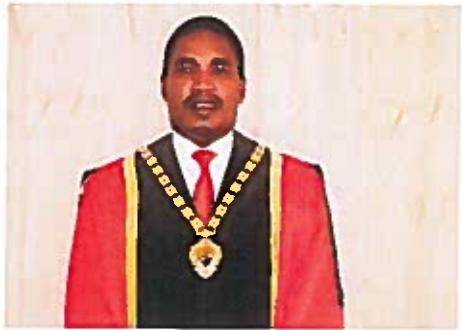


# **NTABANKULU LOCAL MUNICIPALITY**



## **Service Delivery & Budget Implementation Plan: 2016/2017**

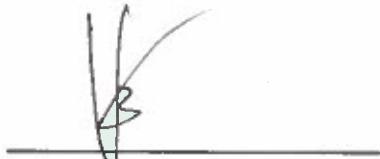
**As adopted by Council on the 27 May 2016**



## **SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2016/2017**

The above subject matter bears reference.

I, Councillor Vusumzi Mgoduka, in my capacity as the Mayor of Ntabankulu Local Municipality hereby approve the Service Delivery and Budget Implementation Plan for 2016/17 as required in terms of section 53 (1) (c) (ii) Municipal Finance Management Act, of 2003 (MFMA)

A handwritten signature in black ink, appearing to read "Vusumzi Mgoduka". It is written over a horizontal line.

**Vusumzi Mgoduka**

**Mayor**

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## **ACRONYMS**

SDBIP:	Service Delivery and Budget Implementation Plan
IDP:	Integrated Development Plan
SDF:	Spatial Development Framework
MFMA:	Municipal Finance Management Act
PMS:	Performance Management System
KPA:	Key Performance Areas
ICT:	Information Communication Technology
PDI's:	Previously Disadvantaged Individuals
DLTC:	Driving license Testing Centre
MVL:	Motor Vehicle License
EPWP:	Expanded Public Works Programme
CWP:	Community Works Programme
eNatis:	Electronic National Traffic Information System
IGR:	Intergovernmental Relations

## **1. INTRODUCTION**

The Municipal Finance Management Act (MFMA) 56 of 2003 requires municipalities to prepare a Service Delivery and Budget Implementation Plan (SDBIP) as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their Integrated Development Plan.

The SDBIP is a detailed one year plan of the Municipality that gives effect to the IDP and Budget of the Municipality. It gives expression of the IDP objectives of the municipality in quantifiable outcomes that will be implemented for the financial year. The Service Delivery and Budget Implementation Plan contain targets for each quarter and is a plan which facilitates planning and reporting on financial and non financial performance of the Municipality.

The SDBIP 2016/17 will not only ensure appropriate monitoring in the execution of the Ntabankulu budget and processes involved in the allocations of budget to achieve key strategic priorities as set by the Ntabankulu IDP but will also serve as the basis of annual performance contracts for Senior management and all employees of the Municipality.

The SDBIP provide a guide to the executive committee, council and the community in their respective oversight responsibility.

## **2. Vision**

**"A developmental municipality that creates an enabling environment which empowers and develops community economically and socially to ensure sustainable and affordable services"**

### **2.1 Mission**

In pursuing our vision NLM, will;

- Ensure the optimal use of resources effectively and efficiently through active community participation.
- Promote human development through provision of quality and sustainable services.
- Generate revenue and stimulate economic growth through investing in human capital.

**Theme.**

**Umanyano Nophuhliso Loluntu ngundoqo**

## **2.2 Values**

Ntabankulu Local Municipality embraces the following values:

- Unity and social cohesion
- Transparency
- Accountability
- Fairness
- Democracy, integrity, good governance and public participation/community involvement
- Ethics and loyalty
- Team work and co-operation

## **3 LEGISLATIVE BACKGROUND**

Section 1 of the Municipal Finance Management Act (MFMA) No. 56 of 2003 defines the "service delivery and budget implementation plan" as the detailed plan approved by the mayor of the municipality in terms of Section 53 (1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget and which must include the following:-

- a) Projections of each month of-
  - i. revenue to be collected, by source; and
  - ii. operational and capital expenditure, by vote;
- b) Service delivery targets and performance indicators for each quarter; and
- c) Any other matters that may be prescribed, and includes any revisions of such plan by the mayor in terms of section 54(1) (c).

In terms of Section 53 (1) (c) (ii) of the MFMA, the SDBIP must be approved by the Mayor of a municipality within 28 days of the approval of the budget.

MFMA Circular No. 13, "The Municipal Manager is responsible for the preparation of the Service Delivery and Budget Implementation Plan which must be legally submitted to the Mayor for approval once the budget has been approved by Council.

MFMA Circular No. 13 further states that "...being a management and implementation plan (and not a policy proposal), the SDBIP is not required to be approved by Council"-It is however tabled to before Council and made public for information and for the purposes of monitoring. The SDBIP should be seen as a dynamic document that may (*at lower layers of the plan*) be continually revised by the Municipal Manager and other top managers, as actual performance after each month or quarter is taken into account. However the top layer of the SDBIP and its targets cannot be revised without notifying the Council, and if there is to be changes in the service delivery targets and performance indicators, this must be with the approval of the Council, following approval of an adjustments budget (section 54 (1) (c) of the MFMA) This Council approval is necessary to ensure that the Mayor or

Municipal Manager do not revise service delivery targets downwards in the event where there is poor performance.

The Council has approved Service Delivery and Budget Implementation Plan 2015/2016 that responds to 5 Local Government Key Performance Areas.

1. Municipal transformation and organisational development;
2. Basic service delivery;
3. Local economic development;
4. Municipal financial viability and management; and
5. Good governance and public participation.

#### **Components of the SDBIP**

1. Monthly projections of each source of revenue to be collected.
2. Monthly projections of each vote's expenditure (operating and capital) and revenue.
3. Quarterly projections of each vote's service delivery targets and performance indicators.
4. Information on expenditure and service delivery in each ward.
5. Detailed capital works plans allocated by the wards over three years.

## **4 INSTITUTIONAL ARRANGEMENTS**

**Ntabankulu Local Municipality has six Directorates:**

### **4.1 DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER**

#### **4.1.1 Purpose:**

To oversee the administration of and serve as Chief Executive and Accounting Officer of the Municipality

#### **4.1.2 Functions**

- Develop and lead an economical, effective, efficient and accountable municipal administration;
- Coordinate processes towards development of Municipal IDP
- Oversee the implementation of the municipality's IDP and Institutional PMS;
- Oversee the appointment of staff other than Section 57 appointees, subject to the Employment Equity Act (55) of 1998;
- Oversee the maintenance of discipline of municipal staff;
- Advise political structures and political office bearers of the municipality;
- Manage communications between the municipality's administration and its political structures and political office bearers;
- Account for the implementation of Council Resolutions;

- Oversee the administration and implementation of municipal by-laws, policies and other legislation;
- Account for municipal income, expenditure and assets; and
- Facilitate participation by the community in the affairs of the municipality

## **4.2 DIRECTORATE: CORPORATE SERVICES**

### **4.2.1 Purpose**

To render Human Resources, Administrative and ICT Support Services.

### **4.2.2 Functions**

- Manage and lead the Human Resources function
- Render Information and Communication Technology (ICT) service and support
- Coordinate Municipal Employee Wellness
- Coordinate records management and access to information in terms of the Promotion of Access to Information Act

## **4.3 DIRECTORATE: BUDGET & TREASURY**

### **4.3.1 Purpose**

To Manage Municipal Finances, Procurement and Assets

### **4.3.2 Functions**

- Render Budget planning, Monitoring, Financial Statements and Reporting;
- Render Accounting functions relating to Expenditure
- Collect and manage income and revenue;
- Render provisioning, assets and fleet management services;
- Render and manage Financial Risk Management Services

## **4.4 DIRECTORATE: STRATEGIC & DEVELOPMENT PLANNING**

### **4.4.1 Purpose**

To coordinate and manage land use, integrated sustainable economic development and planning, communications.

#### **4.4.2 Functions**

- Coordinate Formulation and implementation of Spatial Development Framework (SDF).
- To Stimulate local Economic Development
- To include PDI's into socio economy
- To profile, market and brand the institution

### **4.5 DIRECTORATE: COMMUNITY SERVICES**

#### **4.5.1 Purpose**

To develop and provide sustainable, accessible and affordable services that meet the needs of the Community of Ntabankulu within the legal framework, standards and regulations

#### **4.5.2 Functions**

- Support the provision of Library Services
- Solid Waste collection and disposal
- Landfill site Management
- Environmental Management programmes
- Maintenance and Management of Public Amenities e.g. Community Halls, Cemeteries, Pound, Parks & Sport fields
- Traffic-law enforcement and bylaws
- Public Safety Education
- Safeguarding of Municipal Assets and Properties
- Provision of DLTC, MVL and eNatis Services
- Municipal Public Works programs e.g. EPWP/CWP
- Coordination of Public Participation programs and Council Support
- Coordination and Development of Community Sport, Arts and Culture

### **4.6 DIRECTORATE: INFRASTRUCTURE PLANNING & DEVELOPMENT**

#### **4.6.1 Purpose**

To plan, develop, operate and maintain infrastructure

#### **4.6.2 Functions**

- Provide, facilitate and maintain the following infrastructural services:
- Building and Civil Works Services
- Roads and Storm water Services
- Electricity

## **“ANNEXURE A”**

# **Service Delivery and Budget Implementation Plan 2016/2017**

**OFFICE OF THE MUNICIPAL MANAGER**











# **CORPORATE SERVICES DIRECTORATE**

## **Service Delivery and Budget Implementation Plan 2016/2017**

**“ANNEXURE B”**





Unfulfilled Oversight	1a. Ensure strategic audit by June 2017	80000	Development and implementation of Audit Action Plan	Approved Audit Action Plan	Quarterly Indicators of Individual financial statements	\$1735	2014/2015 Management Report and 2014/2015 Audit Action Plan	2014/2015 Audit Findings	2014/2015 Audit Findings	Report	Quarterly review of Audit Committee communications	No NA	Executive Committee Review	
Unfulfilled Oversight	1b. Ensure strategic audit by June 2017	80000	Development and implementation of Audit Action Plan	Approved Audit Action Plan	Quarterly Indicators of Individual financial statements	\$1735	2014/2015 Management Report and 2014/2015 Audit Action Plan	2014/2015 Audit Findings	2014/2015 Audit Findings	Report	Quarterly review of Audit Committee communications	No NA	Executive Committee Review	
6a	Compliance & Reporting	1a. Ensure compliance with monthly financial statements, budgets, forecasts, revenues and expenses	Significant improvement of internal processes	Significant improvement of internal processes	Significant improvement of internal processes	5.4.37	1a. Ensure significant improvement of internal processes	Individual service provider's budget and financial statements	Individual service provider's budget and financial statements	Individual service provider's budget and financial statements	Quarterly performance reports on the individual service provider's budget and financial statements	Quarterly performance reports on the individual service provider's budget and financial statements	No NA	Executive Committee Review

## **“ANNEXURE C”**

# **Service Delivery and Budget Implementation Plan 2016/2017**

## **BUDGET & TREASURY DIRECTORATE**

Strategic Plan Overview											
Strategic Objective	Priority Area / KPI	Objectives	IDP	Key Performance Indicator	KPI Number	Baseline on the Annual Target / Date of review (May 2016)		2015/2017			
						Target Value	Actual Value	Progress	POC	2016/2017	POC
Financial Viability	FV 01	1. Review and implement the revenue enhancement strategy to increase the overall revenue base by 50% by 2021(FY 01)		Outcomes	4.1.1	Draft Revenue enhancement strategy	2.5% (500)	CRU and age analysis on old debts	7.5% (500,000)	CRU and age analysis on old debts	12% (1200)
	FY 02	2. Achieving 100% billing timeliness as per the valuation roll for all services through maintaining an effective billing system and database		Outcomes	4.1.2	Updated database of customers and Billing report	100%	Billing report and valuation	100% billed customers as per the valuation roll	Billing report and valuation	100% billed customers as per the valuation roll
	FY 03	3. Ensure 50% revenue collection through end-to-end debt collection and credit control systems		Outcomes	4.1.3	Enhanced debt collection processes as per the credit control and debt collection policy	75% collected on billings	10% Collected on properties and consumers	2.5% (3139	Cash receipt 75% (1559	Cash receipt 10% (1278
	FY 04	4. Develop project plan for the implementation of any valuation roll version 4		Outcomes	4.1.4	Implementation of the project plan valuation roll version 4	4	Supplementary valuation roll version 3	5% (1639	5% (1559 collected on arrear debtor	10% (1278 collected on arrear debtor
Budget Preparation	FY 02	To ensure compliance with financial budget requirements by June 2017(FY 02)		Outcomes	4.2.1	Obtain grant schedule and inputs from Directories	Adopted 2016/2017 budget and adjustment budget for 2016/2017	Approved annual budget: 2016/2017	N/A	Approved 2016/2017 budget and adjustment budget for 2016/2017	Approved 2016/2017 budget and adjustment budget for 2016/2017

Expenditure Management	Implementation of effective, efficient processes and systems of managing financial resources [IV Q3]	Strengthen effectiveness of expenditure control procedures including procedures for approval, authorisation and financial management of funds	Obtain source documents internally and externally	Payment of creditors expenditure report (creditors age analysis, payment of salaries on 25th day of each month and third party payments within seven working days after the end of the month)	Quarterly expenditure report prepared and circulated to all directors within ten working days	Procedural circulation to Directorate prepared and circulated to all directors within ten working days	Quarterly report on expenditure prepared and circulated to Directorate	N/A
Supply Chain Management	Review and implement Supply Chain Management Policy by June 2017 [IV Q4]	Review and implementation procedures in line with company policy and M&A circulars	Registration of suppliers to prospective supplier database	Updated quarterly expenditure report indicating the financial spending by March, June, 2016	Procedural circulation to Directorate prepared and circulated to all directors within ten working days	Procedural circulation to Directorate prepared and circulated to all directors within ten working days	Quarterly report on expenditure prepared and circulated to Directorate	CFO
Expenditure Management	Implementation of effective, efficient processes and systems of managing financial resources [IV Q3]	Obtain source documents internally and externally	4.3.1 Annual expenditure report	Produce four quarterly expenditure report indicating the financial spending by March, June, 2016	Procedural circulation to Directorate prepared and circulated to all directors within ten working days	Procedural circulation to Directorate prepared and circulated to all directors within ten working days	Quarterly report on expenditure prepared and circulated to Directorate	N/A
Supply Chain Management	Review and implement Supply Chain Management Policy by June 2017 [IV Q4]	Review and implementation procedures in line with company policy and M&A circulars	4.4.1	2015/2015 updated supplier database	Invited suppliers on invitation of the Municipal supplier database to register on data base	Captured applications received from prospective service providers to the supplier data base	Quarterly Report on updated data base	20 000 000 ETS
					1. Updated and maintained supplier database by June 2017 2. Conducted supply chain management awareness day	1. Report on suppliers registered on data base and number of applications within the quarter 2. Report on Suppliers registered on the supplier data base and number of applications within the quarter 3. Conducted supply chain management awareness day	1. Report on suppliers registered on prospective service providers to the supplier data base	CFO
Expenditure Management	Implementation of effective, efficient processes and systems of managing financial resources [IV Q3]	Obtain source documents internally and externally	4.4.2	2016/2017 Submitted report of irregular expenditure to Treasury and Treasury by June 2017	Submitted report (first quarter) on deviations and irregular expenditure to Treasury & Council, and irregular expenditure to the Council for the first quarter	Submitted report (second quarter) on deviations and irregular expenditure to Treasury & Council, and irregular expenditure to the Council for the first quarter	Quarterly report on deviations and irregular expenditure to Treasury and Treasury	N/A
Supply Chain Management	Review and implement Supply Chain Management Policy by June 2017 [IV Q4]	Review and implementation procedures in line with company policy and M&A circulars	Obtain procurement plans from contractors	Updated quarterly expenditure report (plan, Upgrading of the deviation, irregular expenditure and award registers, Submission of awards above R100 000 to National Treasury and to the	Submitted report (fourth quarter) on deviations and irregular expenditure to Treasury & Council, and irregular expenditure to the Council for the fourth quarter	Submitted report (third quarter) on deviations and irregular expenditure to Treasury & Council, and irregular expenditure to the Council for the third quarter	Quarterly report on deviations and irregular expenditure to Treasury and Treasury	CFO
Expenditure Management	Implementation of effective, efficient processes and systems of managing financial resources [IV Q3]	Obtain source documents internally and externally	4.4.2	2016/2017 Submission of reports on awards above R100 000, irregular expenditure and award registers, Submission of awards above R100 000 to Treasury and to the	Submitted quarterly awards report (fourth quarter) on awards above R100 000, irregular expenditure submitted to Treasury and to the Council	Submitted quarterly awards report (first quarter) on awards above R100 000, irregular expenditure and irregular expenditure to Treasury and Council within thirty days after the end of each quarter	Quarterly report on awards above R100 000, irregular expenditure and irregular expenditure to Treasury and Council within thirty days after the end of each quarter	N/A
Supply Chain Management	Review and implement Supply Chain Management Policy by June 2017 [IV Q4]	Review and implementation procedures in line with company policy and M&A circulars						

Review and implementation procedures from directorates in line with SCM policy and MAFMA circulars	Obtain procurement plans from directorates.	Consolidation of procurement plans.	Approved and implemented procurement plan.	4.4.2	2015/2016 Procurement plan	Developed and implemented institutional procurement plan by June 2017	Implemented procurement plan	Updated procurement plan	Implemented procurement plan	Updated procurement plan	Implemented procurement plan	Updated procurement plan	N/A
Review and implementation procedures in line with SCM policy and MAFMA circulars	As per Register	Developed contract register	Updated contract register	4.4.2	2015/2016 contract register	Updated and maintained contract register	Contract register	Updated contract register	Contract register	Updated contract register	Contract register	Updated contract register	N/A
Review and implementation agreements in line with SCM policy and MAFMA circulars	Service Level Agreements	Evaluation of performance of service providers	Improved performance of service providers	4.4.3	Entered SLAs	Monitor providers' performance report in line with the set deliverables as per signed SLA with in the directorate by June 2017	Service providers performance report	Service providers performance report in regard to set deliverables as per signed SLA with in the directorate	Service providers performance report	Service providers performance report in regard to set deliverables as per signed SLA with in the directorate	Service providers performance report	Report on performance of service providers	N/A
Review and implementation procedures in line with SCM policy and MAFMA circulars	Stock count sheets	Update inventory register with the results of stock count	Quarterly updated stock take and updated inventory register	4.4.4	2016/2017 updated inventory Register by June 2017	Maintain and update quarterly updated stock take and updated inventory register	Quarterly inventory Register and stock count sheets	Quarterly performed stock take and updated inventory register	Quarterly inventory Register and stock count sheets	Quarterly performed stock take and updated inventory register	Quarterly inventory Register and stock count sheets	Quarterly inventory Register and stock count sheets	N/A
Asset Maintenance	To manage, conserve and maintain all assets of the Municipality in an economic, efficient and effective manner by June 2017 [IV.05]	Assets additions, assets physical verification and asset register	Asset additions, assets physical verification and asset register	IV.5.1	Asset Register	Updated and maintained GRAP compliant asset register for the quarter	1. List of additions 2. Updated asset register for the quarter	Performed physical verification and updated asset register for the quarter	1. List of additions 2. Updated asset register for the quarter	1. List of additions 2. Updated asset register for the quarter	1. List of additions 2. Updated asset register for the quarter	Quarterly report	R 200 000.00 FMAG
	IV.05	Provide of insurance for all municipal assets.	As per additioins to be insured	4.4.2	Report of insured assets	Submitted a list of twenty assets acquired to the insurers	Insurance register	Updated insurence register for municipal asset	1. Invoice on additional insured assets 2. Report on additional insured assets	1. Invoice on additional insured assets 2. Report on additional insured assets	1. Invoice on additional insured assets 2. Report on additional insured assets	Quarterly report	R 215 000.00 Equitable Share
	IV.05	Efficient management of municipal fleet.	Transport statements	IV.4.3	2015/2016 Fleet management reports	Fleet monitoring and maintenance reports.	Fleet management	Fleet management report	Fleet management report	Fleet management report	Fleet management report	Fleet management report	Quarterly report
Financial Reporting	To ensure compliance with MAFMA in terms of reporting by June 2017	Timous preparation and submission of Annual Financial Statements	Prepare action balance	4.4.1	Audited Annual Financial Statements 2014/2015	Developed and submitted financial gap compliant AFS	1. Annual Financial Statements 2015/2016	1. Annual Financial Statements 2015/2016	1. Annual Financial Statements 2015/2016	1. Developed audit action plan	Annual financial statements	R 300 000.1: FMAG	





## **“ANNEXURE D”**

# **Service Delivery and Budget Implementation Plan 2016/2017**

## **STRATEGIC DEVELOPMENT & PLANNING DIRECTORATE**

Supplemental KPI	KPI Objectives	IDP Strategies Collective number	Indicator	KPI Number	Deadline of review (May 2014)	Annual Target	2014/2017		POE	2014/2017	POE	2014/2017	POE	Budget Approved	Funding Sources	Comments	
							Quarter 1 (July-September)	Quarter 2 (October-December)				Quarter 3 (January-March)					
LED	Agriculture (Crop production)	To provide support for production inputs and development of agriculture products to two cooperatives resulting in economic growth by 2017	LED 1.1	Provide production inputs and technical support for vegetable cooperatives for commercialisation	Land, fertilizers, seeds, fencing, material and Gastron tools	Outcome	3.1.1	Provide Crop production to sustainable cooperative comprised in the market	Approved business plan and plan, attendance regular for engagement local leaders, delivery note for payment memo and invoices for land cultivation	Sessions planned and Alabubo cooperative trained	Land cultivated and irrigated land holders	Land cultivated and irrigated land holders	Seedlings planted and Abubobo cooperative trained	300 000	E/S	DIRECTION STRATEGIC	
			LED 1.2	Proposal to support one poultry cooperative	On-farm and industry enhancement suspended	Market accessible to one poultry cooperative	3.1.2	S/P factory cooperatives supported	Approved plan Delivery note	Attendance of stakeholders for poultry cooperative	Number of stock sold	Attendance of stakeholders for poultry cooperative	Attendance of stakeholders for poultry cooperative	300 000	E/S	DIRECTOR STRATEGIC	
	Tourism: Arts, Culture development	Provide product enhancement support to five art and craft cooperatives by June 2017	LED 2.1	Facilitate and coordinate the promotion of arts and culture development	Training Plan, Art and craft development, Fun Fair	Improved product access to commercial market	3.2.1	Database of art and crafters	Training plan, Art and crafters improve their product by June 2017	Approved plan Delivery note	Quality of products developed	Marketing reports and photos for the products	Marketing reports and photos for the products	100 000	E/S	DIRECTOR STRATEGIC	
			LED 2.2	Facilitate and coordinate the promotion of arts and culture development	Marketing plan, Funding	Illustrated Event	3.2.2	Establishing plan, Cultural festival event.	Hosted Pendo Cultural exhibition for Pendo culture by June 2017	Approved concept document for festival promotion	1. Concept document 2. Attendance 3. Photos of exhibition	N/A	N/A	Concept report on the Pendo Cultural Festival event.	150 000	E/S	DIRECTOR STRATEGIC
	Marketing and Promotion of Pendo Heritage	By June 2017	LED 3.1	Facilitate and coordinate promotion of Pendo cultural festival to attract regional and national tourists.	Marketing plan, Funding	Illustrated Event	3.2.3	Number of national and regional tourists attended the event.	Development marketing documents for Pendo culture by June 2017	Hosted Heritage celebrations	1. Heritage 2. Attendance 3. Photos of exhibition	N/A	N/A	Concept report on the Pendo Cultural Festival event.	150 000	E/S	DIRECTOR STRATEGIC
	Business Support: Business Facilitation Services/ Cooperatives	Financial support and Capacity building to 10 SMAMES, 10 Cooperatives by 2017	LED 3.5	Provide support such as tools, implements and development for sustainability of our SMAMES and Cooperatives	Funding, Training plan, Needs analysis report	Capacitated and developed SMAMES and cooperatives	3.5.1	20 trained SMAMES on financial management project management and book keeping.	Provide three SMAMES and 10 SMAMES training to three cooperatives trained by June 2017	Attendance and Training report	Three SMAMES and three cooperatives trained	Attendance and Training report	Three SMAMES and three cooperatives trained	50 000	E/S	DIRECTION STRATEGIC	
			LED 3.6	Establish furniture centre for production and sales	Establishment of furniture centre	Established furniture centre	3.6.1	Trained car washes	Trained car washes	Construction projects monitored	Monitoring reports	Monitoring and progress reports on the establishment of furniture centre	Monitoring and progress reports on the establishment of furniture centre	300 000	E/S	DIRECTOR STRATEGIC	
			LED 3.7	Provide support to 10 SMAMES, 10 Cooperatives by 2017	Designs for site utilisation	Site identified and equipped	3.7.1	Tools for furniture cooperative	Approved revised concept document and document and service provider	Monitoring and progress reports on the establishment of furniture centre	Monitoring and progress reports on the establishment of furniture centre	Monitoring and progress reports on the establishment of furniture centre	600 000	E/S	DIRECTOR STRATEGIC		



	SPP: Elderly	Service plans - SPU Structures Funding	Implemented projects as provided to all historical disadvantaged groups	6.1.6	Support provided to all historical disadvantaged groups	Implemented Coordinating Committee established on 1st July 2017 for reporting activities for elderly	Database updated and developed for reporting activities for elderly	CB works visited for verification	Attendance Register and verification report	Upwards visited for verification report	Approved Concept Document, Notices, Attachments Registers, Program for golden games	Monthly and quarterly reports.	R 0 000 E/S	DIRECTOR STRATEGIC	
	SPP: HIV/AIDS	Service plans - Youth; women; Physically Challenged; Orphaned and Vulnerable Children; Elderly; HIV/AIDS Sector Plans.	Implemented projects as provided to all historical disadvantaged groups	6.1.7	Support provided to all historical disadvantaged groups	Implemented Coordinating Committee established on 1st July 2017 for reporting activities for elderly	Database updated and developed for reporting activities for elderly	CB works visited for verification	Attendance Register and verification report	Upwards visited for verification report	Approved Concept Document, Notices, Attachments Registers, Program for golden games	Monthly and quarterly reports.	R 0 000 E/S	DIRECTOR STRATEGIC	
	LED	Development of Residential Settlements, Land Use Management and Monitoring Administration by June 2017	Service plans - SPU Structures Funding	7.1.1	Residential Settlement approved for sustainable human settlement	Adopted SDF 2012/2017	Land use application submitted by June 2017	Land use application submitted	Land use application submitted	Land use plan in 100m radius developed	Land use plan recommendation submitted to planning tribunal for consideration	Attn needed to implement & decision	R 0 000 E/S	DIRECTOR STRATEGIC	
	LED	Development of Residential Settlements, Land Use Management and Monitoring Administration by June 2017	Service plans - SPU Structures Funding	7.1.2	Beneficiaries registered to national housing register	Established Housing opportunity for 170 targeted beneficiaries	170 Housing beneficiaries captured on the housing needs register questionnaire	Computer Screen shots	42 beneficiaries captured	Computer Screen shots	43 beneficiaries captured	Computer Screen shots	R 0 000 E/S	DIRECTOR STRATEGIC	
	LED	Zoning of new sites ready to circulate office.	Service plans - SPU Structures Funding	7.1.3	Data, Expertise, Approved subdivision	Compliance with property owners on subdivision	Three Proprietary owners of legally subdivided properties suspended by June 2017	Database & Acquisition to BTO owners of legally subdivided properties and installation of GIS system	Notify property owners of legally subdivided properties and installation of GIS system	Notification letters & delivery more often to submit GDS to zoning authority and attendance	Engagements with property owners to submit GDS to zoning authority and attendance	Solution report & screen shots of installed GIS	R 0 000 E/S	DIRECTOR STRATEGIC	
	LED	Development of Residential Settlements, Land Use Management and Monitoring Administration by June 2017	Service plans - SPU Structures Funding	7.1.4	Data, Expertise, Approved subdivision	Compliance with property owners on subdivision	One legal subdivision formalised by June 2017	Report on legal subdivisions and copy of an advert in the service provider.	Coordinate appointment letter	Land use plan in 100m radius developed	Land use plan in 100m radius developed	Land use application submitted	R 100 000 E/S	DIRECTOR STRATEGIC	
	FV1	To increase own revenue and revenue base by June 2017	Service plans - SPU Structures Funding	7.1.5	Recommendations from the project plan, potential funders and sub bankable business document	Developed and submitted bankable business document	Premises Plan	Consulted Preneed potential funders to submit funding support by June 2017	Business plan	Consulted Patent Funder to Present business plan to funders	Status quo in consultation with funders	Implementation report on the implementation of resolutions	N/A	E/S	DIRECTOR STRATEGIC
	FV1	To increase own revenue and revenue base by June 2017	Service plans - SPU Structures Funding	7.1.1	Provide trading licenses and permits to formal and informal businesses	Licenses issued to compliant business owners	Database of formal and informal businesses	3 trading licenses issued and 3 permits issued	3 trading licenses issued and copies of licenses and permits issued	3 trading licenses issued and 3 permits issued	Proof of payments and copies of licenses and permits issued	Number of licenses and permits provided and revenue collected	5 000 E/S	DIRECTOR STRATEGIC	

	PMS	To monitor, measure and evaluate institutional performance by June 2017	G64	Tenets signing IPAS policy of performance contracts and agreements by directors, managers and officers	Signed performance agreements for directors, Managers, Officers	Number signed performance agreements for directors, Managers, Officers	4.1	Quarterly reports on performance agreements signed by Managers and Officers	2016/2017 Performance score cards signed by Managers and Officers heads, evaluated, monitored and reviewed	Performance score cards signed by Managers and Officers heads, evaluated, monitored and reviewed	Signed performance score cards signed by Managers and Officers heads, evaluated, monitored and reviewed	Signed performance score cards signed by Managers and Officers heads, evaluated, monitored and reviewed	N/A	N/A	DIRECTOR STRATEGIC	
GG	Risk Management	To mitigate potential risks by June 2017	G65	Development, implementation and review of strategic and operational risk register	Strategic Risk	Reduced No. of risks identified	6.1	Operational Risk register 2015/16 and Quarterly Risk management reports	20% Risk reduction	Risk register report on risk management	60% Risk reduction	Risk register, report on risk management	N/A	N/A	DIRECTOR STRATEGIC	
GG	Audit	To ensure clean audit by June 2017	G67	Development and implementation of audit action plan	Approved Audit Action Plan	Reduced No. of Audit findings	7.1	Quartermly Audit findings reduced by 50% by June 2017	25% audit findings reduced	Audit action plan and implementation report	55% audit findings reduced	Audit action plan and implementation report	N/A	N/A	DIRECTOR STRATEGIC	
GG	Chairperson	To strengthen the oversight function of the Council by June 2017	G68	Coordinate meetings of Executive committees	Recommendations from the Executive Committee	Number of Executive committee meetings	8.1	Functional Executive committees in place	Convene one Executive committee by 30 June 2016	Attendance Register, notices and minutes	Convene one Executive committee by 30 June 2016	Attendance Register, notices and minutes	N/A	N/A	DIRECTOR STRATEGIC	
Institutional Communication	Review and implement marketing and communication strategy by June 2017	IOD 3.1	Publications of 4 newsletters (Media House, NJCI News, NJCI Events, Branding and Marketing Materials)	Adopted and implemented marketing and communication strategy and action plan	3.1	Adopted communication strategy	Review community on strategy by December 2016	Draft Communication Strategy	Attendance Register, Minutes, agenda for review	Reviewed Communication Strategy	Attendance Register, Minutes, agenda for review	Attendance Register, Minutes, agenda for review	N/A	N/A	DIRECTOR STRATEGIC	
	Publication of NJCI Newsletters	Editorial Quality Publication	Enhanced image of institutions	Enhanced communication to improve image of institutions	Editorial Quality Publication	One Newsletter printed	One Newsletter printed	One Newsletter printed	One Newsletter printed	One Newsletter printed	One Newsletter printed	One Newsletter printed	N/A	N/A	DIRECTOR STRATEGIC	
	Events	Provide branding and marketing materials	Events, Branding and Marketing Materials	Adopted and implemented marketing and communication strategy and action plan	3.1	Adopted communication strategy	Review community on strategy by December 2016	Draft Communication Strategy	Attendance Register, Minutes, agenda for review	Reviewed Communication Strategy	Attendance Register, Minutes, agenda for review	Attendance Register, Minutes, agenda for review	N/A	N/A	DIRECTOR STRATEGIC	
	Freelance writing with stakeholders	Freelance writing with stakeholders	Freelance writing with stakeholders	Adopted and implemented marketing and communication strategy and action plan	3.1	Adopted communication strategy	Review community on strategy by December 2016	Draft Communication Strategy	Attendance Register, Minutes, agenda for review	Reviewed Communication Strategy	Attendance Register, Minutes, agenda for review	Attendance Register, Minutes, agenda for review	N/A	N/A	DIRECTOR STRATEGIC	
	Banners and Advert	Branding of institution through posters, banners and calendar	Banners and Advert	Adopted and implemented marketing and communication strategy and action plan	3.1	Adopted communication strategy	Review community on strategy by December 2016	Draft Communication Strategy	Attendance Register, Minutes, agenda for review	Reviewed Communication Strategy	Attendance Register, Minutes, agenda for review	Attendance Register, Minutes, agenda for review	N/A	N/A	DIRECTOR STRATEGIC	
	Relations with Media Houses	Branding of institution through posters, banners and calendar	Relations with Media Houses	Adopted and implemented marketing and communication strategy and action plan	3.1	Adopted communication strategy	Review community on strategy by December 2016	Draft Communication Strategy	Attendance Register, Minutes, agenda for review	Reviewed Communication Strategy	Attendance Register, Minutes, agenda for review	Attendance Register, Minutes, agenda for review	N/A	N/A	DIRECTOR STRATEGIC	
GG	Compliance with Tenure	Manage signed S.A.'s	G65	Performance	Improved	5.1	Existing	Monitored	Quarterly	Monitored	Quarterly	Monitored	Quarterly	N/A	N/A	DIRECTOR STRATEGIC

Legislation	compliance with Municipal legislative prescriptions, by-laws and sector plans by June 2017	MNDT's SOD policy and Appointment letters.	reports.	performance of Service providers.	contracts signed with service providers
Performance of Service Providers					Service provider's performance inline with the set deliverables as per signed SLAs within the directive by June 2017
					progress reports on the performance of service providers
					performance of service providers
					progress reports on the performance of service providers
					progress reports on the performance of service providers
					Service Providers
					STRATEGIC

# **COMMUNITY SERVICES DIRECTORATE**

## **Service Delivery and Budget Implementation Plan 2016/2017**

**“ANNEXURE E”**







## **“ANNEXURE F”**

# **Service Delivery and Budget Implementation Plan 2016/2017**

## **INFRASTRUCTURE PLANNING & DEVELOPMENT DIRECTORATE**

Strategic Plan - Financial Year 2016/2017												
Strategic Priority Area (SPA)	Objectives	Key Strategic Objectives (KSO) Number	Indicator	Annual Target		Reaches due date of review (May 2016)	POE	2016/2017 Charter 1 target (July September)	POE	2016/2017 Charter 2 target (October December)	POE	
				Target	Actual							
Infrastructure Development	Roads and storm water maintenance	B5.02	To develop access roads to ports and industrial areas through implementation of road and storm water systems by June 2017.	Develop scope of works with implementation schedule signed by directorate head.	1.2.1	13 km maintained municipalities maintained	Coordinate business plan for Elected road (for per the business plan as available in year 2015/2016 financial year).	Maintenance report submitted by HOD, photos signed by the Superintendent	Implementation of paving of access road	Maintenance report signed by HOD, photos signed by the Superintendent	11.24m	ES
		B5.04	To ensure public safety through municipal street lights implementation of municipal public lights by June 2017	Develop scope of all works and schedule implementation.	1.4.1	There are 34 street lights maintained by HOD as at 2017.	Determine scope of works approved by HOD and tender document.	Maintenance report submitted by HOD, photos signed by the electrician	Implementation of paving of street lights	Maintenance report signed by HOD, photos signed by the electrician	Non Applicable	ES
	Maintenance of street lights	B5.05	To maintain street lights by June 2017	Develop scope of works with implementation schedule signed by directorate head.	1.5.1	There are 21 community halls maintained.	Determine scope of works approved by HOD and tender document.	Maintenance report submitted by HOD, photos signed by the electrician	No target set	Maintenance report signed by HOD, photos signed by the electrician	R 100 000	ES
		B5.06	To develop and implement a maintenance plan for community halls for financial year 2016/2017.	Develop scope of works with implementation schedule signed by directorate head.	1.6.1	There are 21 community halls maintained.	Conduct assessment of community halls as per the implementation schedule.	Maintenance report submitted by HOD, photos signed by the electrician	No target set	Maintenance report signed by HOD, photos signed by the electrician	R 450 000	ES
	Community facilities	B5.07	To develop and implement a maintenance plan for community halls for financial year 2016/2017.	Develop scope of works with implementation schedule signed by directorate head.	1.6.2	The municipality has one cemetery located at the cemetery in KwaZulu-Natal.	Determine scope of works for fencing of cemetery.	Maintenance report submitted by HOD, photos signed by the electrician	200m of fence completed	Fencing of cemetery completed	Non Applicable	ES
		B5.08	To construct palisade fencing at the cemetery	Develop scope of works with implementation schedule signed by directorate head.	1.8.1	12 existing municipal buildings maintained.	Conduct assessment and develop scope of works for palisade fencing.	Maintenance report submitted by HOD, photos signed by the electrician	Progress reports signed by HOD, photos signed by the electrician	Progress reports signed by HOD, photos signed by the electrician	Non Applicable	ES
Building Control	To enforce and improve the quality and aesthetic value of buildings in the municipal area by June 2017	B5.07	To develop and implement maintenance schedules for municipal buildings	Develop scope of works and schedule signed by directorate head.	1.8.2	12 existing municipal buildings maintained.	Conduct assessment and develop scope of works for palisade fencing.	Maintenance report submitted by HOD, photos signed by the electrician	Progress reports signed by HOD, photos signed by the electrician	Progress reports signed by HOD, photos signed by the electrician	R 400 000	ES
		B5.08	To enforce and improve the quality and aesthetic value of buildings in the municipal area by June 2017	Develop scope of works and schedule signed by directorate head.	1.8.3	12 existing municipal buildings maintained.	Conduct assessment and develop scope of works for palisade fencing.	Maintenance report submitted by HOD, photos signed by the electrician	Progress reports signed by HOD, photos signed by the electrician	Progress reports signed by HOD, photos signed by the electrician	R 400 000	ES



## **CONCLUSION**

The Service Delivery and Budget Implementation Plan is the basis of performance plans and agreements of the municipal manager and managers reporting directly to the municipal manager and also for Middle managers as Ntabankulu Local Municipality is cascading PMS in phases to lower levels.

The municipality will continuously endeavour to improve its Performance Management System as it strives to get a clean Audit. Ntabankulu Communities will be able to measure the municipal performance through the Service Delivery and Budget Implementation Plan.



AUDITED IMPLEMENTATION STATUS ON AUDIT ACTION PLAN

Pending Category	Total Pending	Total Pending to be Finalised by end April 2016	In Progress	Completed
Office of MAU - PAU	4	4	0	0
Office of MAU - PD	4	1	2	1
Office of MAU - Internal Audit	16	10	5	1
Office of MAU - SPC, PMS	23	19	3	1
Employee costs / Perform	9	0	0	9
Employee costs / HR	22	17	7	2
Employee costs / BTG	7	2	0	5
Long term loans	2	0	0	2
Cash & Bank	13	12	7	3
Grants	3	3	1	3
Finance Issue	1	1	0	1
Provisions	1	0	0	1
Ric receivables	18	18	14	2
Routines	7	2	4	2
Commitments	3	0	0	3
Cash Flow	2	2	1	1
Unearmarked Transfers, Freight etc.	3	3	0	3
Expenditure	6	4	1	5
Expenditure	2	2	0	0
Inventory	10	10	7	2
PPE	46	46	34	8
Payables	5	4	0	5
Prior year errors	1	0	0	1
SCLM	32	32	12	13
Contingent liabilities	3	3	3	0
VAT	1	1	1	0
Community services	5	5	4	0
Annual Financial Statements	2	2	0	2
	250	231	127	53

AUDITED ANALYSIS PER DIRECTORATE

Total no of Findings	In Progress	Completed
Total no of Findings	47	19
Total no of Findings	177	73
Total no of Findings	100	51

INSTITUTIONAL ANALYSIS

Total no of Findings	In Progress	Completed
Total no of Findings	177	73
Total no of Findings	100	51

SUMMARY OF AUDIT FINDINGS ON BASIS FOR QUALIFIED OPINION

REF NO/MATTER	CATEGORY OF FINANCIAL STATEMENT	DESCRIPTION OF Audit FINDING	ROOT CAUSE	RECOMMENDATION	ACTION PLAN	ACTION PLAN START DATE	ACTION PLAN COMPLETION DATE	RESPONSIBLE PERSON	PROGRESS AS AT 20th April 2016
16.1	Performance Information	Section 4(1)(c) of the Municipal Systems Act requires the annual performance to form the basis for the annual report. Therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 43% of the reported objectives were consistent with those in the approved integrated development plan.	This was due to inconsistency's in the documentation of planned indicators and targets which evidence the compliance.	Management should take all reasonable steps to ensure that the municipality complies with all laws and regulations and maintains records which evidence the compliance.	Review template of the DP objectives to include input indicators and targets for each objective and priority	1 November 2015	31 March 2016	DP/GCR/PMS Manager	DP Objectives with input, output and outcome indicators has been prepared to DIP Technical Committee. DIP Strategic Committee and will be presented to Council with draft DIP on 30th March 2016

	The MPPD requires auditors to have appropriate systems to collect, collate, verify and store performance information to ensure and communicate clear and concise reporting of actual achievement against important targets. Significantly important targets were not reliable given contributions to the source of information and evidence provided.	Management should take all reasonable steps to ensure that the municipality complies with all laws and regulations and maintain records which evidence this compliance; e	Develop and monitor compliance checklist Notice of the final DIP to be published within 14 days after its adoption by council	1 March 2016	31 March 2016	IDP/GRP/PM's Manager	The final 2015/16 DIP was adopted on the 05 June 2015 (7 days after adoption). Also for the financial year 2016/2017 Draft QP was adopted on the 01st April 2016 (11 day after adoption)
26	Performance targets not specific, and it is not clear how the outcome will be measured.	Management should ensure that the above audit finding is due to lack of appropriate controls in place to ensure that the targets included in the annual performance plan are specific (i.e. the nature and the required level of performance can be clearly identified, and time-bound (i.e. the time period of delivery for delivery is specified)	Management to review all the targets and indicators during the strategic session to ensure all targets and indicators are SMART before adopted by council	1 July 2015	31 March 2016	IDP/GRP/PM's Manager	The municipality has conducted its own alignment during the management review and a further review of the IDP and budget plan has been conducted by Internal Audit as per Internal Audit plan before its adoption by Council to ensure consistency with project and DIP target levels.
<b>FINANCIAL COMPLIANCE</b>							
	AFS	The financial statements submitted for auditing were not presented in all material aspect in accordance with the requirements of section 122 of the MFMA. Management commitments is described by the auditors in the submitted financial statements were not adequately documented, which resulted in the financial statements receiving a qualified audit opinion.	Management must ensure that the auditor is agreed upon in the engagement and is fully satisfied with the audit period adjustments and arrangements are made with the Auditor General to fast track audit documents to the prior year financials and account for the prior year amounts as per the process plan	25 January 2016	29 February 2016	CFO	The prior year error implementation plan was developed and followed. Prior year errors were corrected and progress was monitored monthly. Half year FS with prior year error adjustments were submitted to Internal Audit and AIA for audit.
	Expenditure	The cause of the finding is a result of the spending in a result of a lack of management oversight.	Management should monitor and coordinate with the auditor to be revised when correcting prior year amounts. The investigation had been done and the irregular expenditure is to be written off in the current financial year.	25 January 2016	25 March 2016	CFO	The irregular expenditure for the 2014/2015 and the past few years which was disclosed on August 2015 has been accounted for correctly and is reflected on the half year financial statements.
	Asset Management	An adequate management accounting and information system which accounts for assets was not in place, as required by section 82 (1)(c) of the MFMA.	Upon appointment of property valuer/land and buildings and other physical and intangible assets has been completed and submitted to the council for reconciliation for the financial year.	15 February 2016	30 March 2016	CFO	A professional property valuer has been appointed and the assessment will be conducted upon receipt of the valuation report.
	Internal Audit & Audit Committee	The Audit committee did not submit at least twice during the financial year an audit report on the review of the performance management system to the council as required by Municipality planning and performance management regulation 14(4)(d)(g)	The Audit Committee needs to ensure that and audit report is submitted at least twice in the financial year where as the audit committee gives a report on review of the performance system in order to avoid non-compliance.	1 July 2015	31 March 2016	Internal Audit	NFS prepared a report which includes annual performance of the municipality and was submitted and presented to Council on the 25th January 2016 by the Audit Committee.
							Another report is being prepared by NFS for Audit Committee to present to the Council meeting to be held on the 31st March 2016



				All Directors	Reporting template for the monitoring of performance of service providers has been developed and will be utilised for 3rd quarter.
The performance of contractors or providers was not monitored on a monthly basis, as required by section 11(1)(d) of the MPAIA.	Management must develop and implement a procedure to monitor contracts entered into under contract or agreement. Records must be kept of these monitoring.	1 July 2015 1. Performance of all services a provider will be assessed on a monthly basis. A report on the performance of the service a provider is to be drafted by the relevant directorate and submitted to SCM by the 15th of each month.  2. To review and ensure that the contract register is updated.	Ongoing	CFO	1 All suppliers are required to sign SBD forms when requesting to perform services or to supply goods to the municipality. 2 SCM checklist has been developed to ensure that all contracts awarded through following proper SCM processes.
Arrears were made to providers who as a result of services or other debts/institutions or other debtors/principal shareholders are in the service of other state institutions, in contravention of MPAIA 11(20) and SCM regulations 44. Similar arrears were declared in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM process as in accordance with SCM Regulation 30 (1).	Municipality does not require all payment bidders nor awards to declare who their interest	1 July 2015 1. To ensure that no awards are made to suppliers without them signing the declaration of intent (SBD) forms.  2. To develop a checklist to ensure compliance with the Supply Chain Management Requirements	Ongoing	Corporate Service Director	Will consider including consequences as reported on line completed with in the next annual financial report.
Human Resource Management	The annual report of the municipality did not reflect information on competencies prescribed by municipality as required by the Municipal Regulations on Minimum Competency Levels 14(2)(b).	The causes of the above findings are as follows: - Management have not adhered to the applicable rules and regulations.	30-Jun-15 1. Checklist to be developed to ensure all areas to be reported on have been included in the annual report. 2. The draft annual report to include information on compliance with prescribed minimum requirements as at end of financial year.	21-Jan-16	
Strategic and Performance Management	Key performance indicators, including trend, output and outcome indicators, in respect of each of the development priorities as set out in the IP, as required by section 8(1)(a) of the MSA and the MPAIA.	The cause of the above finding is as a result of: 1. Lack of approved policies and procedures. 2. Lack of management oversight on the appointed policies.	Review template of the EIP objectives to include input indicators and targets for each objective and priority	31 March 2015	EIP/HR/PMS Manager
Compliance Management	Unauthorised, irregular and expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(h)(b) of the MPAIA.	The municipality must continuously investigate cases of unauthorised, irregular and excessive and frivolous & wasteful expenditure and write off only cases which were considered receivable during the financial year.	2. Develop the irregular expenditure quarterly and submit to the council for recommendation for further investigation by MPAC with the presence of the Internal Audit. 3. All irregular expenditure be investigated and the consequences management be implemented	25 January 2016 15 March 2016	CFO

	<b>Overall responsibility</b> The financial statements and performance reports were not adequately reviewed for completeness and accuracy prior to submission for audit. No audit findings resulted in recommendations and no amendments being identified during the audit.	late submission of information to be Audited to Internal Audit and Audit Committee	Not provided by AG	1 To facilitate information to be audited 2. Audit Committee to report on non-compliance and information to be submitted to Council. 3. Internal Audit to perform review of half year financial statements	1 July 2015	31 March 2016	All Directors	1 Half Year Financial Statements have been received and reviewed by Internal Audit. Although some of the findings have not been resolved. 2. 1st, 2nd, and mid term performance reviews have been performed by Internal Audit
	<b>Officers and procedures</b> The increases in place to prevent irregular expenditure are not functioning effectively as indicated by the R77.4 finding in regard to irregular expenditure incurred during the year.	Lack of prevention and detection	Management should monitor their compliance with laws and regulations so as to ensure full compliance with the MFIA Act.	1 Develop a strategy to expedite quality and submit to the council for recommendation for further investigation by MPAC with the presence of the Internal Audit. 2. All irregular expenditure to be	25 January 2016	25 March 2016	CFO	The regular expenditure for the 2014/2015 and the past five years which was conducted on August 2015 has been accounted for correctly but is reflected on the half year financial statements. 2. The quarterly regular expenditure reports for three quarters were prepared and submitted to the Council for further investigation. The MPAC has twice however they have not stated the price set of investigation. The investigation is to be conducted on May for all the quarters
	<b>Financial and Performance Management</b>	1 Lack of review of information submitted 2. Inadequate file layout. 3. Filing room not conducive for the files stored	Not provided by AG	1. Internal Audit to develop filing checklist to be utilised when submitting POCs for performance review 2. SOD to monitor the regular of documents in the filing room by updating the register when documents are taken in and out of the filing room.	1 July 2015	31 March 2016	Internal Audit	1. Filing checklist has been utilised for 3rd quarter performance reporting 2. All relevant documents to be used for audit purposes are collected by each directorate on a monthly basis and filed in the office of the municipal manager. A register of documents is to be filed room as maintained in the MIA office
	<b>Compliance &amp; Monitoring</b>	No defined internal control in place to obtain daily and monthly monitoring of financial performance	Not provided by AG	1. Internal Audit to perform review of half year financial and term performance 2. Internal Audit to perform review on half term performance and quarterly performance reporting	1 July 2015	31 March 2016	Internal Audit Manager	Internal Audit (IFS) has performed review on half year financial, mid term performance and 3rd quarter performance review
	<b>Governance</b>	The municipality does not have appropriate bylaws in place to ensure compliance with relevant laws and regulations	Not provided by AG	1. To monitor the MFUA calendar for implementation 2. To recruit fiscal and compliance officer to monitor the implementation of all compliance as per the required legislation.	1 July 2015	31 March 2016	Internal Audit Manager	1. Filing checklist has been utilised for 3rd quarter performance reporting 2. All relevant documents to be used for audit purposes are collected by each directorate on a monthly basis and filed in the office of the municipal manager. A register of documents is to be filed room as maintained in the MIA office
		Lack of consequence management policy in place	Not provided by AG	1. To facilitate reporting on implementation of audit committee responsibilities to the Audit Committee 2. To provide all the	1 July 2015	31 March 2016	All Directors	1. All directorates receive standing invites to the Audit Committee until the resolution has been reached
		Late submission of information to be Audited to Internal Audit and Audit Committee	Not provided by AG	1. To facilitate submission of audit committee to be submitted to Council 2. Audit Committee to report on non-compliance of the financial and performance reports provided for peer review	1 July 2015	31 March 2016	All Directors	1. Version 3 of the Half Year Financial Statements have been received and reviewed by Internal Audit. Although some of the findings have not been resolved. 2. 1st, 2nd, 3rd quarter and mid term performance reviews have been performed by Internal Audit

	R108 314 015 (100%) of irregular expenditure	The lack of effective prevention and detection is due to management not having adequate processes in place to prevent and detect irregular expenditure. In addition, 13.6% of the irregular expenditure was classified during the audit process and not detected by monitoring processes of the municipality.	Management should monitor their compliance with laws and regulations so as to ensure full compliance with the MFMA Act.	1 Develop the irregular expenditure quarterly and submit to the council for recommendation. 2. Further investigation by SAIC will be conducted at the discretion of the Internal Audit.	25 January 2016	25 March 2016	CFO	The irregular expenditure for the 2014/2015 and the past five years which was conducted on August 2015 has been accounted for correctly thus is reversed on the final financial statements. 2. The quarterly regular expenditure reports for three quarters were prepared and submitted to the Council for review and further recommendation to the SAIC for further investigation. The SAIC has not however they have not yet started the process of investigation. The investigation is to be conducted on May for all the quarters.
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**NTABANKULU LOCAL MUNICIPALITY**  
**2016/17 THREE YEAR CAPITAL PLAN (3YCP)**

Table 1: Direct Allocations

Grant (Source of funding)	Project Name	Total MTEF Project Allocation	Approved Budget	Expenditure during 2015/16 Financial Year	2016/17 Allocation	2017/18 Allocation	2018/19 Allocation
MIG	Ntabankulu Multi-Purpose Hall	R 26 118 059	R 26 118 059	R 10 558 257	R 9 094 193	R 1 305 903	
	Mpoza Access Road	R 4 016 330	R 4 016 330	R 1976 896	R 185 816		
	Dinwayo to Dumbusweni Access Road	R 4 293 365	R 4 293 365	R 2 372 484	R 214 663		
	Buhlombo Access Road	R 3 600 549	R 3 600 549	R 2 663 666	R 180 027		
	Ntabankulu Sports Field	R 6 717 392	R 6 717 392	R 2 100 025	R 1 000 000		
					Sub-Total	R 10 674 710	
MIG	PMU OPERATIONS	R 1 798 000	R 1 798 000	R 0	R 1 798 000	R 0	R 0
	Buntshentshe Access Road	R 3 500 000	R 3 500 000	R 0	R 3 325 000	R 175 000	
	Bhayi to Ntlangano Access Road	R 8 016 358	R 8 016 358	R 0	R 7 615 540	R 400 818	
	Gogo Matha Access Road	R 2 865 000	R 2 865 000	R 0	R 2 721 750	R 143 250	
	Siqokoqweni Pedestrian Bridge	R 400 000	R 400 000	R 0	R 400 000		
	Transido Phase Two	R 3 500 000	R 3 000 000	R 1 200 000	R 2 425 000		
	Re-travelling of Internal Streets in Town	R 4 000 000	R 4 000 000	R 4 000 000	R 4 000 000	R 0	
	Madiwakazana	R 9 425 000	R 9 425 000	R 0	R 3 000 000	R 905 802	
					Sub-Total	R 25 285 290	R 1 624 870
							R 35 960 000
							Total Commitment for 2016/2017 financial year

Department of Sports and Recreation						
DSRAC	Ntibankulu Sports Field	R 10 000 000	R 0	R 10 000 000	R 0	R 0
	Mantaneini Sports Field(Sports)	R 4 200 000	R 0	R 0	R 0	R 0
	Cacatu Sport Fiel	R 4 200 000	R 0	R 1 000 000	R 210 000	
			Sub-total	R 11 000 000	R 210 000	
Equitable share Projects- Estimated Budget(R6,500,000)						
ES	2 x Preschools(Bulelani & Madwaba)	R 1 500 000	R 1 500 000	R 0	R 1 425 000	R 75 000
	2 X Upgrade of Community Halls(Dumetse & Miiia)	R 1 400 000	R 1 200 000	R 0	R 1 140 000	R 60 000
	25 Street Lights	R 2 500 000	R 2 500 000	R 0	R 2 500 000	R 100 000
	Noncolosa to Habhu Access Road	R 4 000 000	R 4 000 000	R 0	R 0	R 0
	Xhukula Access Road	R 1 200 000	R 1 200 000	R 0	R 1 200 000	R 0
			Sub-Total	R 6 265 000	R 235 000	
Municipal Reserves(2015/16)- R10 000 000						
	Municipal Offices	R 30 000 000	R 30 000 000	R 0	R 4 100 000	R 25 900 000
			Sub-total	R 4 100 000		R 1 500 000
					R 57 325 000	
2017/18 Prioritized Projects(27 738 000)						
Grant {Source of Funding}	Project Name	Total MTEF Project Allocation	Approved Budget	Expenditure during 2015/16 Financial Year	2017/18 Allocation	2018/19 Allocation

				35 960 000	27 738 000	29 147 000
PMU Operations	R 1 386 900	R 1 386 900	R 0	R 0	R 1 386 900	R 0
Mowa Lalen Access Road	R 3 000 000	R 3 000 000	R 0	R 0	R 2 850 000	R 150 000
T-109 to Maxhegweni	R 5 123 160	R 5 123 160	R 0	R 0	R 4 867 002	R 256 158
Lalashe Access Road	R 8 230 179	R 8 230 179	R 0	R 0	R 7 818 670	R 411 509
Taleni Aceess Road	R 2 300 000	R 2 300 000	R 0	R 0	R 2 185 000	R 115 000
Lunzwana to Mlambio Ndaba	R 2 449 680	R 2 449 680	R 0	R 0	R 2 327 196	R 122 484
Transido Phase Two	R 3 000 000	R 3 000 000	R 0	R 0	R 2 731 332	R 150 000
Nqina to Sidakeni access Road	R 2 300 000	R 2 300 000	R 0	R 0	R 2 185 000	R 115 000
2016/17 Retention amounts					R 1 768 120	
					R 26 351 100	
<b>Total Commitments for 2017/18 Financial Year</b>					<b>R 27 738 000</b>	
<b>2018/19 Prioritized Projects</b>						
Grant (Source of Funding)	Project Name	Total NTEF Project Allocation	Approved Budget	Expenditure during 2015/16 Financial Year	2016/17 Allocation	2018/19 Allocation
				35 960 000	27 738 000	29 147 000
Bhakubha Sports Field	R 4 300 000	R 4 300 000	R 0	R 0	R 4 085 000	R 215 000
PMU Operations	R 1 435 100	R 1 435 100	R 0	R 0	R 1 435 100	
Luthambebo Community Hall	R 1 500 000	R 1 500 000	R 0	R 0	R 1 425 000	R 75 000
Dumusi Community Hall	R 1 500 000	R 1 500 000	R 0	R 0	R 1 425 000	R 75 000

	Tladi Community Hall	R 1 500 000	R 1 500 000	R 0	R 0	R 1 425 000	R 75 000
	Mbangweni Pre School	R 800 000	R 800 000	R 0	R 0	R 760 000	R 40 000
	Ngawaleni Pre-school	R 800 000	R 800 000	R 0	R 0	R 760 000	R 40 000
	Mowa community Hall	R 1 500 000	R 1 500 000	R 0	R 0	R 1 425 000	R 75 000
	Mazeni Community Hall	R 1 500 000	R 1 500 000	R 0	R 0	R 1 425 000	R 75 000
	Silindini Community HALL	R 1 500 000	R 1 500 000	R 0	R 0	R 1 425 000	R 75 000
	Ndakeni Community Hall	R 1 500 000	R 1 500 000	R 0	R 0	R 1 425 000	R 75 000
	Ndianaka Sport Field	R 4 200 000	R 4 200 000	R 0	R 0	R 3 990 000	R 210 000
						Sub-Total Commitment	R 10 300 000
						Retention fees 2017/18	R 1 320 151
						Total Commitment	R 22 325 251
						Allocation	R 29 147 000
						Balance	R 6 821 749

Chief Financial Officer \_\_\_\_\_

Date \_\_\_\_\_

Technical Director / Manager \_\_\_\_\_

Date \_\_\_\_\_

Provincial Programme Manager \_\_\_\_\_

Date \_\_\_\_\_

Provincial District Manager \_\_\_\_\_

Date \_\_\_\_\_

