construction (Pty) Ltd is a spouse of a Nyandeni Local Municipality employee and the particulars of the following award are not disclosed in the annual financial statements as required by section 45 of SCM regulations: During the testing of competitive bids to determine whether bids were advertised for a minimum period as required by section 22(1)(b)(i) of the SCM regulation, it was noted that the following long-term contracts were not advertised for the required minimum period of 30 days and the deviation was not approved in accordance with the SCM policy requirements:	laws and regulations. The issue was caused by lack of management oversight over review and monitoring of compliance with applicable laws and regulations	service of state which will be used for disclosure purposes in the preparation of the financial statements at the end of each financial year. Management should ensure the supplier declares their interest in the municipality as repeat instances will be irregular in the next year. It is recommended that when determining the closing date of a bid advert, management should consider the nature of the award (short /long term in nature) and the transaction value against the minimum period of advertisement as prescribed by section 22(1)(b)(i) of the SCM regulation to ensure compliance with the regulation.			
31. ISS:41-COAF 37 - Deviations Non compliance with s110 of the MFMA	During the testing of the deviation of the SALGA annual affiliation fees and ESCECC	The issue was caused by lack of management oversight over	Management should ensure that for procurement purposes, the	3. All employees will be compelled to sign declaration of interest forms. 1. All deviations for procurement or payments to organs of state will be reviewed and amended accordingly	30-Jun-24 30-Jun-24	Accounting Officer SCM Manager / CFO

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
32. ISS.72-COAF 039: Contract management- Non compliance with MFMA 116	development master plan, it was noted that these organs of states were included as part of procurement process though they are specifically excluded under section 110(2) of the MFMA. During the audit of contract management to determine if the contracts with service provided were drafted in compliance with MFMA requirements, it was noted that the following contracts are not in compliance with MFMA 116 (1) (b) (ii) as they do not have a clause that outlines dispute resolution mechanisms to settle disputes between the parties. 1. Nxukhwebe to Mthombetsitsa 2. 42/2021-Rehabilitation of Bhucula Access Road 3. 44/2021-Nishazini Bridge 4. 43/2021-Rehabilitation Ntlaza-Mbiza access road 5. 43/2021-Rehabilitation of access road 6. 42/2021-Rehabilitation of Nothintisila to Mvilo access road 7. Rehabilitation of Nodushe access road 8. Rehabilitation of Mdlankomo access road	review and monitoring of compliance with applicable laws and regulations. The issue was caused by lack of management oversight over review and monitoring of compliance with applicable laws and regulations.	Municipal Finance management requirement has been complied with. It recommended that management should ensure that there's adequate oversight over the implementation of MFMA requirements.	1. Draft contracts in line with National Treasury General Conditions of Contract 2. Timely submission to and review of all contracts by the legal services unit in order to ensure compliance with all applicable laws and regulations	30-Jun-24	Accounting Officer
33. ISS.72-COAF 039: Contracts not in accordance with General	During the audit of contract management compliance to determine	The issue was caused by lack of management	It recommended that management should ensure that	All contracts will be developed and reviewed to be in line with SCM regulations	30-Jun-24	All HODs

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
Conditions of Contracts (GCC)	if the contracts were drafted in line the general conditions of contract, it was noted with that the following contracts are not in compliance with GCC including, among others, clause 7.1, 22, 25 etc. 1. Nxukhwebe to Mthombetsitsa 2. 42/2021- Rehabilitation of Bhucula Access Road 3. 44/2021-Nitshazini Bridge 4. 43/2021- Rehabilitation Ntlaza-Mbiza access road 5. 43/2021- Rehabilitation of access road 6. 42/2021- Rehabilitation of Nothintisla to Mvilo access road 7. Rehabilitation of Nodushe access road 8. Rehabilitation of Mdlankomo access road	oversight over review and monitoring of compliance with applicable laws and regulations.	there's adequate oversight over the implementation of SCM regulations. It recommended that management put controls in place to ensure oversight over the review of contracts prior to finalisation to ensure these contracts are fully compliant with the requirements of the relevant legislation. The contract should be drafted to in a way that enables management to implement proper contract management as well as comply with the SCM regulations.			
34. ISS-22-COAF 017: Revenue from exchange - lead schedule	During the audit of the lead schedule of Exchange revenue, it was noted that the revenue recognised for interest on credit account as per the bank statement reconciliation and the interest as per the annual financial statements do not agree:	Lack of adequate reviews of the Annual Financial Statement and Trial Balance.	Management should ensure that the AFS are thoroughly reviewed before being submitted for audit.	1. During the preparation of interim AFS and Annual AFS , the GL will be reviewed to verify and correct misallocation. 2. Any misallocation identified will be corrected by processing a journal. 3. Supporting schedules will be prepared and be reviewed before submission of interim and AFS.	31 March 2024 30 June 2024	Revenue Accountant / Manager: Budget & Reporting
35. ISS-23-ADJUSTED: COAF 016: Revenue from Non-Exchange - Lead schedule	During the audit of the lead schedule for revenue from non-exchange transactions	This is due to lack of management oversight in	Management should ensure that the AFS are thoroughly	1. During the preparation of interim AFS and Annual AFS , the GL will be reviewed to verify and correct misallocation. 2. Any misallocation identified will be corrected by processing a journal.	31 March 2024 30 June 2024	Revenue Accountant / Manager: Budget & Reporting

Section	Detailed Findings	Root cause	Recommendation	Action	Due Date	Responsible Person
	relating to grants and subsidies, it was noted that the amount of expenditure recognised for the following grants did not agree to the amount of revenue recognised for the grant under note 29 of the Annual Financial Statements:	ensuring that compliance with the Municipal Finance Management Act as well as the applicable accounting standards (i.e., GRAP) is identified and corrected timely	reviewed before being submitted for audit.	3. Supporting schedules will be prepared and be reviewed before submission of interim and AFS.		
36. ISS.28-COAF 022: Insurance Revenue - claims	During the testing of operating revenue relating to Insurance refunds, it was noted that there was revenue recognised relating to an income continuation benefit paid out by Discovery Life Insurance to an employee of the municipality, these payments are made to the municipality, which subsequently pay them forward to the employee. Therefore, based on the nature of these payments, it can be concluded that they are not revenue.	This is as a result of lack of adequate assessment and review of the nature of transactions when processing the classification of transactions in the general ledger and subsequently in the financial statements.	Management should ensure that transactions are assessed for correct recognition when they are being recorded in the general ledger.	1. All insurance claims received on behalf of employees will be first recognised as liabilities on receipt. 2. To review the recording of insurance claims received from July to January 2024 and process necessary journals to correct the misclassification	30 June 2024 31 January 2024	Revenue Accountant / Manager: Budget & Reporting



NYANDENI

LOCAL MUNICIPALITY

Deciding with the people not for the people



APPENDICES

APPENDIX A

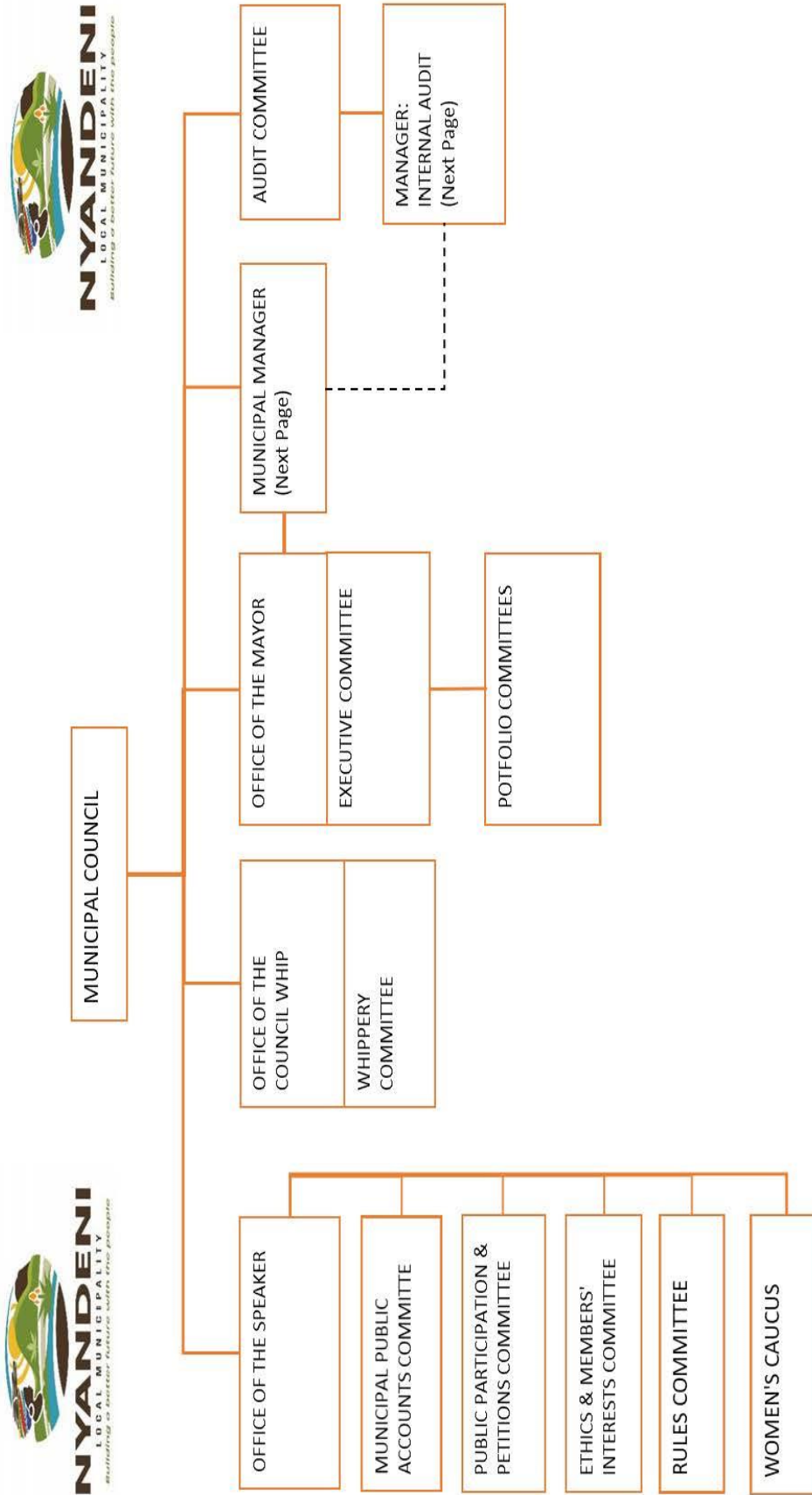
Council Members		Councillors, Committees Allocated and Council Attendance			*Ward and/ or Party Represented		Percentage Council Meetings Attendance		Percentage Apologies for non-attendance	
		Full Time / Part Time	Committees Allocated				%	%		
		FT/PT								
1. Banele Viwe Ndamase		FT	Executive Committee			ANC	100%	0		
2. Mcebisi Robert Mtobela		FT	Rules Committee			ANC	83%	17%		
3. Nombini Leticia Vanda		PT	Corporate Services			ANC	75%	15%		
4. Zola Mevana		FT	Executive Committee, Infrastructure			ANC	83%	17%		
5. Noziphiwo Portia Matanda		PT	Infrastructure			ANC	92%	8%		
6. Thandeka Mcube		FT	Community Services			ANC	100%	0		
7. Zamekile Nondlevu		PT	Special Programs Unit			ANC	92%	8%		
8. Phathiswa Matinise		PT	Local Economic Development			ANC	100%	0		
9. Ntombovuyo Gloria Mjajubana		PT	Corporate Services			ANC	92%	8%		
10. Zoleka Mchithakali		PT	Women's Caucus			ANC	92%	8%		
11. Nolulamo Tyopo		PT	Human Settlements			ANC	83%	17%		
12. Sylvia Nowam Ngangaza		PT	Community Services, MPAC			ANC	67%	33%		
13. Novusile Patricia Ntoza		PT	Planning Research & IGR			ANC	50%	50%		
14. Faniswa Mbhodloyi		PT	Budget & Treasury			ANC	83%	17%		
15. Simbongile Mbiyozo		PT	Corporate Services			ANC	67%	33%		
16. Thuliswa Majikija		PT	Public Participation & Petitions, MPAC			ANC	92%	8%		
17. Ndumiso Jim		FT	Budget & Treasury			ANC	92%	8%		
18. Vatiswa Balungile Zondani		PT	Special Programs Unit, Planning Research & IGR			ANC	75%	15%		
19. Xolisile Hamilton Diani		PT	Public Participation & Petitions			ANC	41%	59%		
20. Mcdonald Andile Vutela		PT	Planning Research & IGR			ATM	61%	59%		
21. Ntsikelelo Neville Jama		PT	Infrastructure			ATM	92%	8%		
22. Jongilizwe Mabungela		PT	Infrastructure, MPAC			ATM	77%	23%		
23. Nomnikelo Mdlungu		PT	Women's Caucus			ANC	58%	42%		
24. Mbeko Nkosinathi Maseko		PT	Budget & Treasury			ATM	75%	15%		
25. Dumisani Noxaka		PT	Infrastructure			CI	61%	39%		
26. Sithandiwe Mavume		PT	Human Settlement & Disaster Management, MPAC			DA	61%	39%		
27. Busiwe Malindi		PT	Special Programs Unit			EFF	61%	39%		
28. Khayaletu Tatani		PT	Budget & Treasury, Corporate Services, Local Economic Development, Ethics & Members Interest, MPAC			UDM	92%	8%		
29. Sebenzile Ntinta		PT	Mayor's Office			EFF	46%	54%		
30. Zama Mapolisa		PT	Corporate Services			EFF	53%	47%		
31. Zandile Matomela		PT	Budget & Treasury			EFF	69%	31%		
32. Elliot Pumlani Mkwelanga		PT	Human Settlement & Disaster Management			UDM	69%	31%		
33. Nozuko Mhlana		PT	Community Services, Public Safety & Traffic Control			Ward 01	85%	15%		
34. Nombeko Danisa		PT	Local Economic Development & Rural Reform			Ward 02	69%	31%		
35. Gcinibanda Mfakanye		PT	Infrastructure			Ward 03	78%	22%		
36. Siyamdumisa Brian Madolo		PT	Corporate Services			Ward 04	85%	15%		

Council Members		Councillors, Committees Allocated and Council Attendance				Percentage Council Meetings Attendance		Percentage Apologies for non-attendance	
Full Time / Part Time		Committees Allocated				*Ward and/ or Party Represented	%	%	
FT/PT									
37. Mpumelelo Langa	PT	Planning Research & IGR, Public Participation & Petitions				Ward 05	85%	15%	
38. Nomakhosi Jiba	PT	Infrastructure				Ward 06	78%	22%	
39. Anathi Ntsunguzi	PT	Local Economic Development & Rural Reform				Ward 07	69%	31%	
40. Lulamile Mpongwana	PT	Planning Research & IGR, Budget & Treasury				Ward 08	92%	8%	
41. Mzayifani Gebhu	PT	Corporate Services, Public Participation				Ward 09	92%	8%	
42. Michael Thobile Mkhosana	PT	Local Economic Development & Rural Reform				Ward 10	85%	15%	
43. Ntombovuyo Edna Diko	PT	Human Settlement & Disaster Management, Community Services, Budget & Treasury, MPAC				Ward 11	92%	8%	
44. Nobuntu Nonkonyana	PT	Local Economic Development & Rural Reform, Public Participation & Petitions				Ward 12	77%	23	
45. Nosisa Peter	PT	Corporate Services, Planning Research & IGR				Ward 13	92%	8%	
46. Caroline Nesiwe Mkentane	PT	Human Settlement & Disaster Management, Local Economic Development & Rural Reform, Special Programs Unit, Infrastructure				Ward 14	77%	23%	
47. Zandisile Richard Matiwane	PT	Special Programs Unit				Ward 15	62%	38%	
48. Nikiwe Zihlangu	PT	Planning Research & IGR				Ward 16	92%	8%	
49. Akhona Mjuluwa	PT	Special Programs Unit, MPAC				Ward 17	77%	23%	
50. Nolufefe Nonkothama	PT	Public Participation & Petitions				Ward 18	92%	8%	
51. Monwabisi Zachariah Nomandela	PT	Planning Research & IGR				Ward 19	31%	69%	
52. Zilindile Hiphane	PT	Ethics and Members Interest				Ward 20	77%	23%	
53. Nomnikelo Yehana	FT	Rules Committee				Ward 21	92%	8%	
54. Nomvuyiseko Molose	PT	Human Settlement & Disaster Management				Ward 22	100%	0	
55. Lumkile Tshatshela	PT	Planning Research & IGR				Ward 23	53%	47%	
56. Andile Nomatiti	PT	Local Economic Development & Rural Reform				Ward 24	77%	23%	
57. Phumzile Prince Yolwa	PT	Human Settlement & Disaster Management, Infrastructure, Ethics & Members Interest				Ward 25	69%	31%	
58. Nikelani Mjajubana	PT	Community Services, Public Safety & Traffic Control				Ward 26	85%	15%	
59. Celekile Nazo	PT	Local Economic Development & Rural Reform				Ward 27	46%	54%	
60. Fudumele Gaxeni	FT	MPAC				Ward 28	92%	8%	
61. Zameka Mrawushe	PT	Public Participation & Petitions				Ward 29	69%	31%	
62. Luxolo Mxoli Mketo	PT	Corporate Services, Local Economic Development & Rural Reform				Ward 30	100%	0	
63. Vuyokazi Gloria Mbusi	PT	Human Settlement & Disaster Management, Local Economic Development & Rural Reform				Ward 31	92%	8%	
64. Pheleka Nodaza	PT	Human Settlement & Disaster Management				Ward 32	85%	15%	

APPENDIX B

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Structure	Function
Public Participation and Petitions Committee	Public participation and petitions
Ethics and Members Interest Committee	Complaints (local and Presidential Hotline) Councillor Welfare
Women Caucus	Lobby and advocates for women interest.
Municipal Public Accounts Committee	Appointed in terms of sections 33 and 79 of the Municipal Structures Act: section.79 (1) A Council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers. • To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report • To compile and table the Oversight Report to Council in terms of section 129 of the MFMA • To examine the financial statements and audit report of the municipality • To promote good governance, transparency and accountability on the use of municipal resources • To perform any other functions assigned to it through a resolution of council within its area of responsibility

APPENDIX C





NYANDENI LOCAL MUNICIPALITY 2022-2023

ORGANISATIONAL FUNCTION: To perform all responsibilities as head of administration and accounting officer, as outlined in Section 55 of the Municipal Systems Act, 2000 as amended by:-

- 1) ensuring good governance and clean administration;
- 2) Directing, coordinating and implementing the municipality's Integrated Development Plan (IDP), including development of policies and procedures to facilitate effective community participation
- 3) Provide sound advisory and strategic support to Mayor, Executive Committee and political structures of Council ;
- 4) Ensure adherence to all legislation governing local government ;
- 5) providing strategic management planning and development;
- 6) providing strategic management for basic service delivery

HEAD: MUNICIPAL MANAGER

DIVISION: LEGAL SERVICES

FUNCTIONS:

- 1) To provide sound legal advice services to the municipality;
- 2) To handle all litigations;
- 3) To advise on drafting and monitoring of service level agreements;
- 4) To coordinate the development & review of municipal by-laws;
- 5) To carry out administrative legal actions to ensure compliance.

DIVISIONAL HEAD: MANAGER: LEGAL SERVICES

DIVISION: MONITORING & EVALUATION

FUNCTION:

- 1) To develop and implement municipal performance framework of the municipality;
- 2) To monitor the implementation of the municipal service delivery and budget implementation plan (SDBIP);
- 3) To coordinate the evaluation of the municipal performance.

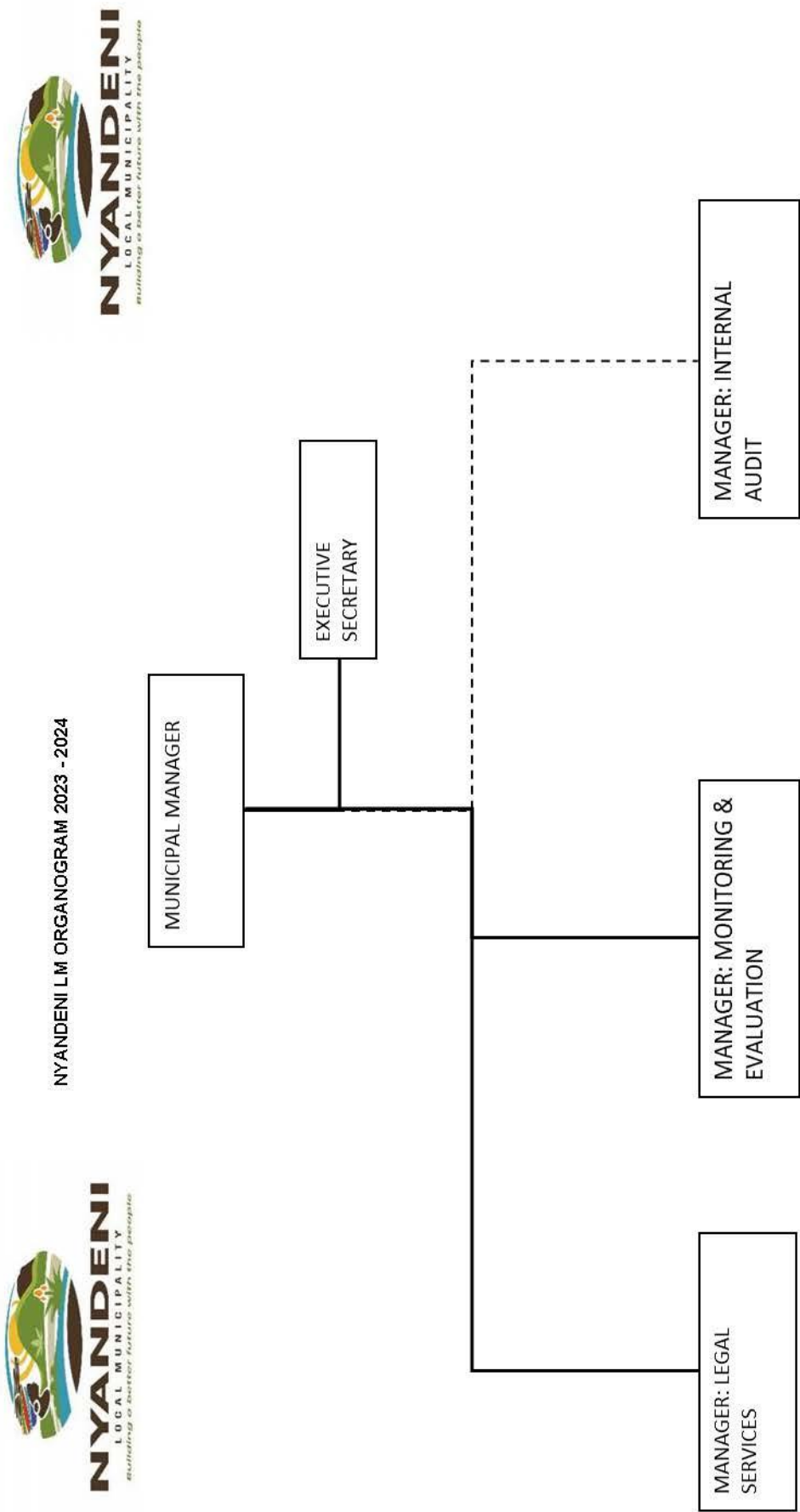
DIVISIONAL HEAD: MANAGER: LOCAL ECONOMIC DEVELOPMENT

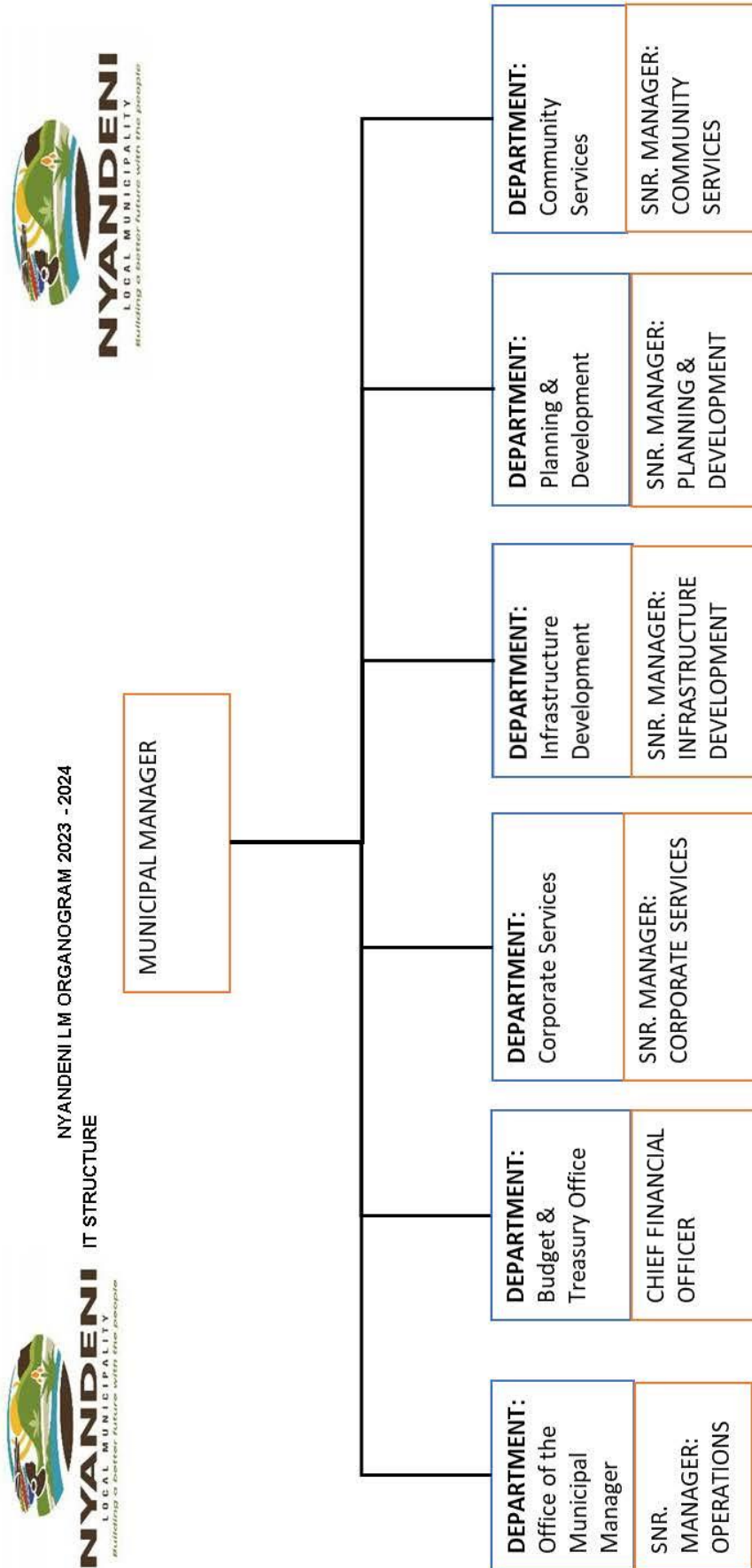
DIVISION: INTERNAL AUDIT & RISK MANAGEMENT SERVICES

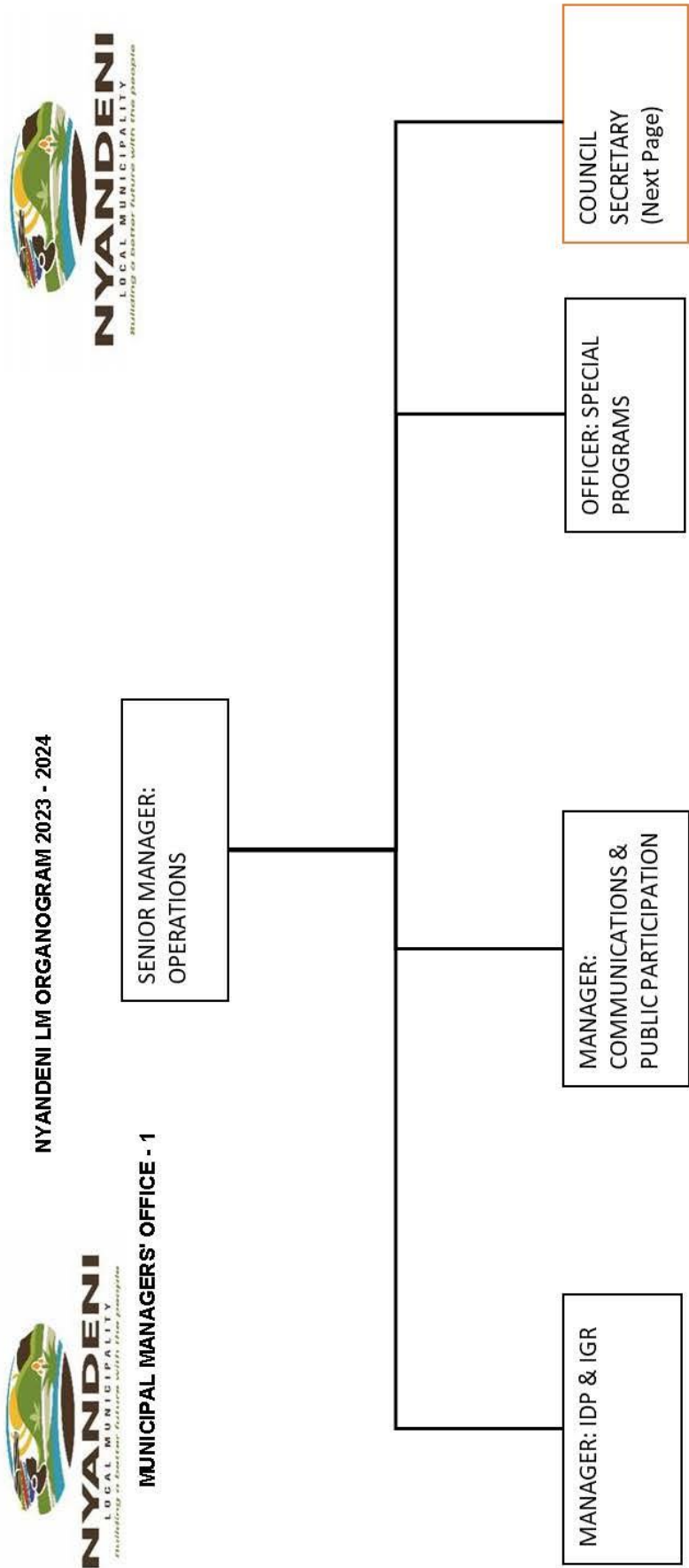
FUNCTION:

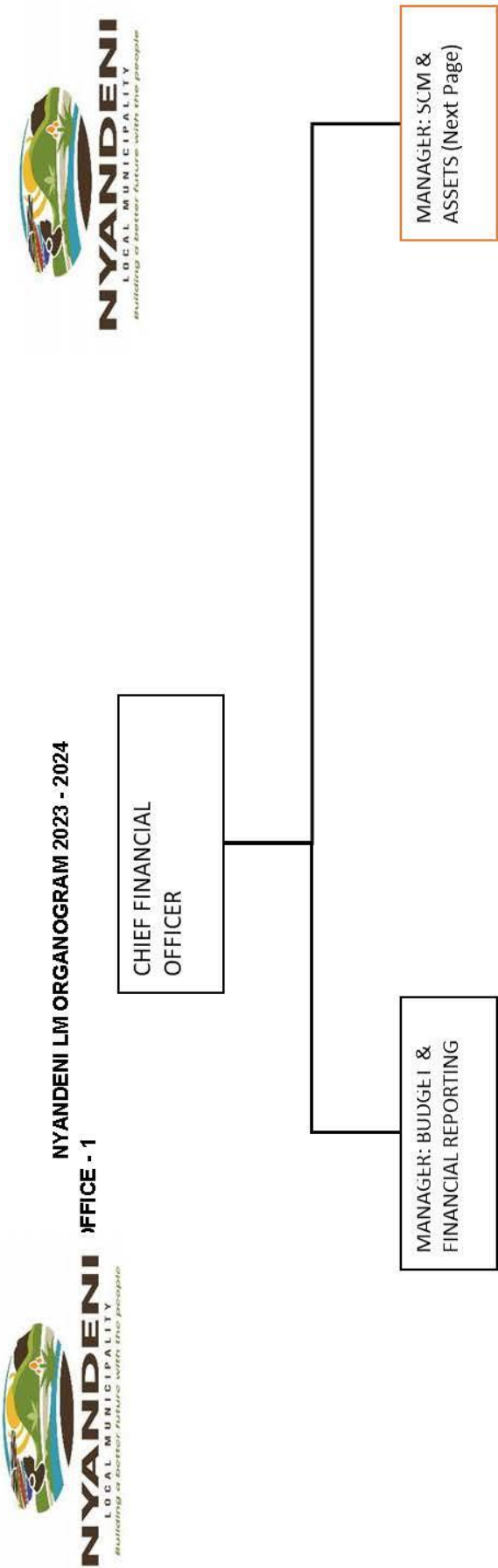
- 1) To provide internal audit services;
- 2) To monitor compliance with policies, procedures and rules;
- 3) To develop & implement risk management framework;
- 4) To develop & implement systems or tools to mitigate risk and monitor implementation of action plans;
- 5) to facilitate the identification and mitigation of emerging risks for mitigation

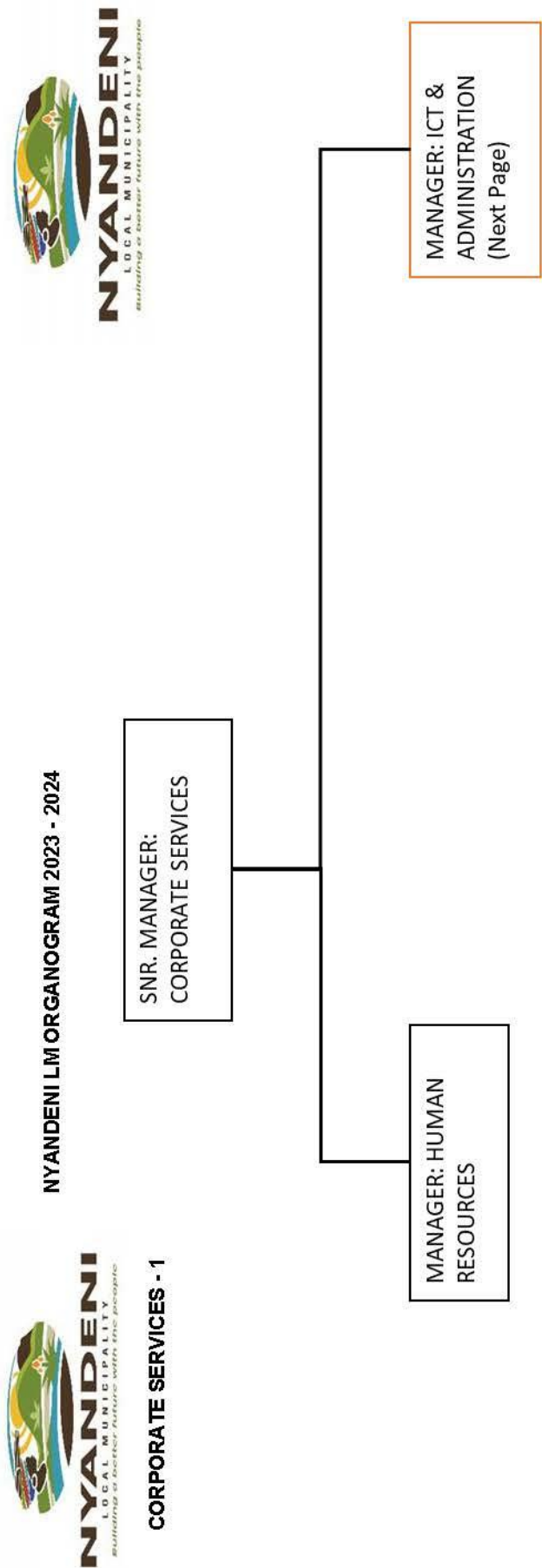
DIVISIONAL HEAD: MANAGER: INTERNAL AUDIT

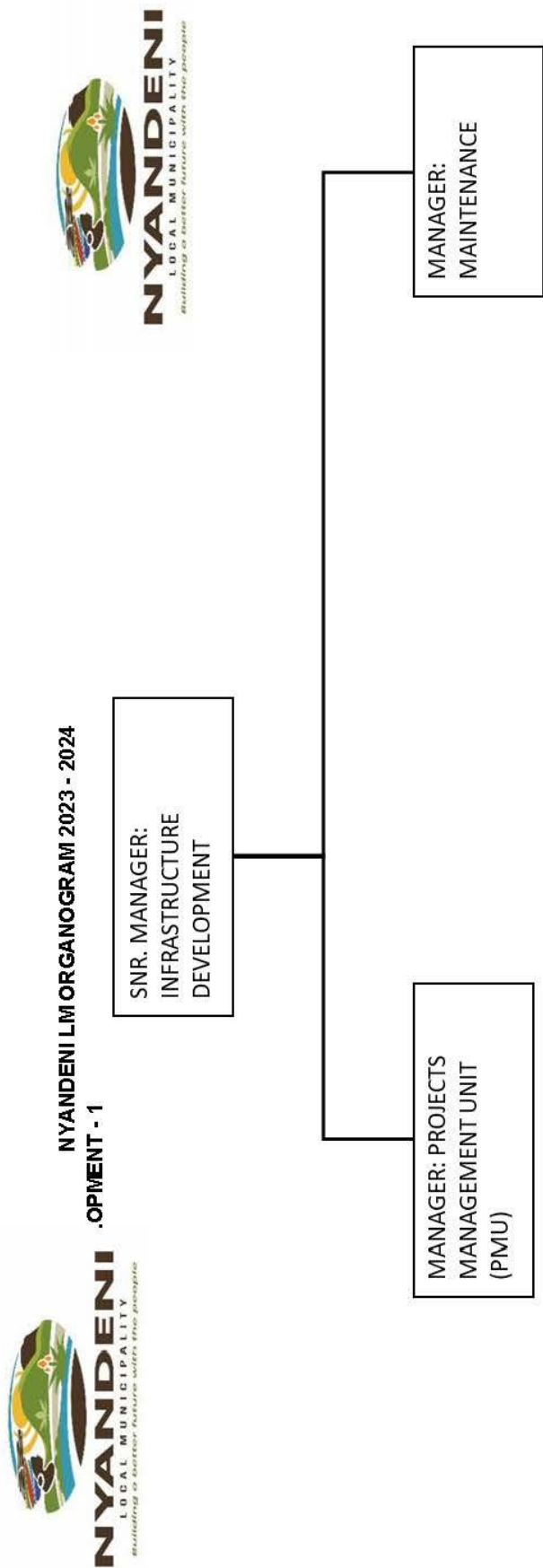


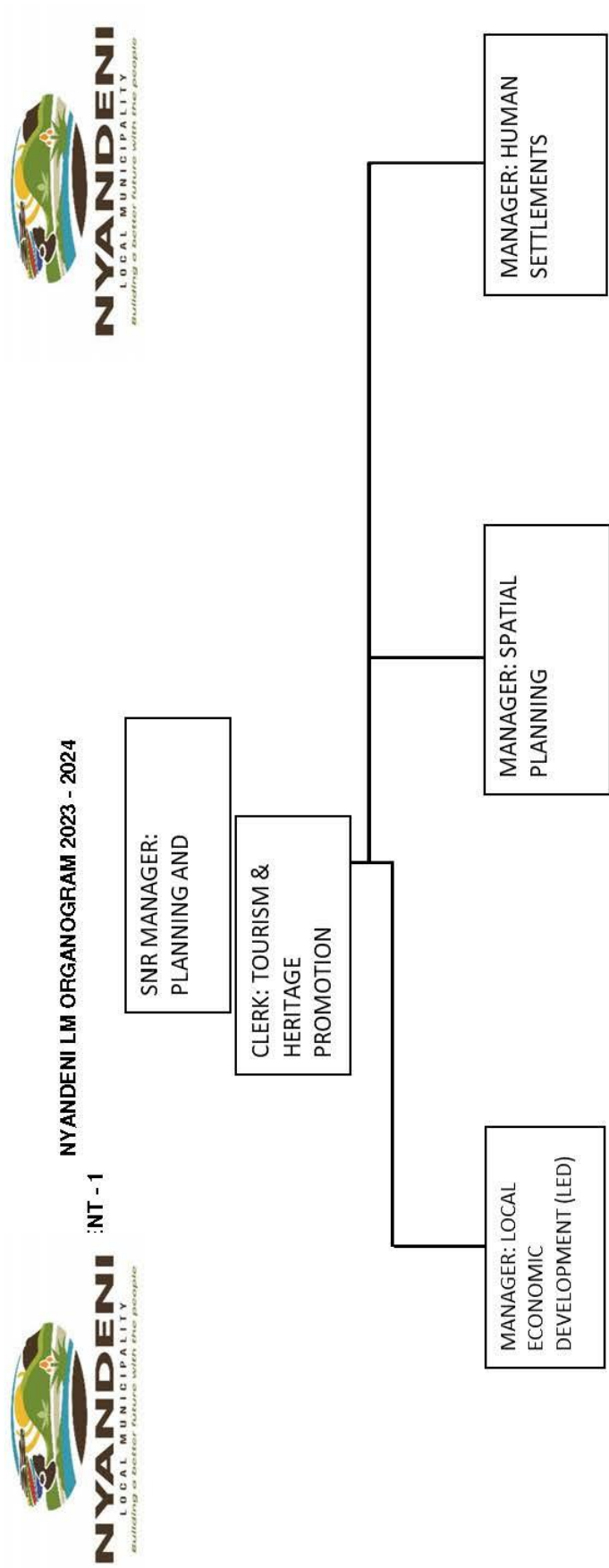


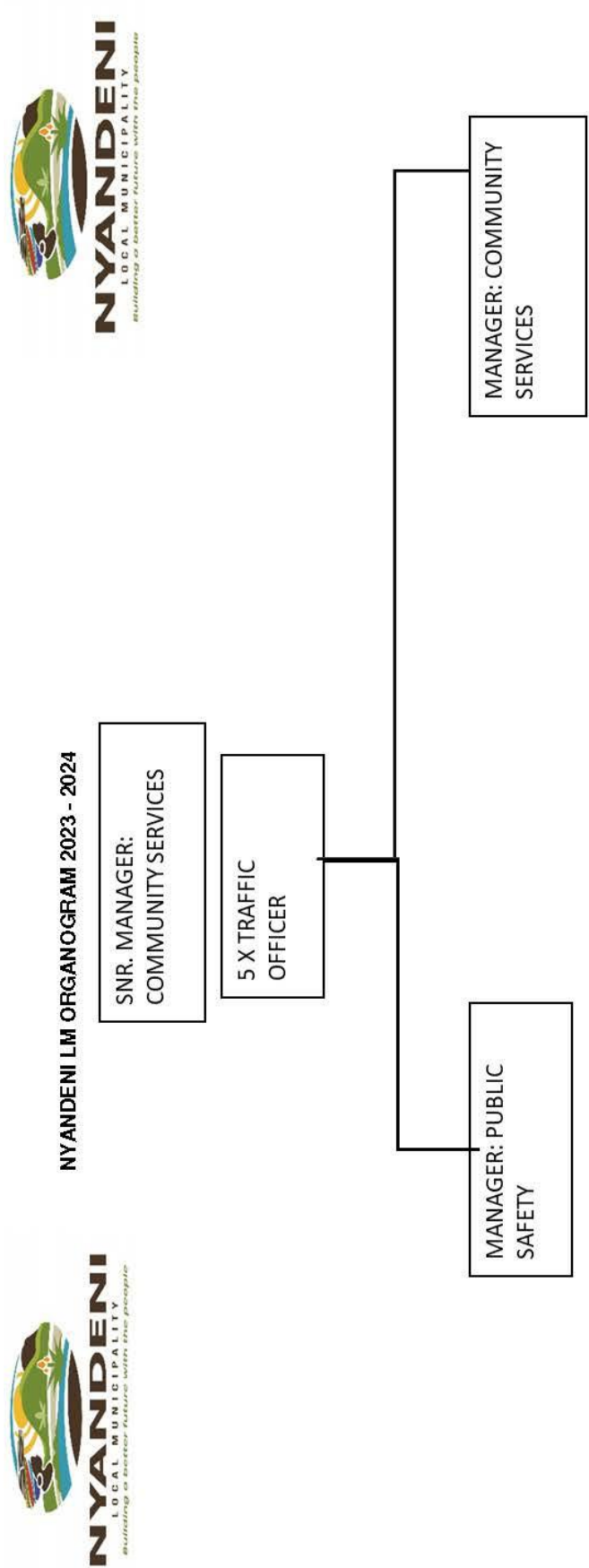












APPENDIX D – FUNCTIONS OF MUNICIPALITY

Part B of Schedule 4	Part B of Schedule 5
1. Solid waste	8. Cemeteries, funeral parlors and crematoria – including the DM function
2. Municipal planning	9. Cleansing
3. Storm water management system	10. Local sport facilities
4. Public transport	11. Municipal parks and recreation
5. Trading regulations	12. Municipal roads
6. Tourism	13. Pounds
7. Building regulations	14. Public places
	15. Refuse removals, refuse dumps and solid waste disposal
	16. Traffic and parking
	17. Municipal public works
	18. Beaches and amusement
	19. Billboards and display advertisement in public places
	20. Street trading

APPENDIX E

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
WARD 01	Cllr Nozuko Mhlana	YES	12	12	4
	Futshane Koleka				
	Mbayimbayi Nokulunga				
	Mdatyulwa Nozuko				
	Mbodlela Nomsa				
	Ntsenyana Wandisile				
	Gibisela Notemba				
	Mavuso Noloyiso				
	Jinggo Tembela				
	Ndamase Nomafaku				
	Mditshwa Bulelwa				
WARD 02	Cllr Nombeko Danisa	YES	12	12	4
	Patani Fumanekile				
	Nosasa Gloria Noxolile				
	Sibolele Siyabulela				
	Ngumbani Phindiswa				
	Sokweba Nokulunga				
	Bili Nomyezo				
	Gungqusex Bulelwa				
	Dyubele Ntombovuyo				
	Ncayisa Aphelele				
	Mgulwa Sifiso				
WARD 03	Cllr Gcinindaba Mfakanye	YES	12	12	4
	Jingose Nobuntu				
	Mvubu Nomfuneko				
	Tshali Zolile				
	Maketa Percy Sizeka				
	Maketa Nonkuselo				
	Lili Nosabelo				
	Boyana Nomonde				
	Mayoli Sinazo				
	Mangwetshe Thumeka				
	Godongwana Lizwi				
WARD 04	Cllr Siyamdumisa Brian Madolo	YES	12	12	4
	Madulini Nontsasa				
	Tonise Norah				
	Sikade Nofanelekile				
	Ndamase Boniswa Judith				
	Dabalele Nosayinile				
	Gqetywa Khanya Walter				
	Ndzabela Noneka Victoria				
	Sigigaba Andiswa				
	Ludidi Cebisa				
	Mtotoyi Mzwanele				
WARD 05	Cllr Mpumelelo Langa	YES	12	12	4
	Sipolo Onke				
	Qakaza Mbobela Elliot				
	Mdulu Mathubandile				
	Magxuma Nolwazi				
	Jojo Ncumisa				
	Mjuleka Pheleka				
	Maganda Nombuyiselo				
	Mhlutshwa Chule Nandipha				
	Ngongo Mzukisi				
	Majikiza Aphiwe				

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Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
WARD 06	Cllr Nomakhosi Jiba	YES	12	12	4
	Zokwana Fikiswa				
	Moyakhe Nosisi				
	Mvimbani Ntombifikile				
	Phandle Phumezile				
	Fetumani Nombeko				
	Baqekile Sinethemba				
	Sogoni Khanyisa				
	Dingilizwe Thandazwa				
	Mtingane Lwandise				
	Noxolo Bhetsu				
WARD 07	Cllr Anathi Ntsunguzi	YES	12	12	4
	Hlaziya Nofaniyakhe				
	Jali Lizo Ernest				
	Koyana Sizeka				
	Qange Siyabonga				
	Bobo Bukiwe				
	Luhabe Britanna				
	Nkhalane Zolile				
	Ngcele Thandiwe				
	Mdelwa Nomakorinte				
	Gogobala Luvuyo				
WARD 08	Cllr Lulamile Mpongwana	YES	12	12	4
	Mampangashe Sithembiso				
	Makhoboka Nokulunga				
	Tamehlo Thandiwe				
	Norholela Sakhumzi				
	Magida Vuyelwa				
	Gqetywa Thandiswa				
	Ndamase Gcobisa				
	Manina Vuyiswa				
	Mantunzela Novusile				
	Nodayinge Thobeka				
WARD 09	Cllr Mzayifani Gebhu	YES	12	12	4
	Mbasa Novangeli				
	Mdlanongwe Nelisa				
	Combo Mongezi				
	Mzamo Thembinkosi				
	Mxiza Notibela				
	Mankuntu Phumzile				
	Fuma Vuyokazi				
	Mbela Thembisa				
	Tshaya Analo				
	Melitafab Coceka				
WARD 10	Cllr Micheal Thobile	YES	12	12	4
	Mkhosana				
	Ngwadla Noluthando				
	Mbulali Thembakazi				
	Delihlazo Alfred				
	Phoki Luvuyo				
	Nontswabu Thembile				
	Jafta Nceba				
	Ngwaleni Sizwe				
	Bam Nombeko				
	Norolela Asanda				
	Mcunu Phendulwa				
WARD 11	Cllr Ntombovuyo Edna Diko	YES	12	12	4
	Mqikwa Lwazi				
	Ntanjana Noma-Afrika				

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	Mbekwana Phumelele				
	Mtshizana-Ngcukana Babalwa				
	Ntanjana Thulisa				
	Mbalo Pumela				
	Mbana Jamjam				
	Ntwana Yoliswa				
	Asanda Tyalo				
	Nodipha Siphokazi				
WARD 12	Cllr Nobuntu Nonkonyana	YES	12	12	4
	Simpiwe Dlakavu				
	Cwecwe Welisile				
	Xokwe Wandisile				
	Beba Xoliswa				
	Loliwe Nowinile				
	Mcuta Tembeka				
	Waxa Yanga				
	Maneli Ncedisa				
	Bango Anele				
	Mkenkcele Vuyokazi				
WARD 13	Cllr Nosisa Peter	YES	12	12	4
	Genge Thanduxolo				
	Bhodlingwe Vuyolwethu				
	Ngcai Tabisa				
	Madzidzela Mzwamadoda				
	Ngongo Pamela Monica				
	Makhongwana Asanda				
	Ndi Thuliswa				
	Nqeketo Sizwe				
	Mbono Lunga				
	Satsha Nopasika				
WARD 14	Cllr Caroline Nesiwe Mkentane	YES	12	12	4
	Malwande M				
	Sibulele Maqokolo				
	Simelelwana Mlamli				
	Vuza Nompumelelo Maria				
	Vaphi Siphokazi				
	Madikizela Vuyiswa				
	Getyengani Thokozani				
	Ntuli Nolusindiso				
	Raxoti Noxolo				
	Nqeketo Khangelani				
WARD 15	Cllr Zandisile Richard Matiwane	YES	12	12	4
	Ndlalankulu Nophumzile				
	Boyce C. Nonyameko				
	Dibela Fundiswa				
	Mtshokotshi Ntombizandile				
	Majali Khalipha				
	Ngqangashe Nophumzile				
	Fadana Nomxolisi				
	Ceba H. Nozuzile				
	Dlanjwa Siphokazi				
	Selani Xola				
WARD 16	Cllr Nikiwe Zihlangu	YES	12	12	4
	Mashumi Nikiwe				
	Ndzonde Wezile				
	Langa nokuphumla				
	Mjoki Nandipha				

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Functionality of Ward Committees					
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	Mbali Mpenduli				
	Mashumi Nomfundiso				
	Fakude Ntombekhaya				
	Mntu Pikolomzi				
	Tshabiso Nowetu				
	Seku Bonginkosi				
WARD 17	Cllr Akhona Mjilwa	YES	12	12	4
	Msinekelwa Vuyolwethu				
	Mntingane Olivia Nowakhe				
	Mabandla Mncedisi				
	Mgciyo Nontlahla				
	Mdedelwa Nkosiphendule Elias				
	Fohla Nofanekile				
	Mkhize Nosicelo				
	Nqeto Nosizile				
	Ndlazi Nozuko				
	Joyi Nkosinathi				
WARD 18	Cllr Nolufefe Nonkothama	YES	12	12	4
	Dyantiy Nkululeko				
	Dilizihlebo Ester				
	Bokleni Sindiwe				
	Machibi Nomasukude				
	Nxukutha Thandiswa				
	Nonjenge Loyiso				
	Limani Nokhaya				
	Nongciya Zimasa				
	Ntsurha Busiswa				
	Buggawu Vumile				
WARD 19	Cllr Monwabisi Nomandela	YES	12	12	4
	Somlandu Siphuluvo				
	Nomandomane Nosebenzile				
	Mahlungu Sibonile				
	Mabhoza Nokulindo				
	Qondani Bongiwe				
	Fodo Babalwa				
	Mabandla Philiswa				
	Mnyakaza Phaphama				
	Nqoza Zusiphe				
	Ndlungwana Zola				
WARD 20	Cllr Zilindile Highbane	YES	12	12	4
	Ndzabela Sibongile				
	Nomhlanja Ntomby				
	Sibetha Nodumo				
	Sigidi Nomhle				
	Zinyusile Onke				
	Magoqobo Vuyo				
	Ndamase Zoliwe				
	Mayizule Ntomboxolo				
	Mjungula Phumzile				
	Noxhaka Welcome				
WARD 21	Cllr Nomnikelo Yehana	YES	12	12	4
	Njengele Nomfuneko				
	Binjana Cecilia				
	Mkoko Neziswa				
	Tsamse Zoleka				
	Nomfusi Gcina				
	Hlwathika Thembeke Telma				
	Pahlane Nceba				
	Phali Nangamso				

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Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Vava Michael				
	Mlongo Thulani				
WARD 22	Cllr Nomvuyiseko Molose	YES	12	12	4
	Zaqhoza Ntshekeza				
	Novukwana Nomsa				
	Mdolwana Besuthu				
	Mdali Noluvo				
	Sithyodana Gcotyiswa				
	Nongcatha Nobandla				
	Vanda Songezo				
	Novokoza Nolusapho				
	Gayiya Nomfundekelo				
	Mkhwenkwe Nozaziso				
WARD 23	Cllr Lumkile Tshatshela	YES	12	12	4
	Mkhwange Phumla				
	Sikonxa Simcelile				
	Manxiweni Asavela				
	Bhushula Zwelakhe				
	Sadonisi Noxolile				
	Mjadu Nomzamo				
	Ngxeba Thembakazi				
	Macede Nothozamile				
	Ncedani Thembekile				
	Nkele Nobom				
WARD 24	Cllr Andile Nomatiti	YES	12	12	4
	Mtengwane Siphokazi				
	Tshayimpunzi Tembisile				
	Dikiso Noluphiwo				
	Noza Ntombizonke				
	Notununu Nomakhaya				
	Qhelani Mthandiseni				
	Kibida Mlungisi				
	Vundle Noluvo				
	Ntshulana Sikhuthole				
	Ngozi Busisiwe				
WARD 25	Cllr Phumzile Yolwa	YES	12	12	4
	Gcakaza Lungile				
	Khanda Selby				
	Lumkwana Ncedile				
	Magadu Nowezile				
	Makhubalo Kholekile				
	Maqabuka Sivuyile				
	Mayeza Neliswa				
	Ntanga Mtonyama				
	Vakubi Sinovuyo				
	Zikhulu Thabo				
WARD 26	Cllr Nikelani Mjajubana	YES	12	12	4
	Zokwana Mlandeni				
	Mtena Thandiswa				
	Vava Babalwa				
	N.Nomakhweza				
	N.Mlungwana				
	N.Mhlangenkabi				
	Thobekile.G				
	Selena.A				
	Lungephi.N				
	S.Ntshebe				
WARD 27	Cllr Celekile Nazo	YES	12	12	4
	Ntshentshe Tulisile				

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Nomqonde Apiwe				
	Ndamase Nontsikelelo				
	Mtshiyi Nondwe				
	Mvovo Saziso				
	Nethi Yandisa				
	Makinana Busisiwe				
	Nomnyama Nomgcobo				
	Kuncu Nokuphiwe				
	Buthuma Nokuthula				
WARD 28	Cllr Fudumele Gaxeni	YES	12	12	4
	Fikeni Simphiwe				
	Sibono Sizeka				
	Mlomo Andiswa				
	Ntapo Nomagrike				
	Nongathi Noluvuyo				
	Raya Veliswa				
	Tyekana Nomvuselelo				
	Jikana Neziwe				
	Dyanti Nonkosi				
	Tshungwana Thulisile				
WARD 29	Cllr Zameka Mrawushe	YES	12	12	4
	Bambeni ntombizandile				
	Mgontshongo Nobuntu				
	Mgontshongo Kholeka				
	Ngcangashe Vathiswa				
	Vava Thembinkosi				
	Matye Nokubonga				
	Mditshwa Zoliswa				
	Khabakobe Novotile				
	Rozani Siphokazi				
	Nkalane Zimasa				
WARD 30	Cllr Luxolo Mketo	YES	12	12	4
	Manzana Gungubele				
	Milwana Nolundi				
	Manjawe Nomveliso				
	Mngoto Nosandile				
	Ndavundavu Nosandiso				
	Vava Bulelani				
	Qangase Theliwe				
	Ntshase Edward				
	Quqaza Nothozamile				
	Fanayo Thandekile				
WARD 31	Cllr Vuyokazi Gloria Mbusi	YES	12	12	4
	Zola Dumisa				
	Gcelu Boniswa				
	Dila Aphiwe				
	Nongwejana Nokhanyiso				
	Mashalaba Andile				
	Buhlungu Nceba				
	Kulula Nozolile				
	Nkosana Xolisa				
	Mbuthu Thozama				
	Mhlontlo Noloyiso				
WARD 32	Cllr Pheleka Nodaza	YES	12	12	4
	Mlatha Maliviwe				
	Hlomendlini Nokhwezi				
	Vava Sizwe				
	Mantsithi Mbulelo				
	Mliqika Nobom				
	Sibono Sivuyile				

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
	Rhobo Nobonwa				
	Matshogo Nokuphiwa				
	Fundakubi Khanyiswa				
	Mgayo Sindiso				

APPENDIX G - AUDIT COMMITTEE RESOLUTIONS

NYANDENI LOCAL MUNICIPALITY ANNUAL REPORT FOR THE 2022/23 FINANCIAL YEAR		
Date of Meeting	Committee recommendations during Year 2022/23 FY	Recommendations adopted (enter Yes)
22 July 2022 (Ordinary meeting)	Recommendations 1. Municipality should review the credit control policy and take into account the conditions for the waiver of interest on instances of settlement of principal debt by government stakeholders. 2. Internal audit should develop audit track tool/register and report progress made on implementation thereof quarterly to the audit committee. 3. The committee encouraged management to implement the good recommendations sponsored by Internal Audit to strengthen effectiveness of controls, indicating that the report will further assist in the preparation of financial statements of the municipality. 4. Management adopt the formal system to manage the inventory management and request R data to review inventory management module to be aligned with operations of the municipality 5. Review the inventory management policy and align it with operations of the municipality. 6. Management submit draft AFS on time to Internal Audit to provide assurance on the unassured risks that were excluded from the scope. 7. Management should explore with system vendor and devise creative methods such as software application program of sending customer statements. 8. Dedicate a short message line to thank households and further remind them about the outstanding debt. 9. Revive incentive policy to reduce the old debt from households and other stakeholders	Yes
22 August 2022 (Special Meeting)	a) Management update the draft APR as per the internal audit and audit comments prior submission to Auditor General. b) Management should develop a tracking tool and submit on the next special audit committee meeting . c) Internal audit is to develop a tracking tool for all comments/review notes made forward it to CFO for action. d) Progress on implementation of the tracking tool be submitted to next special Audit Committee meeting e) CFO submit the second version of draft AFS to all stakeholders for review on 29th August 2022.	Yes
October 2022 (Ordinary meeting)	Recommendations 1. Minutes and resolutions register must be distributed to the committee and management within 14 working days after the meeting. 2. Progress on implementation of the resolutions register be monitored monthly and only during the preparation process of audit committee meetings. 3. Management should engage the Property Valuer to confirm whether the asset cost is determined using market value of the replacement value. 4. Management should conduct an institution wide valuation assessment on all the municipal buildings 5. SDBIP report should be monitored on a monthly basis as part of management meetings. 6. Budget and Treasury Office should identify a resource during the AFS preparation process to work on the lead schedules and submit draft AFS with the lead schedules. 7. Management conduct market research and cost analysis for the automated access control system. 8. Management should reconvene a session for the review of responses and action plans on the identified physical security related audit findings. 9. The municipality should reduce spending patterns on overtime line item. 10. The municipality should further engage Provincial Treasury on the issue of monthly reporting of depreciation. 11. Management should align the information recorded on the grants performance with the data strings report 12. The deviation for the payment of SALGA membership fees should not form part of deviation register. 13. Progress on implementation of cost containment issues should be reported. 14. . Management prioritize procurement of OHS related equipment and training of first aiders. 15. The municipality should reduce spending patterns on overtime line item. 16. The municipality should further engage Provincial Treasury on the issue of monthly reporting of depreciation.	Yes

Date of Meeting	Committee recommendations during Year 2022/23 FY	Recommendations adopted (enter Yes)
	17. Management should align the information recorded on the grants performance with the data strings report 18. The deviation for the payment of SALGA membership fees should not form part of deviation register. 19. Progress on implementation of cost containment issues should be reported. 20. Future ICT reports should indicate timeframes for the completion of projects and provide progress against the planned projects. 21. Future ICT reports should provide progress on implementation of the ICT Maturity Improvement Plan. 22. Amend template of the Litigation Register to reflect the actual date of registration for each case and update the outstanding information from the next meeting. 23. Management effectively attend to the recommendations tendered by the audit committee on each case 22. Amendment of Service provider appointment letter to include a clause for required disclosure and implementation of consequence management on any solicited and offered gifts to employees. 23. All invoices should be triple stamped to eliminate the risk indicating. 24. Stamp 1- Certify that goods have been received in a satisfactory manner indicating the name, designation and date of certification. 25. Stamp 2 – verification of goods 26. Stamp 3 – Approval by the Head of Department.	
19 January 2023 (Ordinary Meeting)	Recommendations 1. Action owners submit POE to substantiate the reported progress of resolved resolutions. 2. The status of resolution no. 9 (Progress on lost fire arms) & 18 (Market research and cost analysis for the automated access control system) remain as in-progress as the formal reports have not yet been provided to the Audit Committee. 3. Internal Audit conduct validation of Mid-year performance report for the Basic Service Delivery and Financial Viability KPA prior submission to Council on 25 January 2023. 4. Management to convene a session to finalise the Audit Action Plan as per the resolution(s) of the Management Retreat session and consider Internal Audit comments. 5. Additional inputs on the draft action plan by the external stakeholders be shared with the Internal Audit Unit. 6. Amend reporting template of the contractor performance assessment report to reflect financial implications of each contract. 7. Management regularly report to the council on the management of the contract or agreement and the performance of the contractor as per requirements of section 116 of the MFMA. 7. Amend reporting template of the contractor performance assessment report to reflect financial implications of each contract. 7. Management regularly report to the council on the management of the contract or agreement and the performance of the contractor as per requirements of section 116 of the MFMA. 8. Risk Management Committee (RMC) should focus on the stagnant risks and improve performance. 9. The detail of what is implemented should be indicated including reasons for non-implementation of scheduled action plans. 10. RMC monitor the implementation of the newly developed security risk register with effect from quarter 3. Recommendation 1. Management should strengthen and enforce the submission of monthly performance reports with POE's to avoid delays on quarterly reporting 2. Management should review and revise the revenue enhancement strategy to ensure that the available revenue sources are fully exploited to enhance revenue 3. Risk Management Committee (RMC) should monitor the implementation of the newly developed security risk and present progress on the next committee meeting. 2. Management should identify POPI related risk and update the relevant risk register. 3. RMC monitor implementation of Internal Audit Findings and Recommendations. 4. Internal audit should extend the audit scope and conduct a review on legal fees paid in each case.	Yes
21 June 2023	Recommendations	Yes

Date of Meeting	Committee recommendations during Year 2022/23 FY	Recommendations adopted (enter Yes)
(Special Meeting)	1. Internal Audit should conduct an extensive review of draft Annual Financial Statements as the work progresses. 2. BTO should amend the Road Map to include the date of submission to Provincial Treasury 3. Internal Audit should align the budgeted hours for the review of the AFS with the review period/timelines. 4. BTO should fully populate the progress on completed activities on the Road Map. 5. BTO should focus extensively on all the misstatement raised by AG on prior year and progress made in resolving the issues 6. The risk management should be simplified to the level of the Cleaner. 7. Management should relook the risk description and the proposed mitigation plans to alignment of response strategies and plans to the identified risk. 8. Management should create an sms number for whistle blowing for the use of the Risk Management Committee and Audit Committee Chairperson	

APPENDIX H

Long Term Contracts (20 Largest Contracts Entered into during Year 0)						
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value	
MBSA Contents	eMnyameni-Nijmaza Electrification Project	1-Jul-22	30-Jun-23	Mr. L. Petse	R4,153,220.43	
MBSA Contents	Mandileni - Ludaka Electrification Project	1-Jul-22	30-Jun-23	Mr. L. Petse	R2,016,826.00	
MBSA Contents	Kanunu - Hluleka Electrification Project	1-Jul-22	30-Jun-23	Mr. L. Petse	R3,024,085.75	
EN Trading /NDZ JV	Libode Internal Road (Thabo Mbeki)	19/12/2019	28/06/2023	Mr M Mgudlwa	R11,724,456.12	
Kaazi Engineers Group	Dontsa - Mangwaneni Access Road	11/09/2020	20/08/2022	Mr S Qhuzwana	R2,186,432.72	
Anix Construction	Dontsa - Mangwaneni Access Road	22/02/2021	30/06/2022	Mr S Qhuzwana	R12,291,453.46	
Vuba Imagineers	Ntshazini-Canzibe Surfaced Access Road	22/02/2021	28/02/2024	Mr S Qhuzwana	R3,600,459.63	
Batabile Construction Services	Ntshazini-Canzibe Surfaced Access Road	18/01/2022	28/02/2024	Mr S Qhuzwana	R31,570,143.00	
Usiba LweAfrica	Langakazi Low Volume Road	21/01/2021	28/02/2024	Ms A Hlangu	R1,360,566.96	
LM Developments	Langakazi Low Volume Road	09/02/2021	15/06/2023	Ms A Hlangu	R160,740,061.09	
Ibhotwe Lezizwe	Sofia Surfaced Access Road	21/01/2021	21/01/2021	Ms A Hlangu	R1,993,621.53	
Rhweba Trading	Sofia Surfaced Access Road	24/02/2021	11/05/2023	Ms A Hlangu	R16,732,550.89	
Olon Consulting Engineers	Construction of Mdina JSS-Mcwili Access Road	16/03/2022	30/06/2023	Mr M Mgudlwa	R1,095,790.15	
Manyobo Group	Construction of Mdina JSS-Mcwili Access Road	04/02/2022	30/06/2023	Mr M Mgudlwa	R4,667,552.07	
Vuba Imagineers	Construction of Tholeni Access Road	21/01/2021	28/02/2024	Mr S Qhuzwana	R1,720,412.65	
LM Development	Construction of Tholeni Access Road	18/01/2022	28/02/2024	Mr S Qhuzwana	R11,667,713.59	
Uphuhliso Nohlumo	Construction of Mbangwe Access Road	16/10/2018	30/05/2023	Ms A Hlangu	R1,085,025.00	
Konstrukt SGN	Construction of Mbangwe Access Road	14/04/2022	30/05/2023	Ms A Hlangu	R5,831,876.33	
Usiba LweAfrica	Construction of Mvilo Access Road and Bridge	30/08/2022	30/12/2024	Mr S Qhuzwana	R3,373,587.10	
BMG Cost Consultant	Community Hall Ward 12	14/09/2022	28/02/2024	Mr M Mgudlwa	R690,000.00	
BMG Cost Consultant	Community Hall Ward 29	14/09/2022	28/02/2024	Mr M Mgudlwa	R690,000.00	
Bamboo Rock	Community Hall Ward 12	31/03/2023	28/02/2024	Mr M Mgudlwa	R4,857,199.25	
LCM Consortium	Community Hall Ward 16	14/09/2022	09/10/2023	Ms A Hlangu	R724,500.00	
LCM Consortium	Community Hall Ward 25	14/09/2023	09/10/2023	Ms A Hlangu	R724,500.00	
Zozobini Women trading	Community Hall Ward 16	09/03/2023	09/10/2025	Ms A Hlangu	R4,850,234.86	
Zozobini Women trading	Community Hall Ward 25	09/03/2023	09/10/2026	Ms A Hlangu	R4,850,234.86	
Nomafusi Projects	Community Hall Ward 29	31/03/2023	28/02/2024	Mr M Mgudlwa	R5,846,122.28	
Kukho Consulting Engineers	Side Walks Libode	06/04/2023	30/09/2024	Mr M Mgudlwa	R1,035,000.00	
Kukho Consulting Engineers	Side Walks Ngqeleni	06/04/2023	30/09/2024	Mr M Mgudlwa	R1,035,000.00	
Imbawula Civil Projects	Construction of Majikija-Dokodela Access Road	25/08/2022	29/09/2023	Mr S Qhuzwana	R1,497,855.10	
KKW Trading Enterprise	Construction of Majikija-Dokodela Access Road	03/03/2023	29/09/2023	Mr S Qhuzwana	R7,064,838.91	
Usiba LweAfrica	Construction of Mbululu-Ncithwa Access Road	05/04/2023	30/09/2024	Mr M Mgudlwa	R1,870,763.65	
Imbawula Civil Projects	Construction of Biduza-Sundwana Access Road	05/04/2023	30/09/2024	Mr M Mgudlwa	R2,160,310.44	
Kukho Consulting Engineers	Construction of Libode Internal Road Phase 2	06/04/2023	15/12/2024	Mr M Mgudlwa	R2,867,241.08	
Olon Consulting Engineers	Ngqeleni Sportfield	16/03/2022	30/01/2024	Mr M Mgudlwa	R2,388,667.48	
Zamisanani Projects	Ngqeleni Sportfield	02/07/2020	26/08/2022	Mr M Mgudlwa	R16,321,878.53	
Phinda Singqandu Group (PTY)LTD	Rehabilitation of Dinkosi A/R	02/03/2023	22/06/2023	Ms N.C.Vava	R2,499,876.90	
Phinda Singqandu Group (PTY)LTD	Rehabilitation of Zikhoveni A/R	02/03/2023	22/06/2023	Ms N.C.Vava	R2,496,725.90	

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APPENDIX K1

Revenue Collection Performance by Vote						
Vote Description	Year -1	Current: Year 0		Year 0		R' 000
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Vote 1- EXECUTIVE & COUNCIL	282,492	300,000	316,362	122,162	41%	39%
Vote 2- FINANCE & ADMINISTRATION-CORPORATE SERVICES	288,543,000	352,734,955	362,979,091	374,541,637	106%	103%
Vote 3- FINANCE & ADMINISTRATION-BUDGET & TREASURY	2,031,000	256,065	256,065	3,498,080	1366%	1366%
Vote 4- PLANNING & DEVELOPMENT	877,000	740,000	740,000	450,522	61%	61%
Vote 5- COMMUNITY & SOCIAL SERVICES			2,133,722	2,386,567	0%	112%
Vote 6- HOUSING	75,436	69,440,000	76,102,000	72,017,826	104%	95%
Vote 7- ROAD TRANSPORT	4,898	6,410	6,410	4,898	76%	76%
Vote 8- PUBLIC SAFETY						
Vote 9- HEALTH						
Vote 10- SPORT AND RECREATION						
Vote 11- ELECTRICITY	16,067,000		8,000,000	7,999,442	0%	100%
Vote 12- WASTE MANAGEMENT	413,000	1,443,621	1,443,621	858,660	59%	59%
Vote 13- OTHER	120,389,143	8,672,949	2,902,729	7,342,658	85%	253%
Vote 14- INTERNAL AUDIT						
Example 15 - Vote 15						
Total Revenue by Vote	428,683	433,594	454,880	469,222	0	0
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						
						T K.1

APPENDIX K2

Revenue Collection Performance by Source R '000						
Description	Year -1 Actual	Year 0		Year 0 Variance		
		Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	18,317	18,044	20,323	19,129	6%	-6%
Property rates - penalties & collection charges					0%	0%
Service Charges - electricity revenue					0%	0%
Service Charges - water revenue					0%	0%
Service Charges - sanitation revenue					0%	0%
Service Charges - refuse revenue					42%	34%
Service Charges - other	413	344	390	591	0%	0%
Rentals of facilities and equipment					90%	90%
Interest earned - external investments	183	20	20	192	41%	21%
Interest earned - outstanding debtors	16,743	17,981	24,160	30,552	0%	0%
Dividends received				3,408	0%	0%
Fines	515	421	421	343	-23%	-23%
Licences and permits	2,904	5,220	5,220	3,090	-69%	-69%
Agency services	1,222	1,300	1,300	454	-186%	-186%
Transfers recognised - operational	382,184	322,274	324,967	326,515	1%	0%
Other revenue	5,595	2,024	1,978	4,915	59%	60%
Gains on disposal of PPE					0%	0%
Environmental Protection					0%	0%
Total Revenue (excluding capital transfers and contributions)	428,075	367,626	378,778	389,189	5.54%	2.68%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						
						T K.2

APPENDIX L

Conditional Grants: excluding MIG						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
MUNICIPAL INFRASTRUCTURE GRANT CAPITAL	65,968	65,968	65,968	0	0	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
MUNICIPAL INFRASTRUCTURE GRANT OPERATIONAL	3,472	3,472	3,472	0	0	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
ANIMAL FEED PROCESSING PLANT		4,190	3,627	3,627	-563	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
DISASTER RELIEF GRANT	2,693	4,600	2,578	-115	-2,022	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
MUNICIPAL FINANCIAL MANAGEMENT GRANT	1,650	1,650	1,650	0	0	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
EXPANDED PUBLIC WORKS PROGRAM	1,859	1,859	1,859	0	0	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
DEDEAT	1,000	1,000	416	-584	-584	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
HUMAN SETTLEMENT		2,134	2,135		1	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
INEP		8,000	7,975		-25	Reporting on expenditure of the grant within 10 working days of each month as per Section 71 of the MFMA
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						

APPENDIX M1-2

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
Capital expenditure by Asset Class						
Infrastructure - Total	119,868	58,268	59,572	73,740	79,201	62,509
Infrastructure: Road transport - Total	119,868	58,268	58,412	73,482	55,891	47,001
Roads, Pavements & Bridges						
Storm water						
Infrastructure: Electricity - Total	119,867,951	58,268,000	58,411,552	73,482,490	68,891,150	72,001,450
Generation						
Transmission & Reticulation						
Street Lighting						
Infrastructure: Water - Total	-	-	-	-	-	-
Dams & Reservoirs						
Water purification						
Reticulation						
Infrastructure: Sanitation - Total	-	-	-	-	-	-
Reticulation						
Sewerage purification						
Infrastructure: Other - Total	-	-	1,160	257	-	-
Waste Management						
Transportation						
Gas						
Other						
Community - Total	1,663	8,000	8,000	14,800	17,205	17,803
Parks & gardens						
Sportsfields & stadia						
Swimming pools						
Community halls						
Libraries						
Recreational facilities						
Fire, safety & emergency						
Security and policing						
Buses						
Clinics						
Museums & Art Galleries						
Cemeteries						
Social rental housing						
Other						

Table continued next page							
Table continued from previous page							
Capital Expenditure - New Assets Programme* R '000							
Description	Year -1	Year 0		Planned Capital expenditure			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Heritage assets - Total							
Buildings	-	-	-	-	-	-	-
Other							
Investment properties - Total							
Housing development							
Other			13,200	-	12,661	13,281	13,281
Other assets							
General vehicles		20,710	63,632	20	98,890	80,701	80,701
Specialised vehicles			22,799,180	14,462	160,000	167,840	167,840
Plant & equipment	2,989,406	7,665,000	23,277,488	1,416	10,803,210	15,843,268	15,843,268
Computers - hardware/equipment	912,700		661,088	1,376			
Furniture and other office equipment	403,439	3,000,000	7,850,712	1,351	3,950,000	4,143,550	4,143,550
Abattoirs							
Markets							
Civic Land and Buildings		845,000	1,897,364	241	79,568,557	53,020,583	53,020,583
Other Buildings					538,095	564,462	564,462
Other Land							
Surplus Assets - (Investment or Inventory)							
Other	168,388	9,200,000	7,146,013	1,206	3,869,797	6,961,417	6,961,417
Agricultural assets							
List sub-class	-	-	-	-	-	-	-
Biological assets							
List sub-class	-	-	-	-	-	-	-
Intangibles							
Computers - software & programming	450	2,000	(635)	0	2,000	2,098	2,098
Other (list sub-class)	449,673	2,000,000	-635,088	449	2,000,000	2,098,000	2,098,000
Total Capital Expenditure on new assets	126,454	88,978	143,768	88,560	209,956	176,392	176,392
Specialised vehicles							
	-	-	-	-	-	-	-

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APPENDIX N

Capital Programme by Project: Year 0						
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Adj) %	Variance (Act - OB) %	
Roads						
Construction of admin block	1,100,000.00	1,100,000.00	0.00	0%	0%	
Tools equipment	165,000.00	165,000.00	0.00	0%	0%	
Halls	4,000,000.00	3,700,042.00	1,331,620.27	-178%	-200%	
Halls	4,000,000.00	3,700,042.00	11,588,069.04	68%	65%	
Halls	4,000,000.00	3,700,042.00	1,233,719.75	-200%	-224%	
Halls	4,000,000.00	3,700,042.00	1,536,313.82	-141%	-160%	
Toleni Access Road	6,100,000.00	3,681,177.00	2,072,016.30	-78%	-194%	
Dontsa to Mangwaneni Access Road Ward 14	1,000,000.00	1,000,000.00	700,400.00	-43%	-43%	
Majikja-Dokotela Access Road	8,000,000.00	7,000,000.00	3,110,179.05	-125%	-157%	
Mdina JSS-Mcwili Access Road	2,743,135.00	1,205,042.00	1,316,104.95	8%	-108%	
Ngqeleni Side Walks	1,135,251.00	1,449,264.00	308,563.40	-370%	-268%	
Libode Side Walks	1,135,251.00	1,449,264.00	844,877.40	-72%	-34%	
Sofia Low Volume AR	1,000,000.00	1,926,221.00	1,733,779.35	-11%	42%	
Mphangane Internal Roads	700,000.00	0.00	0.00	0%	0%	
Mbange AR Ward 24	6,000,000.00	5,702,004.00	5,339,707.89	-7%	-12%	
Assets: Non-current Assets -Property, Plant and Equipment -In-u	4,000,000.00	5,766,744.00	6,471,072.24	11%	38%	
Ntshazini Bridge to Canzibe Access road	21,154,363.00	21,477,837.00	22,133,826.56	3%	4%	
Langakazi Access Road Ward 27	1,000,000.00	1,027,524.00	0.00	0%	0%	
Rehabilitation of access roads	2,500,000.00	2,500,000.00	2,009,927.45	-24%	-24%	
Rehabilitation of access roads	2,500,000.00	2,500,000.00	2,071,992.95	-21%	-21%	
Rehabilitation of access roads	2,500,000.00	2,500,000.00	1,800,858.14	-39%	-39%	
Rehabilitation of access roads	2,500,000.00	3,749,707.00	2,020,830.60	-86%	-24%	
Rehabilitation of access roads	2,500,000.00	2,500,000.00	1,592,806.58	-57%	-57%	
Rehabilitation of access roads	3,000,000.00	2,665,694.00	2,187,863.96	-22%	-37%	
Sportfield	7,000,000.00	7,000,000.00	2,329,421.81	-201%	-201%	
Electricity			0.00			
eMnyameni-Njimaza Electrification Project	3,024,815.00	0.00	3,478,537.25	100%	13%	

Capital Programme by Project: Year 0						
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %	
Mandileni - Ludaka Electrification Project	2,016,826.00	0.00	2,319,349.90	100%	13%	
Mafini-Hilltop Electrification Project	2,958,359.00	443,753.85	3,402,112.85	87%	13%	
Housing			0.00			
Human Settlements		2,133,721.88	2,135,152.74	0%	100%	
Refuse removal			0.00			
Fencing Cemetery	495,000.00	1,775,686.00	0.00			
Stormwater						
"Project A"			0.00	0%	0%	
"Project B"			0.00	0%	0%	
Economic development			0.00			
Animal Processing Plant		4,189,641.00	3,626,861.02	-16%	100%	
"Project B"			0.00	0%	0%	
Sports, Arts & Culture			0.00	0%	0%	
"Project A"			0.00	0%	0%	
"Project B"			0.00	0%	0%	
Environment			0.00			
"Project A"			0.00	0%	0%	
"Project B"			0.00	0%	0%	
Health			0.00			
"Project A"			0.00	0%	0%	
"Project B"			0.00	0%	0%	
Safety and Security			0.00			
Construction of guard room Cemetery Ward 21	250,000.00	250,000.00	0.00	0%	0%	
Construction of guard room Cemetery Ward 21	200,000.00	200,000.00	104,007.96	-92%	11269424%	
Construction of guard room Cemetery Ward 21	250,000.00	250,000.00	0.00	0%	0%	
STRONGROOM DTLC						
"Project B"	200,000.00	200,000.00	1,430,350.88	86%	86%	
ICT and Other			0.00	0%	0%	
Land Buildings-Container	300,000.00	498,000.00	0.00			
Land Buildings	7,200,000.00	7,200,000.00	0.00	0%	0%	

Capital Programme by Project: Year 0						
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %	
Computer Equipment	650,000.00	1,469,411.00	798,351.80	-84%	19%	
Computer Software	2,000,000.00	364,912.00	127,305.00	-187%	-1471%	
Office Furniture Equipment	500,000.00	1,792,017.00	757,308.35	-137%	34%	
Tools equipment	250,000.00	531,989.00	573,580.81	7%	56%	
Tools equipment	250,000.00	331,939.00	163,093.00	-104%	-53%	
Construction of admin block	1,100,000.00	1,100,000.00	0.00	0%	0%	
Furniture manufacturing structure	1,000,000.00	1,000,000.00	0.00	0%	0%	
Container Municipal Manager	50,000.00	100,000.00	0.00	0%	0%	
Digital screens Municipal Manager	1,000,000.00	1,000,000.00	0.00	0%	0%	
Tools and equipment MM	200,000.00	150,000.00	0.00	0%	0%	
Computer Equipment	150,000.00	150,000.00	28,750.00	-422%	-422%	
T N						

APPENDIX O

Capital Programme by Project by Ward: Year 0			
Capital Project	R' 000	Ward(s) affected	Works completed (Yes/No)
Roads			
Libode Internal Road (Thabo Mbeki)		Ward 07	Yes
Dontsa -Mangwaneni Access Road		Ward 14	Yes
Ntshazini-Canzibe Surfaced Access Road		Ward 28&23	No
Langakazi Low Volume Road		Ward 02	Yes
Sofia Surfaced Access Road		Ward 10	Yes
Construction of Mdina JSS-Mcwili Access Road		Ward 04	Yes
Construction of Tholeni Access Road		Ward 26	No
Construction of Mbange Access Road		Ward 24	Yes
Construction of Mvilo Access Road and Bridge		Ward 20	No
Construction of Majikila-Dokodela Access Road		Ward 03	Yes
Construction of Mbululu-Ncithwa Access Road		Ward 02	No
Construction of Biduza-Sundwana Access Road		Ward 13	No
Construction of Libode Internal Road Phase 2		Ward 07	No
Side Walks Libode		Ward 07	No
Side Walks Nggeleni		Ward 21	No
Rehabilitation of Dininkosi A/R		Ward 09	Yes
Rehabilitation of Zikhoveni A/R		Ward 10	Yes
Rehabilitation of Galili A/R		Ward 12	Yes
Rehabilitation of Bhucula A/R		Ward 25	Yes
Rehabilitation of Nodushe A/R		Ward 06	No
Rehabilitation of Mahahane A/R		Ward 02	Yes
Sanitation/Sewerage			
Electricity			
eMnyameni-Njimaza Electrification Project		Ward - 19	Yes
Mandileni - Ludaka Electrification Project		Ward - 17	Yes
Mafini-Hilltop Electrification Project		Ward - 16	Yes
Housing			
Refuse removal			
Stormwater			
Economic development			

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