



**ANNUAL REPORT**  
**2005 / 2006**

**Prepared in the Office of the Municipal  
Manager**

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**KING SABATA DALINDYEBO MUNICIPALITY  
ANNUAL REPORT 2005 / 2006**

Councillor D. Mkatshwa  
Executive Mayor  
King Sabata Dalindyebo Municipality  
3<sup>rd</sup> Floor, Munitata Building  
MTHATHA

Dear Councilor

**ANNUAL REPORT**

I have the honor to submit the Annual Report for King Sabata Dalindyebo for the period  
1 July 2005 to 30 June 2006.

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Vuyo Zitumane  
Caretaker Municipal Manager  
Date: 26 March 2007

# **CHAPTER 1: Introduction & Overview**

## **1.1 Executive Mayor's Foreword**



The 2005-2006 financial year has been a difficult one for the municipality and while the focus was on service delivery there were a number of funding matters that required being resolved. I am pleased to advise that with the assistance of the national and provincial government structures measures are now in place to intensify the recovery process that the municipality has embarked upon.

Subsequently there has been a significant improvement in revue collection. The positive change in the income of KSD is as a result of the policies that were developed in the previous year and the successful implementation thereof in 2005/2006. The contribution of our section 57 managers, especially the Chief Financial Officer and his team must be commended.

The income served us well and we could service some of the accumulated debt that was build up over the past decade.

We have learned that we have to enhance our communication to our residents.

KSD has developed a successful track record in establishing working partnerships with our communities, including the traditional leadership and through the empowerment of ward committees who are increasingly taking ownership of projects so that these become self driven.

There has been increased cooperation with the district municipality and both councillors and officials have achieved this through dialogue at the sector forums.

In September 2005 Council adopted an innovative procurement policy that promotes Black Economic Empowerment and the interests of Historically Disadvantaged Individuals and their companies.

The challenges that face KSD are many and although a lot has been done to improve infrastructure, maintenance issues, and service delivery in our communities there is still much to be accomplished to reduce the high levels of poverty and unemployment in the district.

The way ahead is clear. We need to further mobilize and coordinate our resources and establish partnerships in order to meet the targets and wipe out the backlogs.

We have begun this process with our communities so that together we work towards improving their lives and ensure that they take ownership of the programs and projects within their own areas.

The Annual Financial Statements were completed and delivered to the Auditor General's Office on the 15 September 2006 and while the deadline of 31 August 2006 for submission was not met the municipality continues to improve in this area. While there are still improvements necessary with the preparation of the

Annual Financial Statements significant inroads have been made and in the year ahead the objective is for council to receive an unqualified report.

On behalf of Council, I am proud to present this annual report, which outlines the processes and challenges we have accepted together with our communities. A word of appreciation goes to the newly appointed Municipal Manager for her leadership and to all the officials and Councillors of KSD for all the hard work that they have carried out during the 2006 financial year.

Finally, we take this opportunity to thank all those community members who have actively participated in the business of Council and assisted us in rendering quality services to our communities.

Councillor D. Mkatshwa  
Executive Mayor

## **1.2 Municipal Manager's Foreword**



The King Sabata Dalindyebo Municipality is one of the seven local municipalities located within the OR Tambo District Municipality in the Eastern Cape Province. It comprises four (4) amalgamated entities comprised of both Mthatha and Mqanduli urban and rural magisterial areas. It measures approximately 3019km<sup>2</sup> in extent.

As required by legislation, the King Sabata Dalindyebo Municipality had formulated a broad strategic plan (Integrated Development Plan) mapped her development path in addressing the needs of the community within the municipal area and thus achieve the ideal of a better life for all. The Municipality accordingly formulated a long-term vision of a "safe, vibrant and prosperous economic hub, which is characterized by well developed agriculture and tourism sectors with all communities able to participate in the economic and social development of their areas in an active, meaningful and sustainable manner."

An analysis of the existing situation reveals that there are approximately 430 000 people in the municipal area, the majority of whom reside in rural settlements. The City of Mthatha is an important regional service centre and tourism gateway city. Mqanduli is a subsidiary node, with other development nodes and areas, along the coast, the N2 and the mountain region to the north. The population is primarily dependant on welfare and pensions for their survival due to the widespread poverty and unemployment.

The IDP has identified three main economic opportunities offering hope for development and improved quality of life, namely; agriculture, tourism and forestry. Local Economic Development is one of the IDP's strategic pillars as such an LED Strategy is being finalized and will be consolidated in the final draft of the IDP. Coupled with these opportunities is seen to be a need to achieve local economic development through community based projects and SMME's. The impact of HIV/AIDS is of major concern and the municipality sees a need to adopt a concerted effort to combat this crises, implement a social development programme and attend to the substantial backlogs in basic infrastructure.

KSD is developing a Masterplan which will be preceded by a land audit, spatial development framework and a medium to long term plan that will guide future developments and infrastructure investments in the entire KSD area.

A critical factor, which is having a negative impact on all development initiatives and the economy, is the poor condition of the road network. The participants of the IDP workshops identified access roads to be the highest priority. It was concluded that unless the roads are upgraded, the improvement of other infrastructure would be impossible.

The situation analysis also concluded that the Municipality itself, needs to be rationalized as soon as possible, the proposed organogram implemented, skills and capacity upgraded and training carried out. The financial state of the institution is unsatisfactory, with an urgent need to sort out financial systems, introduce controls and appropriate procedures. Legal compliance and governance will be priorities as the Municipality is striving for an unqualified audit opinion.

Having identified the priority issues, the Municipality and Representative Forum prepared a set of objectives and strategies to achieve the long-term vision. The projects identified by the ward committees were grouped into 24 IDP project outlines and clustered into programmes. These programmes were costed and budgets prepared and consolidated into a five-year plan.

The KSD Municipality does not exist in isolation from the broader community, and it in actual fact owes her existence to the imperative of ensuring that the socio economic circumstances of our people are improved. Accordingly, the KSD Municipality prides herself on having set a foundation, albeit belatedly, of contributing to the development targets set by the President in May 2004 and re-emphasized during the January 8<sup>th</sup> statement in Cape Town recently.

Vuyo Zitumane  
Caretaker Municipal Manager

### 1.3 Overview of the Municipality

#### Vision

A safe, vibrant and prosperous economic hub, which is characterised by well developed agricultural and tourism sectors with all communities able to participate in the economic and social development of their areas in an active, meaningful and sustainable manner.

#### Accounting Officer's Overview

The Annual Report covers three aspects for each Department. First, it provides an account of our achievements and output targets set out in the IDP. Secondly, it shows, through the financial statements, how resources for the 2005/06 financial year have been utilized in support of the legislative mandate and lastly, it provides an account of the challenges that are likely to impact on future plans, resource allocations and the sustainability of the municipality.

Following hereunder is a synopsis of the achievements at KSD during the year:

#### Policies Developed and Implemented

Department	Policy Developed In 2004/5	Implemented in 2005/6
Finance	Supply Chain Management	Adopted : needs review
	Tariffs Policy	Adopted
	Indigent Management Policy	Adopted: needs review
	Rates Policy	Adopted: needs review
	Banking and Investment Policy	Adopted
	Asset Management Policy	To be completed
	Travel and Subsistence Policy	Adopted
	Budget Policy	Adopted
	Risk Management plan	To be completed
Human Resource Management	Normative Framework	Adopted
	Organizational Design	Adopted is being reviewed



	Recruitment, Selection, Appointment and Termination	Adopted
	Employee Remuneration	Adopted
	Allowances	Adopted
	Working days and hours	Adopted
	Leave	Adopted
	Safety in the workplace	Adopted
	Employee wellness	Adopted
	Smoking in the workplace	Adopted
	Legal aid to employees and cession of action	Adopted
	Private work	Adopted
Community Services	Policy for the burial of the destitute and bodies of unclaimed persons.	Adopted
Infrastructure	Land use management	Urban Only Adopted

### *Policies Developed / Reviewed*

- Smoking at the workplace Policy (**not council approved yet**)
- Workplace HIV/AIDS and other STI's workplace Policy (**not council approved yet**)
- Environmental Health Policy ( **soon to be promulgated**)
- Street trading Policy (**draft**)
- Rainy days workplace policy (**draft**)
- Basic food hygiene standards
- Safety Policy (draft)

Most of the above policies were developed and customized with assistance from Buffalo City. However failure by council to implement/enforce its own by-laws is serious cause for concern. The enforcement organs within the institution need to take a serious look at this matter if we are to achieve anything.

### *Strategic Management*

- The inauguration of an audit committee on June 29, 2005, expiring in June 2007 and an advert for new audit committee members is being prepared.

- The development and approval by the executive mayor of a Service Delivery and Budget Implementation Plan

### **Institutional Milestones**

- The development and adoption of an organizational structure and the filling of all section 57 positions
- The development and approval of a human resources policy manual
- A tender for the development of a performance management system as required by the Municipal Systems Act was awarded and is currently being developed
- Reopening of the NATIS Centre in Mthatha for the licensing of motor vehicles after it was closed more than four years ago
- Resolution of pension fund - beneficiaries of pension funds are paid within three months
- The development and implementation of corporate identity

### **Financial Management Milestones**

- The submission of monthly in year reports to National Treasury
- The tabling of an IDP linked budget for the 2007 – 2009 MTEF period on April 1, 2006 and its adoption by Council on May 31<sup>st</sup>, 2006.
- Recovery of the VAT owed to Council resulting in a significant reduction in the VAT liability to South African Revenue Services.
- Significant reduction in the PAYE liability despite the freezing of the Bank Account in January 2006.
- Monthly payment of WCA and SETA liabilities to reduce these liabilities
- Increase in collection of outstanding Debtors by 30%
- Completion of and receipt of audit reports up to date to allow an independent view of the financial position of KSD Municipality
- Contract with Umthiza dissolved October 2005
- Development of a KSD Municipality website
- Establishment of the Internal Audit unit
- SDBIP for the year 2006/7
- Annual report for 2005/6
- Implementation of the new Promun financial system in July 2005.
- Dissolution of Section 21 Company and assume direct control over housing projects

### **Revenue Management**

The outstanding debt at the beginning of the Financial Year was R 244 million with over 70% considered to be bad debts.

Errors in the base records continue to be a problem, but a tender for a database cleansing exercise has been called for to overcome this.

PROJECT	MSP - BUDGET	SPENT	COMMITTED	VARIANCE
Erf Audit	630,000	630,000	0	0
Electricity Audit	1,820,000	1,820,000	0	0
New I.T. System	997,500	997,500	0	0
Urgent I.C.T. needs	1,242,500	1,242,500	0	0
Server & Network	1,210,000	1,210,000	0	0
Customer Service Centre				
	100,000	100,000	0	0
Total	6,000,000	6,000,000	0	0

### **Local Economic Development**

Proposed development of various pieces of land in and around Mthatha:

- Enkululekweni area - Shopping complex, motor showrooms, entertainment facilities, motor dealership, up market residential units, townhouses. These development initiatives have been awarded to local black business people, with a strong youth and women component
- Land adjacent to the Country Club - casino

These development initiatives are estimated at more than R400 million and have significant financial and economic spin-offs for KSD Municipality. The above initiatives are also additional to the Mthatha Plaza currently being developed in the old Independence Stadium, where various franchises are to be opened, yielding a significant number of jobs for the KSD people.

- Commissioning of a milling plant in Mqanduli. The Provincial Growth and Development Plan (PGDP) identifies the O.R. Tambo region as a node for the promotion of agriculture, and the initiative of a milling plant should be viewed in the context of ensuring synergy between our programmes and the PGDP.

### **Roads Infrastructure**

- The Mthatha – Qokolweni Road (Project Cost R130 million) is being upgraded to a high quality surfaced road in conjunction the Department of Roads and Transport, KSD Municipality contributed R5,0m to the project.

This project included the upgrading of Sprigg Street and the extension and upgrading of Tutor Ndamase Avenue to Dual Carriageway. The project is due for completion on the 6 March 2007. The project is on schedule.

- The N2 – Maydene Bus Route Phase 1 is currently under construction and due for completion on 28 February 2007. Project cost R5,5m. Delays were experienced due to non-performance of the Contractor.
- Various Gravel Access Roads were constructed in Rural Areas of KSD Municipality. Most of the roads provided much needed access to villages. Public Transport is now more accessible and closer to communities and households. Total length of Access Roads constructed was 227 kms.
- The backlog Road Maintenance (list of road projects attached) in Mthatha has been identified as a major challenge in the following 3 years. It is estimated that R309m is required for pothole patching, crack sealing, resealing and rehabilitation. Efforts are being made to form partnerships with Government Department to obtain much needed assistance.

PROJECT NUMBER	PROJECT NAME	ROAD LENGTH
MIG/MEC0200/R/ST/005/06	Matokazi Access Road	5,5
MIG/EC006/R/05/06	Mandleni access road	9,5
MIG/EC004/R/04/05	Makenkesi Access Road	9,0
MIG/EC007/R/04/05	Mampondweni to Ndakana Access Road	4,6
MIG/EC0008/R/05/05	Tyholo Access Road	10,0
MIG/EC0004/R/04/05	Maydene bus route	1,8
MIG/EC0004/R/04/05	Lwandlana access road	4,0
MIG/EC0006/05/05	Urban renewal Ikhwezi township road rehabilitation	4,0
MIG/EC/0009/04/05	Gxwalibomvu Access Road	19,8
MIG/MEC0194/R/ST/005/06	Slovo Access Road	3,2
MIG/MEC0197/R/ST/005/06	Highbury Access Road	5,5
MIG/MEC0198/R/ST/005/06	Msotoji & Tungwana Access Road	10,0
MIG/MEC0201/R/ST/005/06	Mandela Access Road	3,9
MIG/MEC0199/R/ST/005/06	Sitebe Access Road	9,5
MIG/MEC0193/R/ST/005/06	Tyholo Phase III Access Road	6,9
MIG/MEC0205/R/ST/005/06	Hlabatshane Access Road	18,0
MIG/MEC0204/R/ST/005/06	Bacela to Kwenxurha Access Road	16,0
MIG/EC0207/R/ST/005/06	Mthebe Access Road	11,7
MIG/EC0206/R/ST/005/06	Maqhinebeni-Mabeleni Access Road	8,0
MIG/EC0195/R/ST/005/06	N2 to Matheko	9,6
MIG/EC0209/R/ST/005/06	Matyeni to Ngowala Access Road	10,0
MIG/EC0202/R/ST/005/06	Qweqwe & Surrounding Access Road	11,5
MIG/EC0210/R/ST/005/06	Mpaka-DR08031 Access Road	5,1
MIG/EC0208/R/ST/005/06	Sigubudu & Surrounding Access Road	21,4
MIG/MEC0203/R/ST/005/06	Coffe Bay to Hole in the Wall Access R.	10,0
MIG/MEC0196/R/ST/005/06	Nqadu to Highbury - Link Road	3,0
C/EC/1306/R,ST/04/05	Vulindlela Road Rehabilitation	1,3
<b>TOTAL</b>		<b>227,3</b>

## Electricity

The backlog on the maintenance and upgrading of the Electricity System in Mthatha has been identified as a threat to development and the Municipality's ability to deliver services.

KSD Municipality has approved a project to upgrade the Bulk 66/11 kv Electricity System. The Department of Mineral and Energy have approved a Business Plan (Project Cost R32M) to complete the 66 kv Ring Supply Main around Mthatha and the construction of a New 66/11 kv Substation at Hillcrest. The project will increase our capacity to allow for future Developments to the year 2015. Construction will start in September 2006 and completion June 2007.

However KSD Municipality must also upgrade the internal Medium Voltage System to the cost of R8M over the next three years. Funding options are being investigated.

Various addition Community Lighting Projects have been approved in Maydene Farm, Waterfall Park Phase IV, Ngangelizwe, Umtata West and Mqanduli Phase II . These projects will commence in April 2007.

Eskom is the Service Provider in the Rural Areas of KSD Municipality and is currently upgrading Bulk Supply Infrastructure. This will enable Eskom to continue with Rural Village Electrification Projects.

### **Water and Sanitation Services**

The City of Mthatha has a major challenge in that the Water and Sanitation System must be upgraded to allow for expected future developments. The Systems are currently overloaded. The capacity of both Water and Sewage Treatment Plants must be upgraded to cope with future demands. Pump Stations, Bulk Supply Mains, Interceptor Sewers and Reticulation must be upgraded. Reports have been prepared. Projects have been identified and urgently need to be implemented by OR Tambo District Municipality as they are both the Authority and Service Provider.

### **Infrastructure – Finance from own funds**

KSD Municipality has a major challenge to provide funding for Operation and Maintenance of existing Infrastructure. Our financial situation only allowed 2% of the Budget for maintenance. This is a serious problem which must be rectified.

### **Community Services**

The financial situation obtaining in the municipality made things very difficult for the department to realize with full potential most of the milestones set for the year under question. Some of the internal and institutional problems have also contributed to this unfortunate state of affairs. In spite of the excision of most departments (4 out of 5) from the Directorate, which took almost six months before they were returned back, the departmental staff is in high spirits for having achieved the following:

### **Achievements and Developments**

- The extension of the Norwood civic centre clinic: To ensure quality services (primary health care). Prior this there was only one consulting room for all types of minor ailments with no privacy for the patients. Patient's rights/charter was not observed under the prevailing conditions at the time with no waiting room or rest rooms/tea rooms for the clinic staff.
- The relocation and redesigning of the satellite library housed within the Norwood civic centre building: The previous venue was storm damaged. Repairs to the Hall excluded the area which formed the library
- The establishment of a new satellite clinic in Southernwood: To ensure equitable distribution of primary health services

- The provision of an emergency standby generator for the Ngangelizwe health centre which is a 24 hour primary health care facility. Current statistics show that deliveries (births) in the maternity section of the health centre are done at a rate of between 152 deliveries (births) to 160. This is a high number considering the small size of the facility: To prepare for unforeseen circumstances e.g. electricity outages
- Donation of medical equipment valued at over R2m: To equip our health care clinics to be able to effectively deal with emergencies. This also made it possible the opening of the new Southernwood clinic.
- Fencing of the main (City) library: To make library premises conducive to meaningful learning. Prior this there were incidents of hooligans storming the library and intimidating users
- Provision of life guards and equipment along Coffee Bay and hole in the Wall beaches during December holidays: To ensure safety of both tourists and local communities
- The installation of play ground equipment at Ncambedlana and Norwood townships: For youth recreation
- Repair of the Norwood civic hall (damaged after heavy storms): To render the facility user friendly – done by the insurance
- Restoration of the Town hall clock – funded by Meeg Bank
- Proposal for the establishment of a new community library at ikhwezi township – Facilitated by Zola 7 and funded by Vodacom/Cash Build
- Provision of refuse equipment: 2 x bakkies, 300 x 240 l refuse bins, 15 trolley bins, 10 x refuse skips and refuse nets: To improve efficiency in waste management
- Provision of cleaning equipment: 15 x grass cutters (machines), 3 x ride on mowers and relocation of storage for the equipment: To effectively deal with overgrown spaces by improving grass cutting operations and to prevent theft of municipal equipment which was rampant.

Most of these developments mentioned above have all been financed in-house with a few exceptions being those where an indication is made to the contrary.

### **Waste Management**

#### *Proposed developments*

- Purchase of new refuse trucks
- Rehabilitation and upgrade of the landfill site next to Ikhwezi lokusa

These are aimed at improving council's ability to manage waste/refuse generated within it's of jurisdiction. It will also ensure compliance with a multitude

of environmental legislation by providing a clean, safe and healthy sustainable environment for its citizens.

**Economic Development projects initiated by Council (i.e. land available for development by Council)**

Jubilee Square

This was conceived as a joint venture between a developer (working in conjunction with the Department of Transport) and the Taxi Association. It involves the creation of a shopping complex (+/- 6000 sq meters) together with the upgrading and formalisation of taxi ranks and hawking facilities around the old Jubilee Hall. An agreement was signed some 5 years ago but to date no final proposals / plans have been received. The developer was obliged to do a Traffic Impact Assessment (TIA) and finalise the boundaries of the development area which has not yet been done.

Hillcrest Shopping Centre (Advertised 1998 - Awarded 1999)

Delays in transfer of land from Government to Municipality resulting in eventual delays in finding finance to fund project.  
Now under construction - plans passed for +/- 5000 sq m retail and office space (including 3000 sq m of anchor (Spar)).

Caravan Park (New Savoy Advertised 1998 - Awarded 1999)

Delays in implementation – as the original tenderer did not sign an agreement the award was given to second placed tenderer who did not perform nor pay rent resulting in cancellation of the agreement. A new agreement was negotiated and the New Savoy Hotel and Conference Centre was completed.

Building plans passed for:

i) +/-4000 sq m retail and offices (including +/-2000 sq m of anchor (Spar)).

ii) Service Station:

New development is under construction.

Mthatha Plaza Shopping centre (Old Stadium) Advertised in 1997 - Awarded 1997.

Delayed by consultative process and court action resulting in eventual cancellation of contract and signature with the second placed tenderer. Again delayed by court action initiated by the first placed tenderer.

More land negotiated from Propnet adjacent to stadium. Plans scrutinised in 2006 for 26 000 sq m of retail space. Construction initiated in 2006 scheduled to open 26 April 2007.

Old Gallion Site (Advertised in 2006. Awarded 2006)

No agreement signed yet.

Proposal for a large office block and shop facilities.

Enkululekweni (Areas 1 - 3) Advertised 2005 - Awarded early 2006.

Agreements signed between May - October 2006.



- Area 1:  
Proposed Business Park with Casino/Hotel.  
Due for opening in 2008.
- Area 2:  
Proposed Shopping Mall +/- 25 000m of retail space.  
Due for opening 2008/2009.
- Area 3:  
Proposed special residential (+/-40 units) and general residential (150 townhouses) with a hotel.  
Up market development.

### **Economic Housing Initiatives**

Sidwadwa (potential +/- 80 special residential, +/- 100 townhouses) Advertised 2006 - Awarded 2006.  
Agreement signed October 2006.  
An application received for reduction in erf sizes which will result in morehouses.

New Brighton (124 sites).  
Original (registered) township had only 72 sites of which + 54 were undeveloped. Township was replanned (by Transnet) to make smaller and make servicing more affordable (additional 70 sites created). The replanned township was approved by the Provincial Government but such approval has lapsed.

Hillcrest Township  
There are +/- 400 undeveloped sites (registered) in this township. Original problem was that there was no bulk sewerage reticulation available to service this township - this is no longer a problem.

Land belongs to ECDC - application has been made for the transfer of same to KSD Municipality (in 2000). Reminders have been sent.

Zambian Heights  
Approved township of +/- 360 sites. +/- 180 sites developed. Balance of sites requires survey and infrastructure.  
Original developer (Vision Homes) has allowed agreement to lapse. Need to advertise - inviting developers to submit proposals to complete the development of this township.

Rental Stock (+/- 1500 units)  
An area was made available for development of rental housing next to Sidwadwa. A proposal was drawn up and accepted by the Motheo Group (previously Cudmore and Potter) but procurement of funds was not successful. This scheme needs to be resuscitated possibly as a sustainable housing

development as part of the Ngangelizwe Urban Renewal BNG.

*Mqanduli Middle Income*

A layout plan has been prepared for 500 sites. There are some questions about the ownership of one of the properties over which this layout has been prepared. Bulk services are currently not adequate to service this proposed township.

Perhaps this township can be phased so that some demand can be met in the short term.

## CHAPTER 2: Background on Services Provided by the Municipality

### 2.1 Public Safety & Security

#### Introduction

This report will touch on the following points:

- Legal framework
- General difficulties
- Achievements
- Revenue collection

#### Legal Framework

- Crime prevention programmes are informed by the following policies and legislative framework.
- Constitution of the republic of South Africa Act (Act 10 of 1996) Chapter 7 specifically Section 152(1)(a) to (e) gives local government the following mandate:
  - a) To provide democratic and accountable government for local communities.
  - b) To ensure the provision of services to communities in a sustainable manner.
  - c) To promote social and economic developed.
  - d) To promote a safe and healthy environment.
  - e) To encourage the involvement of communities and community organizations in matters of Local Government.
- The National Crime Prevention Strategy (NCPS) document (1996) provides sufficient detail to underpin the implementation of crime prevention as part of the growth and development strategy.

The NCPS requires the development of wider responsibility for crime prevention and a shift in emphasis from reactive "crime control" which deploys most resources towards responding after crimes have been committed towards

proactive “crime prevention” aimed at preventing crime from occurring at all.

The Ministry of Safety and Security has been tasked with ensuring successful implementation of the NCPS. The role of Local government in the implementation of the NCPS is described as follows:

- a) Review and refine the NCPS and implement local crime prevention programmes.
  - b) Exact strategies and mechanisms adopted by Local Government to be based on local crime prevention priorities and preferable fit within the four pillar framework of the NCPS.
  - c) Local Government structures acquire the necessary skill to engage with crime prevention issues and develop the required capacity.
- The White Paper on Safety & Security (1998) also defines a clear role for Local Government in the fight against crime with regard to:
    - a. Altering the environment in which crime occurs.
    - b. Changing socio-economic factors that are thought to cause crime; and
    - c. Providing a strong deterrent in the form of an effective Municipal policing system.
  - In terms of Local Government: Municipal Systems Act (Act 32 of 2000) Section 23(1)(a) to(c) a municipality must undertake developmentally oriented planning so as to ensure that it strives to achieve the objects of Local Government set out in Section 152 of the Constitution.
  - Public Safety Division derives the power and authority to act from various pieces of legislation for example to mention a few.
    - a. Section 59(1) read with Section 60(3) of the Municipal Act (Act 24 of 1979).
    - b. Regulations promulgated in terms of Section 334 of the Criminal Procedure Act (Act 51 of 1977) specifically regulation R159 dated 2 February 1979 as amended

with the latest amendment being R209 dated 19 February 2002.

c. Road Traffic Act, 1996 (Act 93 of 1996)

- **Core Functions Of The Directorate**

Informed by the above legislative framework the core functions of the directorate could be summarized as follows:

3.1 Providing testing and licensing services

3.2 Providing emergency services and disaster management

3.3 Enforcement of Laws/by-laws

3.4 Rendering traffic policing including road safety education

3.5 Rendering crime prevention services

### **General Difficulties Experienced**

- Shortage of staff
- Lack of capacity to manage
- Lack of capacity to lead
- Lack of equipment
- Lack of policies and procedures
- Non completion of the placement process

All of the above have impacted negatively in many ways on the performance of the directorate. It has been possible to start any tangible movement towards the desired goals only after the appointments of Head Support Services and Chief Protection Services. Even in these instances the ground covered is very negligible due to the amount of resistance by staff members. What compounds matters for the worst is the delay in finalizing the placement process. The resistance is understandable taking into account the fact that for a long time workers have never been subjected to any form of management. The very supervisors on whom management should rely for effective supervision haven't got a clue what is meant by supervision.

### **Achievements To Date**

The following are some of the major achievements by the directorate.

- Procurement of working tools for example:-

- Employment of Key Point staff thus releasing Peace Officers for crime combating function in the CBD. Number of crime combating operations conducted.
  - Purchase of uniform for Traffic and Peace Officers.
  - Purchase of vehicles for traffic operations
  - Purchase of furniture and computers for Trafman.
  - Refurbishment of fire fighting vehicles.
- Development and approval of organogram
- Addressing disaster backlogs by 50%
- Training in respect of:-
  - Traffic Officers
  - Examiners
  - Trafman System Operators
  - Natis Operators
  - Peace Officers course
  - Fire Fighters
- Successfully negotiated the reopening of Natis Office in Mthatha.
- Crime Prevention
  - Traffic awareness campaigns
  - Road blocks
  - General crime prevention operations
- Systems in place.
  - Driver Learner Testing Policy and Procedures
  - Vehicle Registration, registration and deregistration procedures
  - Traffic Management System
  - Parking Meter By-Laws
- Systems still under development
  - Law Enforcement Standing Operations procedures
  - Taxi and Bus Operators' procedures
  - Policy on goods classified as lost & found
  - Policy on training – Law Enforcement & Traffic
  - Policy on uniform
  - Funeral & Ceremonies procedure manual
  - Internal Security Plan

### Revenue Collection Capacity

As could be gleamed from the following statistics revenue collection effort in some areas leave much to be desired specifically with regard to traffic fines. The reason for this could be traced to Trafman System which has not been functioning for years and secondly lack of proper management of traffic officers' performance.

Efforts are being made to rectify this lethargy on the part of traffic officers. Following here under is an example revenue collection rate for the year 2005/2006 in case of Traffic and DLTC.

**Table D.1 Monthly Statistics Traffic Fines: 2005/06 Financial Year**

Month	Notice	No of Notices	Pro Fin Value	Cas Comp	%Comp	Amount paid	Pay Rate
Jul-05	11	930	429350.00	93	10.00%	40850.00	9.50%
Jul-05	50	198	146400.00	6	3.00%	3800.00	2.60%
Aug-05	11	722	366300.00	129	17.90%	58200.00	15.90%
Aug-05	50	86	43600.00	6	7.00%	1300.00	3.00%
Sep-05	10	1	500.00	0	0.00%	0.00	0.00%
Sep-05	11	1055	608703.00	86	8.20%	43500.00	7.10%
Sep-05	50	94	44600.00	7	7.40%	2200.00	4090%
Oct-05	11	543	256900.00	33	6.10%	14800.00	5.80%
Oct-05	50	70	36700.00	1	1.30%	200.00	0.50%
Nov-05	11	640	401978.00	38	5.90%	23700.00	5.90%
Nov-05	50	60	41103.00	1	1.70%	200.00	0.50%
Dec-05	11	789	688119.00	110	13.90%	58500.00	8.50%
Dec-05	50	47	43100.00	1	2.10%	1500.00	3.50%
Jan-06	11	482	242805.00	57	11.80%	25300.00	10.40%
Jan-06	50	77	53820.00	3	3.90%	1000.00	1.90%
Feb-06	10	1	100.00	0	0.00%	0.00	0.00%
Feb-06	11	364	194800.00	30	8.20%	16600.00	8.50%
Feb-06	50	100	65500.00	3	3.00%	1200.00	1.80%
Mar-06	11	427	223800.00	27	6.30%	14700.00	6.60%
Mar-06	50	88	47800.00	1	1.10%	300.00	0.60%
April-06	11	449	223800.00	65	14.5%	34000.00	14.6%
April-06	60	121	74200.00	6	5.0%	2800.00	3.8%
May-06	11	328	181600.00	63	19.2%	33600.00	18.5%
May-06	50	157	90700.00	15	9.6%	7700.00	8.5%
Jun-06	11	435	227300.00	41	9.4%	24900.00	11.0%

Jun-06	50	79	53300.00	4	5.1%	2300.00	4.3%
<b>TOTAL</b>		<b>8350</b>	<b>4 795 373.00</b>	<b>826</b>	<b>9.90%</b>	<b>413 150.00</b>	

What is clear from this table is that revenue collection can be improved through revised procedures and staff training.

## 2.2 Planning, Social and Economic Development

A summary report on the activities of the various sections of the directorate is given below.

### Planning

#### o Integrated Development Planning

This section is concerned mainly with the facilitation and management of the integrated development planning processes.

Over the past year all processes required for the compilation and review of the IDP were observed as prescribed in Section 34 of the Systems Act 2000 (Act No. 32 of 2000) and the Municipal Finance Management Act 2003 (Act No. 56 of 2003).

A process plan was revised and submitted to Council for approval. In all respects, the plan catered adequately for full participation by the community. An outreach programme driven by the Executive Mayor and the Mayoral Committee was executed. All Ward Councillors participated actively in the process. All thirty-two wards of KSD were visited and sessions were held with multiple stakeholders where their needs and priorities were solicited. After all the workings of the outreach programme were processed, a revised IDP was approved by Council at a Special Council Meeting held in May 2006.

### Achievements

The preparation and the compilation of the reviewed 2005/2006 IDP was done in-house mainly with only the binding was done externally. The staff member responsible for the IDP processes was trained and developed on the job and he has now acquired the requisite skill.

The IDP has been loaded onto the Municipal Website and is freely accessible to all stakeholders. We have managed to secure a grant for the IDP processes for the past two years.

### Challenges

To perform IDP related functions with only one staff member is a serious challenge. The consequences of this are that the deadlines are very difficult to



make. More staff together with tools and equipment is required urgently for this section.

### **LED**

An LED strategy has been completed which has enabled the section to work in collaboration with other key role players such as Government, Private Sector Parastatals, Civil Society, Organized business, NGO's, Traditional Leaders and Institutions of Higher Learning.

### **Regional Development Programmes**

In collaboration with the above stakeholders major economic development programmes are being pursued. These include the Langeni Timber Manufacturing Industry, Kei Rail Development Corridor, Mzimvubu Water development scheme, the Coffee Bay development project and the Mthatha Multi-purpose stadium.

### **Local Projects**

There are some significant local commercial projects currently underway. The Mthatha Plaza Shopping Mall is due to open in April 2007. There are also two new shopping malls under construction i.e. Northcrest Mall and the Savoy Caravan Park development.

Mqanduli Milling Plant machinery and equipment has been installed and the formation of a P.P.P. is being considered in order to run the plant in a sustainable manner.

In the pipeline is the development of a Casino whose license has recently been awarded by the Eastern Cape Gambling Board.

The above stated developments will certainly contribute significantly in employment creation in the Municipal area.

### **S.M.M.E.**

The SMME sector in Mthatha is very significant and contributes immensely in the economy of this area. All attempts are being made to promote orderliness within this sector

### **Achievements**

Small project such as community gardens, piggery, poultry and craft have been promoted during the financial year 2005/2006. If it were not for staff and funding shortages, more of such projects would be promoted. We sincerely believe that these being promoted, supervised and adequately funded, would make a mark in promoting food security in the area.

### **Challenges**

There is only one staff member promoting S.M.M.E projects. This is very much unfortunate because this sector can make a difference in the community both rural and urban if it is well resourced. More staff members and adequate rewards for performance and financial resources are lacking thus rendering the

S.M.M.E unit insignificant and frustrated. The crafting of the LED Strategy requires full participation by all stakeholders and this is difficult to achieve.

Co-ordination within the Municipality in relation to issues like licenses, land for development etc must be improved.

### **Social Development**

Social development encompasses special programmes such as Youth development, Gender- aged, physically challenged, HIV/Aids, Culture, Sport and Recreation.

### **Youth**

Youth development has been given priority on account of its importance in nation building and economic development. In Civic year 2005/2006 we managed to conclude negotiation with Msobomvu Youth Fund for the establishment of Youth Advisory Centre and a Service Level Agreement has been signed. This programme is bringing some hope for the youth of this area and with the requisite support from all stakeholders; It is going to be one of the flagships for the Social Development Section in the following year.

### **Sport, Recreation, Arts And Culture**

In respect in each of the above, activities have been planned and supported by this section. The Municipality is very rich in African Culture and is also endowed a high potential of sportsmen and women especially soccer and athletics.

### **Special Programmes**

In collaboration with the Provincial department of Social Development this unit has supported many programmes of a special nature and in particular children in need of care. It has played a leading role in the establishment of a structure for the people with disabilities.

### **Achievements**

During the Civic year 2005/2006, the unit has promoted and supported cultural groups that managed to perform at significant art festivals in the country in cities such as Grahamstown and Bloemfontein.

### **Challenges**

Although there exists in this area rich cultural diversity and sportsmanship, lack of staff and financial resources prevents this unit from exploiting this potential for the benefit of the community to the fullest.

### **Departmental Proposed Recommendations**

As some of the functions of this directorate are cross cutting e.g. IDP and LED, it is imperative that departments and all stakeholders in the organization should accord these the attention they deserve.

As this is a new department, the following resources / requirements should be given top priority: -

- Staffing

- Adequate office space
- Increased budgetary allocation
- Support and co-operation from all departments especially Finance and Corporate Services

With all the above minimum requirements being met in the financial year 2006/2007 the levels of service delivery will improve significantly by 2010.

## **2.3 Ngangelizwe Urban Renewal Programme**

### **Origin Of The Urban Renewal Programme.**

Identification of nodal points to correspond with the landscape of under development and poverty in South Africa is the thrust of urban development. The President announced in 2001 the eight urban nodes so far identified:

Galeshewe in the Northern Cape  
Alexandra in Gauteng  
Inanda and Kwa Mashu in Kwazulu-Natal  
Khayelitsha and Mitchell Plain in the Western Cape  
Motherwell and Mdantsane in the Eastern Cape

The Urban Renewal Programme (URP) aims at the total transformation of the formerly disadvantaged urban areas and improving the quality of life. Transversal Programmes such as URP are part of government's overall strategy to plan and budget in an integrated manner to produce results and maximize the impact of its expenditure and investments.

### **Background To Ngangelizwe As An URP Node**

In considering the above the provincial government did not hesitate to declare Ngangelizwe as an Urban Renewal Node in addition to Motherwell and Mdantsane. Ngangelizwe is characterized by all the above considerations and is therefore targeted for continuous government attention over the ten year URP initiative period. Ngangelizwe has the highest urban concentration of people and is characterized by poverty, unemployment and poor access to many basic services.

### **Objective Of The Ngangelizwe Urban Renewal Programme**

A reduction in poverty through the development of an integrated development plan that is a multi-dimensional approach to improving the quality of life. The URP is a ten-year programme complementing the government's mission of eradicating poverty by half by 2014.

### **Final Planning Phase.**

The year 2005 / 06 was the final planning phase and consolidation phase of the Ngangelizwe Situation Assessment and Strategy Formulation responding to the social, economic and infrastructural situation of Ngangelizwe. Individual reports covering Ngangelizwe's Quality of Life Survey, Social Infrastructure, Engineering Services (water, sanitation, electrical, operations and maintenance, economic activities, roads and transport) were consolidated into and as a firm base for the Urban Renewal Strategy Plan.

### **Consultations On The Urp Draft Strategic Plan September – December 2005.**

Extensive consultations were undertaken on the URP Draft Strategic Plan during the period September to December 2005. Consultations were intended to inform, solicit comments, and invite inputs and to question where appropriate and necessary.

Consultations were undertaken through Stakeholders Forum, workshops, IDP Stakeholders meetings and one-on-one meetings with all Sector Departments within KSD Municipality. Formal correspondence and was undertaken with Heads of all KSD Business Units and their political chairpersons.

### **Compilation Of Project Business Plans And Roads Constructed.**

Concurrently with the finalisation of the Formal Planning Phase, a number of Project Business Plans – specifically for roads of Metropolitan significance were compiled to source funding for Quick wins without much success. Only those that were already included in KSD 2005 IDP were targeted.

However some funding was accessed and some roads were upgraded to surface level under Phase 1 in Ngangelizwe.

The streets are the following:

Tshabangu, Mabovula, Church, Lamla, Stofile, Ndesi, Hlaba, Samente, Matolweni.

In Ikwezi the following streets were rehabilitated : Luwaca, Muncwana, Thuma, Magente, Zamukulungisa, Gobingca, Thom, Popp.

Within greater Mthatha the following streets were rehabilitated through URP: John Beer Drive, Victoria, Durham, Errol Spring Ave, Delville, Callaway.

### **Employment And Training**

The following, were employed in Ngangelizwe during construction.

Females	57
Males	51
Youth	70
Disabled	6

A total amount of 60 trainees from Ngangelizwe have undergone training as follows;

- 12 on Block Paving.
- 12 on Kerb Laying.
- 12 on Pipe Laying.
- 12 on Concrete Works.
- 12 on Manholes.

### **Partnerships**

A process of identifying Strategic Partnerships commenced during 2005 / 2006. Institutionalization of Partnerships is integral in the Urban Renewal Programme in its comprehensive approach which emphasizes innovation and integration of the efforts and resources of a wide range of agencies and spheres of Government. During the year URP concluded a Memorandum of Understanding with Development Bank of Southern Africa (DBSA) which is bearing positive results. More is being pursued.

### **Urban Renewal Steering Committee.**

The community of Ngangelizwe, constituting the five Wards assembled at the Rotary Hall which was full to extra capacity. They elected one person per Ward

to constitute the functioning five member Steering Committee involved in all projects undertaken in Ngangelizwe.

## Urp Challenges

The Council approved URP Strategy Plan identified essential projects worth over R500m if Ngangelizwe is to be upgraded and transformed into a community that is socially, economically and environmentally sustainable to significantly improve the quality of life of its residents and to make Ngangelizwe a worthy and viable suburb of Mthatha City.

## **2.4 Corporate Services**

### information, Communications and Technology (ICT)

The objective is to support and facilitate Information Management and Data Storage, use of Electronic Systems and promote Electronic Communication.

#### Function;-

In Order to achieve the abovementioned purpose the ICT Division is to perform the following functions:

- (a) Research and develop new technological solutions;
- (b) Desktop support;
- (c) Implementation of both operational and new ICT projects;
- (d) ICT Training
- (e) To develop business plan for funding.

#### ICT Projects

Following are the projects that we have implemented:-

##### (1) Distribution of Computer and Printers

The need was promoted by the implementation of a number of institutional software applications such as:

- Promun
- Trafman

##### (2) Installation and upgrading of internet and E-mail Servers.

King Sabata Dalindyebo Municipality has for a long time rented these facilities; this project assisted the King Sabata Dalindyebo Municipality in getting an internal system.

##### (3) Establishment of King Sabata Dalindyebo Municipality Website

According to Section 21 A of Municipal Systems Act, a Municipality must publish certain information on its website, because of this King Sabata Dalindyebo Municipality developed a website in order to comply and be able to publish information about the municipality

##### (4) Implementation of a Financial System

King Sabata Dalindyebo Municipality rented Financial Systems from ECMSS. This financial application reached its last upgrade version in 2005, leaving King



Sabata Dalindyebo Municipality with no option but to look for a system that will be a fully integrated system. .

*(5) Implementation of Trafman*

King Sabata Dalindyebo Municipality needed a database system that would assist in the logging of ticket books, traffic fines and court orders. We have implemented a traffic management system (Trafman) with the server in Munitata.

*(6) Contour Database*

King Sabata Dalindyebo Municipality outsourced electricity vending to Mthiza. King Sabata Dalindyebo Municipality later decided to end the relationship. This resulted in Mthiza leaving the electricity vending unattended therefore ICT had to intervene and take control. We started with the database and later with vending stations in the area. Some vending stations are 24 hours, whilst some operate during office hours.

*(7) Implementation of the new telephone system*

King Sabata Dalindyebo Municipality required a telephone system that guarantees availability and also controls, hence the need for this installation.

*(8) Desktop Support*

This is an operational project where ICT assists King Sabata Dalindyebo Municipality users with passwords, new user connections and also assists users when they are having problems with the applications on their PC's.

## **2.5 Community Services**

The key strategy is to address the HIV/AIDS crisis through facilitating and coordinating a widespread campaign, supported by primary health care. Subsidiary strategies include the provision of social development facilities such as multi-purpose centres and sports clubs.

## **2.6 Infrastructure**

This Department is made up of the following divisions:

- i) Roads
- ii) Town Planning
- iii) Housing
- iv) Building Control
- v) Electricity
- vi) Works
- vii) Mechanical Workshop

## Roads

The Municipality is aware that it will be impossible to improve the economy, achieve a better quality of life and develop the municipal area without improved roads. Accordingly, the main strategy involves investigating the road network, identifying road construction and upgrading requirements and securing funding to establish a roads development programme. This will also be used to create employment opportunities whereby contractors will be required to use labour-based methods wherever possible.

An integrated transport system is seen as crucial for the movement of goods and services. The upgraded railway line, airports, airfields, and transport facilities are seen to be essential elements of this strategy.

The municipality will seek to negotiate an extension to its management of electricity across the whole municipal area.

The district municipality is responsible for the provision of water and sanitation to the rural households (particularly close to streams and rivers) is a key strategy to meet the backlogs in rural settlements. A key strategy (in relation to the cholera crisis) is the urgent upgrading of sewerage treatment works and construction of the northern outfall sewer in Mthatha to accommodate development trends west of the city.

## Electricity

The purchase and reticulation of electricity function is the responsibility of the municipality.

KSD has recently updated all electrical drawings and this has enabled the municipality to record all assets and develop maintenance plans for the future.

The electrical infrastructure in Mthatha is old and a fund for the rehabilitation of transformers and substations is needed. This is evidenced by the frequent power cuts.

The main concerns have been identified and are as follows:

<b>Identified Projects</b>	<b>Repair Costs</b>
Sidwadwa Substation	R5.5 million
Thornhill Substation	R3.5 million
Replacement of breakers plus maintenance to protection equipment	R1.75 million
Street Lighting in Mthatha and Mquanduli	R4.74 million

## Housing

This function faces significant challenges some of which are:

- Lack of a functional working relationship between municipalities and the provincial department.
- The provincial department's norms and standards (NHBC and SABS approved material) versus available budget.
- Non-availability of some items of building material (e.g. treated timber).
- High material prices – inland transport costs.
- Projects approved in 2002\2003 financial year implemented with the old subsidy quantum – subsidy band determination.
- Delays in signing agreements for projects and unclear procedures with regards to project processes and application cycles.
- Uncertainty with annual allocations.
- Lack of infrastructure in rural areas.
- Municipalities not represented in the Technical Evaluation Task Team.
- A capacity problem exists in municipalities and needs to be addressed.
- There are traditional leadership issues that require being resolved.
- Building teams are not well organized and often community participation in projects is inactive.

## Urban Renewal

The approval by Council of the Ngangelizwe Urban Renewal consolidated business plan has commenced a major R500m service delivery implementation challenge over the next seven years that commenced in 2006/07.

In addition to the above the URP unit is to embark on the Mthatha City Urban Renewal Strategy (and the rest of its component suburbs). This to be undertaken with thoroughly mobilized and institutionalized partners – public sector, private sector and civil society.

## **2.7 Finance and Asset Management**

### **The Termination of the Public Private Partnership contract with Umthiza**

Since 1997 KSD has been in a Public Private Partnership contract with Umthiza, the reason being to improve electricity collections which had fallen to a collection rate of under 30%.

This contract was for Umthiza to manage the electricity billing and collections thereof for a management fee of 8% of collections amounting to approximately R4,300,000 per annum. The contract also stipulated that all capital purchases

would be paid for separately by the Municipality and would remain the property of the Municipality and be registered as so.

This contract was intended to last for five years at which time the Municipality would decide if it wished to renew the contract or not.

In October 2005 the KSD municipal Council took a decision not to renew the contract with Umthiza.

The existing staff who wished to remain were transferred to KSD Municipality and became part of the staff complement

The decision to manage the electricity collections in house has brought with it the following benefits to Council:

1. An annual saving of approximately R 619,000 in the costs associated with running the division.
2. The ability to increase the salaries of the staff concerned onto a par with the salaries earned by the rest of KSD Municipality staff in similar positions.
3. An increase in billings and subsequent collections of 36% amounting to over the nine month period to approximately R 18,279,973.

Since then a further enhancement to the system has been solicited to enable the on line management of collections and it is anticipated this should further improve our collection rate.

### **Revenue management**

King Sabata Dalindyebo registered an accumulative outstanding debt of R227 million at the beginning of the financial year. No organization can afford outstanding debtors of this magnitude and KSD revisited the proposals to address shortcomings of revenue management prepared by the support team from the Development Bank of Southern Africa.

The following problems have been identified:

- No credit control policy therefore no credit control by- law.
- Very old and dysfunctional computer network.
- Outdated file servers.
- A lack of serviceable computers at workstations.
- Flaws in the base records (stand numbers, registered consumers).
- Weak and incomplete asset records regarding income-generating assets, specifically the electricity distribution network.
- Limited capacity (CFO was only appointed on 1 February 2005)

The technical aspects of the problem list above have been addressed during the financial year in preparation to the implementation of proper credit control measures in the 2005 /2006 financial years.

PROJECT	MSP -BUDGET	SPENT	COMMITTED	VARIANCE
Erf audit	630 000	1 039 417		(409 417)
Electricity audit	1 820 000	1 482 661		337 339
New I.T. system	997 500	868 244	1 100 000	126 256
Urgent ICT needs	1 242 500	815 35	450 000	427 365
Server & network	1 210 000	1 218 036		(8 036)
Customer service centre	100 000	44 631		55 369
TOTAL	6 000 000	5 468 124		174 543

**Erf Audit:** field teams verified Consumer records and customer details have been updated on the financial system.

**Electricity audit:** The electricity distribution network was audited and components were captured on CAD. The information is critical for credit management and infrastructure maintenance as well as for development planning.

**Wide Area Network and Local Area Network:** The computer network was implemented. The Wide Area Network is radio based and saves R37,000 per month on operational costs.

**Computer equipment:** KSD purchased new computers and software and legalized pirated software.

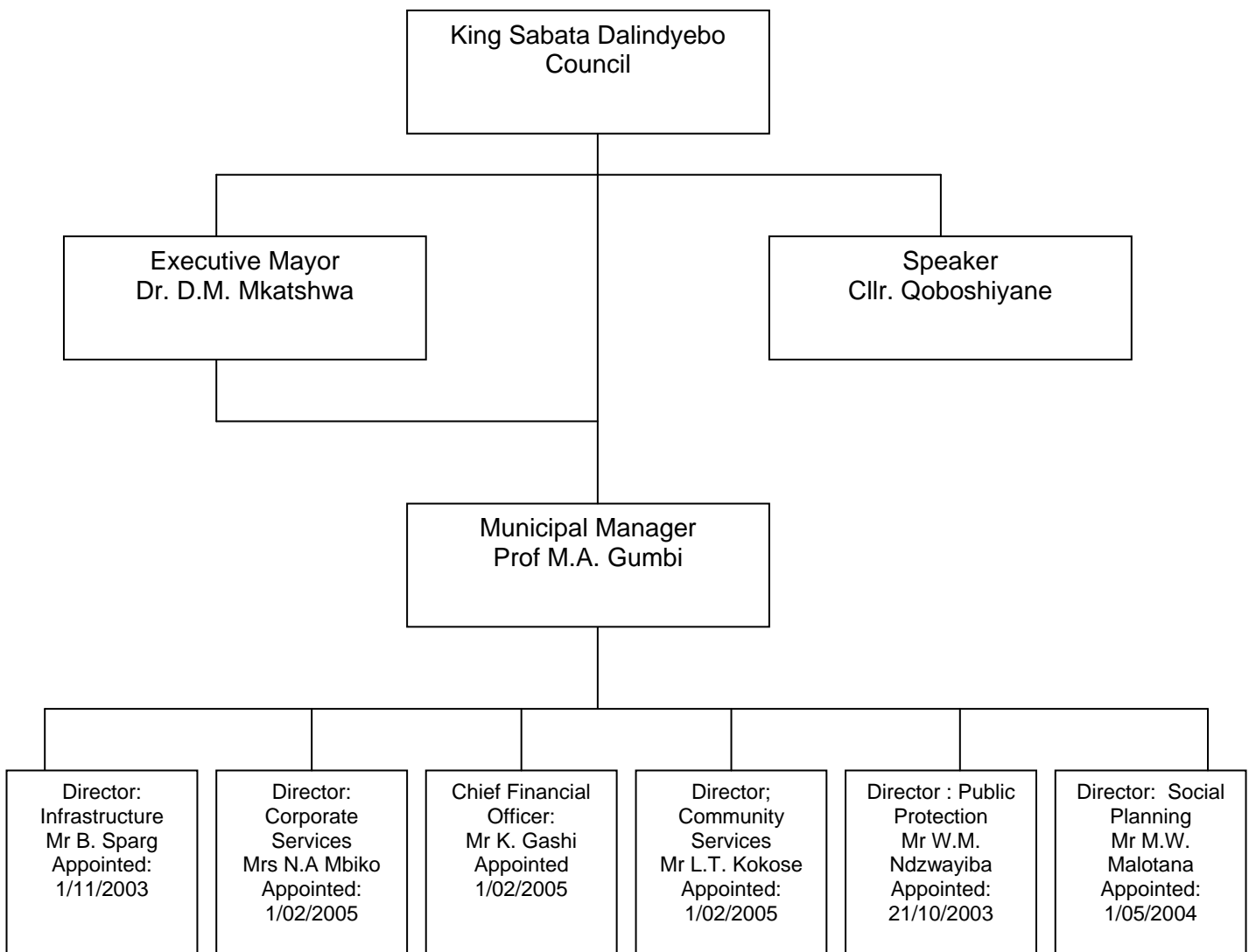
The credit control policy was approved by council in April 2004 and the credit control bylaw promulgated in the next financial year on 26 September 2005. The effect of the credit control bylaw will only be visible in the 2005 / 2006 financial year.

# CHAPTER 3 : Human Resource & Organisational Management

## 3.1 Organisational Structure of the Municipality

The following is the organisational structure at the 30 June 2006.

### KING SABATA DALINDYEBO MUNICIPALITY EXECUTIVE MANAGEMENT STRUCTURE



## 3.2 Activities during the 2005/2006 Financial Year

### (i) Job Description Writing

This project entailed the development of job profiles in respect of all jobs in the organisational structure. Jobs descriptions submitted to the South African Local Government Bargaining Council have been accepted and commended for their quality.

This programme will facilitate the evaluation of the jobs and the determination of post grades. The finalisation of this project will resolve the issue of grading of the posts in the municipality.

### (ii) Workplace Skills Planning (WSP)

The WSP for 2006 was developed successfully and submitted to the Local Government Sector Education and Training Authority.

### (iii) Performance Management System ( PMS )

The Department engaged the services of an external service provider to develop and implement a PMS in the Municipality. The project is at the stage where the system is ready for roll-out but has been held back by the relative instability at senior management level.

The system encompasses both an Organisational/Institutional and an Employee Performance Management framework. The Employee Performance Management System will reside in Corporate Services while the Institutional PMS will reside in the Municipal Manager's Office where the IDP is expected to be driven. A workshop by the Service Provider arranged for members of the Mayoral Committee, Management and Unions will take place in the 2007 financial year.

### (iv) Litigation against the Municipality

The department has managed to bring the situation of litigation against the Municipality by employees and outside parties under control and has put in place improved case management systems that enable it to deal with cases more effectively.

### (v) Upgrading of Printing Works

The Municipal printing works has been upgraded through the acquisition of high capacity machinery and equipment that enables the department to cope with the voluminous printing that has come about as a result of the Council's expansion from 20 to 64 Councillors.

### (vi) Implementation of Access to Information Act.

A manual in terms of Section 14 of the Promotion of Access to Information Act 2/2000 has been developed and submitted to the Human Rights Commission

(vii) **Training**

To address staff capacity officials have attended training workshops.

(viii) **Centralised Filing and Records Management System**

The Department has made significant progress towards the introduction of a centralised filing system. A draft file plan was submitted to the Department of Sport, Recreation, Arts and Culture and the Municipality is receiving assistance towards improving the system. Departments have already been advised to start using the new filing system.

(ix) **Identification and filling of critical posts**

This project went well until the financial position of the Municipality resulted in it being put on hold. Good progress has been made though a lot still remains to be carried out. Departments that continue to suffer a high vacancy rate in respect of critical posts are Infrastructure, Planning, Social and Economic Development as well as Corporate Services.

(x) **Establishment of a Skills Development and Employment Equity Forum**

A skills development and employment equity Forum has since been established and, this Forum has approved draft skills development and employment equity policies which are being refined for presentation to Council. A Training Committee has also been established.

(xi) **Staff Placement**

This project was carried out in September 2005. Of 1060 employees, 1020 were placed without objections. Forty have objected and those objections have been awaiting consideration by the LOCAL Labour Forum which is struggling to transact its business in the expected manner.

The objections all centre on demands for higher positions against the letter and spirit of the Council's Placement Policy which guided the process.

One former Senior Manager and one former Secretary of the Mthatha TLC remains unplaced, a situation which is cause for concern and which brings about a fair amount of instability among other departments.

(xii) **Councillor Capacitation**

Rules of order have been adopted by Council; however Councillors still need to be work shopped on them. Councillors were also work shopped on the Code of Conduct.



(xiii) **Ward Committees**

Ward Committees have been established in conformity with statutory requirements and are fully functioning in all thirty two (32) wards. Ward Committee members were formally appointed and a sum of fifty thousand rand (R50 000.00) was accessed from this Province for their training.

(xv) **Community Development Workers**

Twenty two (22) Community Development Workers were assigned to wards and are working harmoniously with Ward Committee members and Ward Councillors.

(xvi) **Council Business**

The Council business is taking place as required

### **3. CHALLENGES AND SOLUTIONS**

#### **CHALLENGE**

Critical posts remain vacant in all departments due to finances.

Difficulty of replacing critical staff lost by KSD  
Lack of approved by-laws

Bringing employee costs down to acceptable levels

Normalising relations between management and councillors and between management

#### **SOLUTION**

▶ Develop a critical post matrix that will identify and prioritise vacancies and develop realistic time-frames for their filling, subject to availability of funds.

▶ Engage the DHLGTA to second Adv. v.d. Bergh to develop by-laws and transfer skill to local person. This had been discussed preliminarily with the dept.

▶ Combine :-

- (i) Strict staff establishment control,
- (ii) Identify functions that may be outsourced after cost-benefit analysis,
- (iii) Review organisational structure,
- (iv) Provide for and implement aggressive internal skills development programme and recruit internally for critical posts,
- (v) Concentrate on revenue collection as it has impact on the percentage that comprises employee costs.

▶ Arrange workshops on employer-employee relations for councillors and management and intensify current HR outreach programme to all depts.

and staff Recruitment and retention of high caliber employees in the Municipality	▶	Work on improving work environ and improve image of the Municipality.
Implementing skills development when unable to claim LGSETA grants due to arrears	▶	Open negotiations with SARS and provide for training in a centralised vote. Retain Internal Bursary Scheme. Establish partnerships with nearby institutions of higher learning and find cost-effective ways to promote learning, growth and development.
Implementing Employment Equity	▶	Engage a service provider to develop an Employment Equity Plan for the Municipality.
Crippling staff shortage and lack of office accommodation	▶	Approve the identification and filling of at least 6 critical posts whose continued vacancy either cripples the effectiveness of the department or renders the department legally non-compliant.
Finalisation of staff placement and dealing with redundant or unplaced individuals	▶	Prioritise the operationalisation of the LLF as a vehicle for this process
Normalising and stabilising the labour relations climate	▶	Resuscitate the Management Committee/Trade Union Forum with scheduled meetings to promote employee participation and workplace democracy and rebuild trust relationship between labour and employer components.
Tools of the trade needed	▶	Budgetary provision to be facilitated

#### **4. Priority Areas**

- (i) Review of organisational structure.
- (ii) Finalisation of Staff Placement Process.
- (iii) Identification and filling of critical positions, especially technical.
- (iv) Councillor and Management leadership and general development programme.
- (v) Develop and implement an AIDS policy and programme.
- (vi) IT connection for Mthatha-Mqanduli
- (vii) Development of outstanding HR policies
- (viii) Skills auditing and Employee capacitation.

## **CHAPTER 4 : Audited Financial Statements & Other Related Financial Information**

### **Annual Financial Statements**

Due to the complexity and the requirements of GRAP compliant Annual Financial Statements the KSD Municipality was only able to submit the GRAP statements to the Auditor General on the 15th September 2006.

The Auditor General's Office commenced the audit in January 2007 with the audit report to be received in March 2007.

### **Performance Audit by the Auditor General**

This report has yet to be completed by the Auditor General's Office and is to be received at the same time the audit report on the Annual Financial Statements is received.

### **King Sabata Dalindyebo Municipality: Audit Committee**

Schedule of meetings and attendances as well as list of members and their appointment dates.

DATE OF MEETING	MEMBERS PRESENT	APOLOGIES
1. 21 <sup>st</sup> November 2005	All present	None
2. 7 <sup>th</sup> March 2006	All present	None
3. 2 <sup>nd</sup> May 2006	All present	None
4. 10 <sup>th</sup> May 2006	All present	None
5. 17 <sup>th</sup> May 2006	All present	None
6. 1 <sup>st</sup> August 2006	All present	None
7. 30 <sup>th</sup> August 2006	All present	None
8. 27 <sup>th</sup> October 2007	All present	None

POSITION	NAME
1. Chairman Audit Committee	Mr W.Z. Yako
2. Member Audit Committee	Mr E. M Makiwane
3. Member Audit Committee	Mrs E. Matutu
They were appointed on the 01 <sup>st</sup> July 2005 and their term will in June 2007	

## CHAPTER 5: Functional Service Delivery Reporting

KSD Municipality General Information			
Reporting Level	Detail	Total	
Overview:	The King Sabata Dalindyebo Local Municipality was established in December 2000 and it is comprised of four (40 amalgamated entities, comprised of both Mthatha and Mqanduli urban and rural magisterial areas. Its first IDP was adopted in My 2002 and has been subsequently reviewed in the succeeding year.		
1	Geography: Geographical area in square kilometres	3,019	
2	Demography: Total population	4,155,233	
	Male	1,879,670	
	Female	2,275,563	
3	Indigent Population Households living below minimum living level of R1500 per month.	88% of Households	
4	Total number of voters	178,964	
5	Aged breakdown: - 65 years and over - between 40 and 64 years - between 15 and 39 years - 14 years and under	177,500 583,060 1,619,150 1,775,523	
6	Household income: - over R6,400 per month - between R3,201 and R6,400 per month - between R1,601 and R3,200 per month - under R1,600 per month	3,839 144,797 250,025 385,345	
7	Employment:		
	Employed	<u>Male</u> 43,560	<u>Female</u> 50,736
	Unemployed	84,111	96,026
	Not economically active	225,225	340,389
	Information taken from 2001 census		

<b>Function:</b>	<b>Executive and Council</b>		
<b>Sub Function:</b>	N/A		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
Overview:	The Executive and Council function is responsible for linking the community, the other spheres of government, and the staff of the Municipality into a common and co-ordinated direction that achieves the outcomes as documented in the integrated development plan. The Municipal Manager's office is responsible for the co-ordination of the Municipalities work force in assisting with this process.		
Description of the Activity:	<p>The function of executive and council within the municipality is administered as follows and includes:</p> <p>The municipality is administered through a committee structure that includes ward committees, as well as standing committees of planning, social and economic development, public safety, community services, infrastructure, corporate services and finance.</p> <p>The functions undertaken include infrastructure, community services, development planning, public safety, corporate services, and finance, but do not include education, health services, and welfare which reside within the jurisdiction of the provincial government. The municipality has a mandate to: Alleviate poverty in the area and to improve the quality of life for all residents.</p> <p>The strategic objectives of this function are to: Develop a co-ordinated and integrated approach to planning and budgeting so that resources are applied to this objective in an effective and efficient manner.</p> <p>The key issues for 2005/06: The adoption of an integrated development plan linked to a 3 year budget within the adopted timeframe.</p>		
Analysis of the Function:	<p>Statistical Information</p> <p>1 Councillor detail: Total number of Councillors 64 Number of Councillors on Executive Committee 8</p> <p>2 Ward detail: Total number of Wards 32</p> <p>3 Council and Committee meetings: Ordinary meetings 6 Special meetings 6</p>		

Committee meetings:	
Standing Finance Committee	6
Standing Corporate Services Committee	1
Standing Local and Economic Development Committee	3
Standing Community Services Committee	6
Standing Public Safety Committee	4
Standing Infrastructure Committee	5
Standing Social and Economic Development Committee	3

Reporting Level	Detail	Total
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Key Performance Areas	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i>Multi year budgeting</i>	<i>A 3 year budget adopted by council that is modeled on standards contained in the Municipal Finance Management Act</i>	<i>Adopted 1 June 2005</i>	<i>Adopt by 1 June 2005</i>
<i>Integrated Development Plan</i>	<i>An integrated development plan that outlines the planning direction of council for 5 years has been adopted.</i>	<i>Adopted August 2005</i>	<i>Adopt prior to 30 June 2005</i>
<i>Service Delivery and Budget Implementation Plan</i>	<i>The Municipal Finance Management Act requires the Executive Mayor to approve the Service Delivery and Budget Implementation Plan 28 days after council has adopted the budget.</i>	<i>Approved 28 June 2005</i>	<i>Approved 28 days after budget adopted</i>
<i>Community Consultations</i>	<i>The council held community meetings throughout the wards prior to the IDP and budget preparation, to ensure that there is a general consensus as to the direction the development of the municipality should take.</i>	<i>Meetings held at all planned locations</i>	<i>Meetings held as per adopted timeframe</i>
<i>Council meetings</i>	<i>During the year the council held 6 ordinary meetings and 6 special meetings.</i>	<i>12 meetings</i>	<i>12 meetings</i>

<b>Function:</b>	<b>Finance and Administration</b>		
<b>Sub Function:</b>	<b>Finance</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
Overview:	The Finance and Asset Management Department is primarily concerned with implementing the financial aspects of the Municipal Finance Reform Programme currently being introduced in South Africa. The reform programme places significant emphasis on building strong management capacity; developing budgetary planning, implementation and control; more effective and consistent approaches to accounting reporting and financial performance measurement; Adoption of Generally Recognised Accounting Policies (GRAP).		
Description of the Activity:	<p>The department is managed by the Chief Financial Officer (CFO) who is directly responsible to the Municipal Manager. General Managers and Managers have responsibility for allocated finance functions and report directly to the CFO.</p> <p>The department has responsibility for managing the finances of the municipality, asset management, developing multi-year budgets, producing internal and external reports, and assisting the Municipal Manager implement the municipal finance reform program.</p> <p>The strategic objectives of the finance function are:</p> <p>Prepare a credible 3 year budget that is linked to the Integrated Development Plan (IDP). Build capacity within the department so as to have an adequate skills base to implement the municipal finance reform programme. Preparation of annual financial statements in the GRAP format.</p> <p>The key issues for 2005/06 have been:</p> <p>Adhering to the adopted timeframe for budget and IDP preparation</p> <p>Preparing the way for the implementation of the Municipal Finance Management Act.</p> <p>Developing financial systems that are GRAP compliant.</p> <p>The administration of the consumer debtors.</p>		
Analysis of Function:	1 Creditors Payments: Average number of creditors paid monthly		



	as well as the average monthly amount creditors raised for the 2005/2006 financial year.	458	\$23.4 million
2	Number of Creditors Debtors Number of Accounts  Billings - Rates Refuse Electricity Rentals	10,375	57,006,800 35,847,900 45,893,800 10,702,400 <b>149,450,900</b>
3	Debtors Receipts – Rates Refuse Electricity Rentals		50,541,800 5,848,500 80,768,900 3,221,000 <b>140,380,200</b>
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<i>Multi-year budget</i>	<i>A three year budget was completed for the 2005/2006 financial year that complied with the Municipal Finance Management Act for the most part.</i>	<i>Completed in May</i>	<i>Completion in May</i>
<i>Capacity building</i>	<i>During the 2004/2005 year two qualified accounting staff were appointed to key positions within the Finance Department; a further two interns were employed in the 2005 financial year. Delegations to be issued by the CFO to the Head of the Budget and Treasury Office.</i>	<i>Budget and Treasury Office is now functional</i>	<i>Establishment of the Budget and Treasury Office</i>
<i>Asset management</i>	<i>During the year the establishment of an asset register continued to be worked upon. At this time only locally funded assets are recorded; externally funded assets will require to be identified, valued and introduced into the system.</i>	<i>Asset register incomplete - externally funded assets to be included.</i>	<i>Completion of asset register including valuation 2008</i>
<i>GRAP Implementation</i>	<i>A set of annual financial statements for the 2006 financial year were produced in the GRAP format, a number of further developments are required for the municipality to prepare annual financial statements in the GRAP format.</i>	<i>Additional work to move from GAMAP to GRAP</i>	<i>GRAP Compliant by 2006</i>
<i>Reporting</i>	<i>The bank reconciliation is completed by the 10th of each month and reports are made available for council and departments. External reporting to National Treasury on a monthly basis has commenced.</i>	<i>Monthly cycle developed</i>	<i>Maintain reporting cycle</i>

Function: Finance and Administration			
Sub Function: Human Resources			
Reporting Level	Detail	Total	
Overview:	This function has the responsibility of implementing and co-ordinating the human resource function of the municipality in a manner that is consistent with current legislation, existing collective agreements, and the human resource policy manual adopted by council.		
Description of the Activity:	<p>The function is administered by the Director of Corporate Services who is directly responsible to the Municipal Manager for the recruitment, selection, and induction of employees. The department has an ongoing monitoring role in taking all reasonable steps to ensure that employees comply with the provisions of the human resource policy manual. The strategic objectives of this function are to:</p> <p>Develop and implement appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration, in accordance with existing legislation.</p> <p>Administer the payment of remuneration in accordance with conditions of employment.</p> <p>Institute relevant training and development opportunities for employees.</p> <p>Introduce occupational health and work place safety standards.</p> <p>The key issues for 2005/06 have been:</p> <p>A major challenge for the municipality continues to be the difficulty in attracting people with the rights skills and experience to relocate to Mthatha for employment with the municipality.</p> <p>To keep employment costs within the limits of departmental budgets.</p>		
Analysis of the Function:	<p>Number and cost to employer of all municipal staff employed:</p> <ul style="list-style-type: none"> <li>- Managers</li> <li>- Supervisors</li> <li>- Clerical</li> <li>- General Workers</li> <li>- Total</li> </ul>	<p>Numbers</p> <p>30</p> <p>124</p> <p>519</p> <p>442</p> <p><b>1,115</b></p>	<p>R (000s)</p> <p>17,374</p> <p>35,967</p> <p>58,926</p> <p>25,114</p> <p><b>137,381</b></p>
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
Community Skilling	Training courses have been held in skills to manage local economic development and poverty alleviation. The skills range from basic literacy and numeracy to business and finance skills.	Ongoing	Ongoing
Performance Agreements	Performance agreements were finalized for all top managers in 2005 but no agreements were concluded for the 2006/07 financial year.		June '07
Workplace Skills	During the year the Council adopted the Workplace Skills Plan and work is underway on the HIV/AIDS	2005/06	Jun 07

Plan and HIV/Aids policies Performance Mgmt System	policy.  The performance management framework is in place and the system is due to be finalised at the end of June 2007	Sep-06	Jun-07
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<b>Function:</b>	<b>Finance and Administration</b>		
<b>Sub Function:</b>	<b>Procurement</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	

Overview:	Council approved a procurement policy on the 15 September 2005; this policy is currently being amended to comply with the Municipal Finance Management Act (MFMA) while the composition of the tender committee was established in September 2005 to comply the MFMA. The tender committees are to comprise of officials with council receiving reports from the accounting officer to enable council to perform its oversight function. The revised procurement policy and the code of ethics are to be considered in the 2007/2008 financial year. The Procurement Officer who is to head up the Supply Chain Mgmt Unit has been appointed.		
Description of the Activity:	<p>Currently the tender committee meets monthly and has adopted procurement practices that relate to tender information, documentation, invitation and evaluation, acquisition of materials and payment cycles. The departments are responsible for initiating the tender process and preparing appropriate documentation for the tender committee to consider, and are ultimately responsible for the implementation and monitoring aspects of the contract. With the new policy these practices may be varied.</p> <p>The strategic objectives of this function are to:  <i>Develop a system of supply chain management that is fair, equitable, transparent, competitive and cost effective.</i>  <i>As far as practical to contract supplies within the KSD Municipality so as to encourage economic activity and employment.</i>  <i>Develop good contractual and healthy working relationships with suppliers so as to minimise delays in implementation.</i></p> <p>The key issues for 2005/06:  <i>Preparing a procurement policy that is consistent with the MFMA and meets the needs of the municipality.</i>  <i>Employment of staff capable of administering the policy.</i>  <i>To develop a system of supply chain management that does not hinder or impede service delivery to</i></p>		

	<i>the rural areas of the district.</i>		
Analysis of the Function:	1 Details of tender / procurement activities: - Total number of times that tender committee met during year - Total number of tenders considered - Total number of tenders approved - Average time taken from tender advertisement to award of tender	15 221 12 6 weeks	
	2 Details of tender committee: Mr. K. Gashi CFO - Chairperson Mr. M. Ndzoyiba – Director Public Safety Mr. V Gwadiso – GM Infrastructure Mr. B. Sparg – Director of Infrastructure Mr M Belibesi – Manager of Assets Mr N Ngadli – Administration Officer Ms N Mzozoyane – Senior Accountant N. Mjali – Senior Clerk V Siga – Acting SCM  <i>Note: From 1 July 2004 Councillors were excluded from the committee.</i>		
<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<i>Procurement Policy</i>	<i>Adopted by council as an interim working document. Revised policy to be considered at the September 2005 meeting.</i>	<i>September 2005</i>	<i>September 2005</i>
<i>Transparency</i>	<i>The issues and benefits of transparency in the administration of this policy have been emphasised</i>	<i>Documents and outcomes available to all tenderers</i>	
<i>Regular Meetings</i>	<i>Meetings are held bi-weekly</i>	<i>Bi-weekly</i>	<i>Considering twice monthly</i>
<i>Reconstruction and Dev Programme, and Emerging Contractors</i>	<i>The constraints of access to finance, lack of markets and management skills, and unsupportive institutional arrangements as outlined in the RDP have not been considered to date during the supply chain management process.</i>	<i>2007/2008</i>	<i>July 2007</i>
<i>Cost Effective Services</i>	<i>The council is mindful of the need to strike a balance between the application of the preferential procurement policy and at the same time provide cost effective services to the taxpayer</i>	<i>Guidelines to measure require to be developed</i>	<i>A significant increase in private sector activity</i>
<i>Staffing</i>	<i>Procurement Officer and assistant appointed to head up the Supply Chain MGMT Unit</i>	<i>May 2004</i>	<i>May 2004</i>

Function: Community and Social Services			
Sub Function: All inclusive			
Reporting Level	Detail	Total	
Overview:	Includes all activities associated with the provision of community and social services		
Description of the Activity:	<p>The function of the provision of various community and social services within the municipality is administered as follows and includes:</p> <p><i>The function is administered by the municipality working in partnership with the district municipality.</i></p> <p><i>Funding of projects and management of expenditure.</i></p> <p><i>Planning and coordinating of capital projects identified by the municipality and the provincial government.</i></p> <p><i>Becoming responsible for operational and maintenance issues of capital projects transferred to the municipality.</i></p> <p>The municipality has a mandate to:</p> <p><i>Work closely with the communities in identifying projects and coordinating available resources from all spheres of government in the construction process.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Work closely with the ward committees in the provision of community and social services so as to improve the quality of life for residents in the district.</i></p> <p>The key issues for 2005/06 are:</p> <p><i>Building capacity within the municipality</i></p> <p><i>Working with to ensure timeframes for implementation are met</i></p> <p><i>Attracting appropriate and adequate resources to each project.</i></p>		
1	- Libraries	5	
	- Other community halls/facilities	4	
	- Cemeteries and crematoriums	4	
	- Swimming baths	2	
	- Sporting facilities (specify)	4	
	- Parks	3	
2	Number and cost to employer of all personnel associated with each community services capital function:	Number	R(000s)
	- Library services	11	3,080
	- Other community halls/facilities	10	2,800
	- Cemeteries and crematoriums	24	6,720
	- Swimming baths	3	840
	- Public toilets	24	6,320
	- Sporting facilities	6	1,680
	- Parks	59	16,521
3	Total operating cost of community and social services function		48,901

<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<i>Strategic Planning and Fund Management</i>	<i>Capital projects completed within the approved timeframe Capital projects completed within the approved budget</i>	<i>95%</i> <i>100%</i>	<i>100%</i> <i>100%</i>
<i>Application of Funds</i>	<i>During the applicable year the municipality has committed large sums of money in rand towards purchasing of additional refuse bins, 2 vehicles, brush cutters, ride on mowers, refuse bags, PPE for uniformed staff, stand by generator for clinics, fencing of main library, extension of Norwood clinic, relocation and improvement of Norwood library, additional library materials including 3 computers, additional medical equipment for clinics and creation of new clinic in Southernwood, filling of critical positions, provision of life saving duties, pauper burials, pound management as well as attending to minor repairs to a number of municipal amenities</i>	<i>Ongoing</i>	<i>Ongoing</i>
<i>Community Facilities</i>	<i>This comprises list of facilities as outlined above. More facilities need to be developed, as there are areas within the municipality with none. More resources need to be devoted towards the maintenance of existing facilities to prevent further deterioration.</i>	<i>Ongoing</i>	<i>Ongoing</i>
<i>Co-operative relationships</i>	<i>As this function is shared among the three spheres of government, it is necessary to develop and maintain a positive working relationship with all groups including the community. Of relevance here are the sporting facilities, the library and the City hall (monumental building)</i>	<i>Ongoing</i>	<i>Ongoing</i>

Function:	Health		
Sub Function:	Clinics		
Reporting Level	Detail	Totals	

Overview:	Includes all activities associated with the provision of health		
Description of the Activity:	<p>The function for the provision of community health clinics within the municipality is administered as follows and includes:</p> <p><i>The provision of primary health services is the primary responsibility of the Provincial health department; in addition, the KSD local municipality has four health care facilities that it operates in the Mthatha area through a service level agreement (SLA) with Province that subsidizes costs for the running of the service. The district municipality has responsibility for municipal health services. KSD does however run the service on behalf of the district municipality even though no Service Level Agreement is in place yet.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Ensure to public that equitable, affordable and accessible primary health services including HIV/AIDS testing and counseling are provided and ensure that environmental conditions that may have a detrimental effect to the health of the people are prevented, controlled and mitigated. The licensing of business operations especially food handling, attending to nuisance complaints from members of the public and assist with food borne and other epidemiological investigations, food and water sampling as well as control of food vending within the area of the municipality including awareness raising on matters affecting good hygiene practices.</i></p> <p>The key issues for 2005/06 are:</p> <p><i>Building new health facilities, extending and maintaining existing ones as well as ensuring that they are fully resourced. Maintaining good administration of the health care facilities through liaison with province and ensure management and reporting to province in terms of the signed SLA. Ensuring that all business operations have valid trading licenses in terms of the Business Act of 1991 and ensuring strict compliance with the minimum health standards in terms of both the Health Act and the FCD Act and applicable regulations made under the respective Acts.</i></p> <p><i>Statistical Information</i></p>		
Analysis of Function:	<p>1 Number and cost to employer of all health personnel:</p> <ul style="list-style-type: none"> <li>- Professional (Doctors/Specialists)</li> <li>- Professional (Nurses/Aides)</li> </ul> <p>2 Number, cost of public, private clinics servicing population:</p>	<p>3</p> <p>77</p>	<p>R (000s)</p> <p>Nil</p> <p>Nil</p> <p>R (000s)</p>

	- Public Clinics (owned by municipality)	3	
	- Private Clinics (owned by private, fees based)	37	
3	Total annual patient head count for service provided by the municipality: - all ages	34,800	
4	Estimated backlog in number of and costs to build clinics:	2	R (000s)
5	Type and number of grants and subsidies received: <i>Primary health and municipal health services</i>		R (000s) 12,000
6	Total operating cost of health (clinic) function:		12,000



Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i>Community Support</i>	<i>The KSD municipality has been working with the District municipality in the provision and training of Community health Workers including Community health givers seconded by Province to the Health centers. Other support comes in the form of additional Nursing staff, Pharmacist and one Doctor. Identification of Health posts (assisting ward councilors). Extension of Ngangelizwe maternity wing (drawings) and extension of Norwood civic center, acquisition of stand by generator for the 24-hour health facility. Awareness programs including TB, HIV/AIDS, Cancer and Diabetes. Conversion and building of a fully fledged VCT centre next to Ngangelizwe clinic</i>	<i>Ongoing 24</i>	<i>Ongoing</i>
<i>District Aids Council</i>	<i>KSD is a participating member of the District and Local Aids Council</i>	<i>Ongoing</i>	<i>Ongoing</i>
<i>HIV / Aids</i>	<i>Awareness programs in conjunction with LAC and DAC</i>	<i>Ongoing</i>	<i>Ongoing</i>
<i>People receiving ARVs</i>	<i>Access to ARVs still low when compared to the rate of infection</i>	<i>322</i>	<i>Ongoing</i>

<b>Function:</b>	<b>Planning and Development</b>	
<b>Sub Function:</b>	<b>Economic Development</b>	
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>

Overview:	Includes all activities associated with economic development initiatives		
Description of the Activity:	<p>The function of economic planning / development within the municipality is administered as follows and includes:</p> <p><i>The administrative head of the department is Director: Planning, Social &amp; Economic Development who reports directly to the Municipal Manager. The department has seven units – IDP, Tourism, SMME, Business Licensing, LED, SPU, Social Development,</i></p> <p><i>IDP</i>  <i>The Integrated Development Planning is responsible for land use planning and management, , facilitate and coordinate the IDP at local level, align IDP with Municipality Budget and Municipality Programmes with Sector Departments i.e. Project Consolidate, PGDP, etc and programmes executed by other organs of state and the budgeting thereof and monitoring and evaluation of the IDP implementation.</i></p> <p><i>Also responsible for providing an integrated and comprehensive data/ information system to be used in the provision of effective social, economic, and infrastructure development. The unit is also required to provide assistance to the local municipalities</i></p> <p><i>TOURISM</i>  <i>Tourism is responsible for developing and promoting tourism in KSD, marketing and branding of KSD, attracting tourists, facilitate the implementation of tourist user-friendly master plan.</i></p> <p><i>SMME</i>  <i>Attracting adequate funding for these activities as not all are able to be funded internally.</i></p> <p><i>Alleviate poverty through increased vegetable production by community gardens.</i></p> <p><i>Reduce dependency on the state grants and promote self sufficiency</i></p> <p><i>Develop business skills and encourage small business Building capacity of, and developing emerging businesses to manage the diverse activities within the business sector. Attracting adequate funding for these activities as not all are able to be funded internally.</i></p> <p><i>LED</i>  <i>The Local Economic Development Unit is responsible for implementing and monitoring LED community projects, assisting with the establishment of small business, assist with the integrated and uniform approach to agricultural, business development, alleviate poverty through increased production vegetable community gardens, and other poverty alleviation or income generating projects</i></p> <p><i>Attracting adequate funding for these activities as not all are able to be funded internally.</i></p>		

<p><i>SOCIAL DEVELOPMENT</i></p> <p><i>BUSINESS LICENSING</i></p>	<p><i>The Social Development Unit is responsible for ensuring effective and meaningful community and public participation in the development of Social related programmes such as Arts, Sport, and Culture &amp; Heritage to be implemented by the KSD municipality.</i></p> <p><i>It is propose that the fee structure for Business Licenses be reviewed and this has been necessitated by the fact that the costs of processing business licensing applications and the issuing thereof far exceed the income collected from business licensing. It has also been observed that the regulatory framework for business licensing is not in line with the present day requirements and this is necessitating the review of all By-Laws relating to business activities.</i></p> <p><i>The strategic objectives of this function are to:</i></p> <p><i>Alleviate poverty through increased production of meat and vegetables</i></p> <p><i>Reduce dependency on the state and increase self sufficiency</i></p> <p><i>Develop business skills and encourage small business</i></p> <p><i>Develop the tourism potential in the district in a coordinated manner</i></p> <p><i>Resolve land issues and increase low cost housing delivery</i></p> <p><i>The key issues for 2005/06 are:</i></p> <p><i>Building capacity within the department and developing staff to manage the diverse activities within this department.</i></p> <p><i>Attracting adequate funding for these activities as not all are able to be funded internally.</i></p> <p><i>Maintaining a district wide coordinated approach to development and retaining staff with the necessary skills as well as allocating resources to train others.</i></p> <p><i>Clarification of roles between District Municipality and Ntinga</i></p> <p><i>Land ownership and the development of roads to projects</i></p>		
<p>Function Analysis</p>	<p>Number and cost to employer of all economic development personnel:</p> <ul style="list-style-type: none"> <li>- Professional (Directors / Managers)</li> <li>- Non-professional (Clerical / Administrative)</li> <li>- Temporary</li> <li>- Contract</li> </ul> <p>2 Detail and cost of incentives for business investment:</p> <p><i>Investment incentives were not offered by the municipality.</i></p> <p>3 Detail and cost of other urban renewal strategies:</p> <p><i>A district planning committee has been established.</i></p> <p>4 Detail and cost of other rural development strategies:</p> <p><i>An established LED forum functioning at the district and local levels.</i></p>	<p>2</p> <p>13</p> <p>Nil</p> <p>2</p>	<p><i>R (000s)</i></p> <p><i>608</i></p> <p><i>2,720</i></p> <p><i>Nil</i></p> <p><i>1089</i></p> <p><i>R (000s)</i></p> <p><i>Nil</i></p> <p><i>R (000s)</i></p> <p><i>Nil</i></p> <p><i>R (000s)</i></p> <p><i>Nil</i></p>

5	Number of people employed through job creation schemes:		
	- Short-term employment	2154	
	- Long-term employment	520	
6	Number and cost to employer of all Building Inspectors employed:		<i>R (000s)</i>
	- Number of Building Inspectors	2	314
	- Permanent	2	314
	- Contract		
6	Details of building plans:		
	- Number of building plans approved	15	
	- Value of building plans approved	R22 million	
7	Type and number of grants and subsidies received:		<i>R (000s)</i>
	<i>Provincial Grant for the IDP Review Process</i>	1	370
	<i>Provincial Grant for LED Projects</i>	1	300

<b>Key Performance Area</b>	<b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
<i>Economic Development</i>	<i>A first draft of the Spatial Development Framework has been produced for the district and two local municipalities.</i>	<i>June 2005</i>	<i>June 2005</i>
	<i>Approval received from the provincial department for the valuations in the King Sabata Dalindyebo local municipality to be undertaken.</i>	<i>June 2007</i>	<i>June 2006</i>
	<i>IDP reviewed and adopted</i>	<i>May 2006</i>	<i>June 2006</i>
<i>Geographic Information Systems</i>	<i>A draft Geographic Information System policy has been submitted to the Standing Committee for consideration.</i>	<i>June 2005</i>	<i>June 2005</i>
<i>Institutional and Social Development</i>	<i>Geographic Information Systems (GIS) applications are now on the desktop of all users and mapping and project data is available.</i>	<i>June 2005</i>	<i>June 2005</i>
	<i>Public Participation Policy Formulation processes are being planned and due to be finalized by 2006 Planned. All Projects Implemented have had a local steering committee</i>	<i>June 2005</i>	<i>June 2006</i>

<b>Function:</b>	<b>Housing</b>	
<b>Sub Function:</b>	<b>N/A</b>	
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>

Overview:	Includes all activities associated with the provision of housing leading to an improvement in the quality of life for residents of the district.		
Description of the Activity:	<p>The function of provision of housing within the municipality is administered as follows and includes:</p> <p>For this financial year the activity has been led by the provincial Department of Local Government and Housing, working closely with the district and local municipalities and the communities who supply labour.</p> <p><b>The strategic objectives of this function are to:</b> Working in close cooperation with all spheres of government to provide adequate and sustainable housing with related planning, security, and services including:</p> <p>Providing beneficiary communities with technical, financial, and administrative support.</p> <p>Assisting beneficiaries to secure land tenure. Planning settlements. Assisting beneficiaries to complete application forms and building agreements. Preparing project applications for approval. Assisting beneficiaries with house design. Providing advice on the acquisition of building materials.</p> <p><b>The key issues for 2005/06 are:</b> The planning and coordination of all identified, approved, and funded housing projects in KSD (urban)</p> <p>Improvement in working relationships between the municipality and the provincial department. Late advice of budget allocations each year.</p> <p>Non representation of municipalities on the Task Evaluation Team. The subsidy quantum has not increased in relation to building costs.</p> <p>Capacity problems in municipalities, poor standard of work and inactive community participation.</p> <p>Delays in signing agreements for projects and unclear procedures with regard to the project</p>		

processes and application cycles.

Provincial norms and standards (NHBRC and SABS approved material) do not align with the available budget.

Fixed rates on services irrespective of the prevailing conditions.

Analysis of the Function:	<i>Statistical Information</i>		
1	Number and cost of all personnel associated with provision of municipal housing: - Professional (Architects/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract	<i>Nil</i> <i>Nil</i> 3 <i>Nil</i> <i>Nil</i> <i>Nil</i>	<i>R (000s)</i> <i>Nil</i> <i>Nil</i> 340 <i>Nil</i> <i>Nil</i> <i>Nil</i>
2	Number and total value of housing projects planned and current: - Current (financial year after year reported on) - Planned (future years)	4 4	<i>R (000s)</i> 443 48,757
3	Total type, number and value of housing provided:		<i>R (000s)</i>
4	<i>Low cost subsidised housing</i> Estimated backlog in number of (and costs to build) housing: Low cost subsidised housing	60 18,396	564,020 R(000s)
5	Type of habitat breakdown: - number of people living in a house or brick structure - number of people living in a traditional dwelling	200,829 200,829 13,342	671,000
6	- number of people living in an informal dwelling or shack	4	R(000s) 1,685
7	Type and number of grants and subsidies received: - Department of Local Government & Traditional Affairs		1,322,905
<b>Key Performance Area</b>	<b>Total operating cost of housing function</b> <b>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</b>	<b>Current</b>	<b>Target</b>
Houses Completed	During the year 60 houses were built.	100%	100%
Planning and Coordination	Work has commenced with Department to speed up housing delivery by forming partnership with Thubelisha	5%	5%



<b>Function:</b>	<b>Road Transport</b>		
<b>Sub Function:</b>	<b>Roads</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	<b>Cost</b>

Overview	INFRASTRUCTURE DEPARTMENT is responsible for the following Roads & Works Electricity Housing Planning – Land use Mechanical workshop/ Project Management Unit	Klms	R(000)s R(000)s
<b>Function</b>	The administration head of the department is the Director Infrastructure who reports to the Municipal Manager. The department has six units. <b>ROADS</b>		
Overview	The categories of roads in the municipality are summarised as follows:- District 450km access 750km. The National Road consists of the N2 and R61. Trunk road is from N2 to Coffee Bay and Mthatha to Qokolweni. Most of the network of paved and gravel roads is in poor condition and this year there has been a continuance of planning and coordination of interventions by all spheres of government. The City of Mthatha has 120km of monthly surfaced roads in poor conditions Mqanduli has 25km of roads.	210	<b>25 500</b>
Description of the Activity:	The road maintenance and construction responsibilities of the municipality are administered as follows and include:  The administrative head of the department is the Manager of infrastructure who reports directly to the Municipal Manager. The operational unit of the department is headed by an Assistant Manager who in turn reports to the Manager of infrastructure. The municipality is responsible for the coordination and planning of work carried out on the district and access roads.  These services extend to include upgrading and maintenance of all access roads, but do not take account of national and main roads which resides within the jurisdiction of national and provincial government departments. The municipality has a mandate to:  Work with all spheres of government and local municipalities in the district to provide a road network that improves the quality of life for all	Total	<b>Cost</b>

people.

The strategic objectives of this function are to:

Encourage greater local economic development, reduce unemployment and alleviate poverty, provide access to remote communities so housing, water and sanitation, electricity, and communications can be provided, develop tourism and related economic activity.

The key issues for 2005/06 are:

210kms of access roads have been constructed in 04/05 however they need to be maintained and the estimated funding required for this R7,5M per year. No funding is provided for rural access road maintenance.

Analysis of the Function	Statistical Information		
1	Number and cost to employer of all personnel associated with road maintenance and construction:		R(000s)
		Nil	Nil
	-Professional (Engineers/Consultants)	Nil	180
	-Technician	1	155
	-Field (Supervisors/Foremen)	46	5941
	-Non-professional (blue collar, outside workforce)	Nil	N
	-Temporary	Nil	N
	-Contract		
2	Total number, kilometres and total value of road projects planned and current:		R(000s)
		2,5	5500
	- New bituminised (number)	Nil	Nil
	-Existing re-tarred (number)	110km	18, 500
	-New gravel (number)		
3	Total kilometres and maintenance cost associated with existing roads provided		R(000s)
	-Tar	9	4500
	-Gravel	25	600
4	Average frequency and cost of re-tarring sealing		
	-Tar	Nil	Nil
	-Gravel	Quarterly	Nil
5	Estimated backlog in number of roads, showing kilometres and capital cost		
	-Tar	Vast areas in the Municipality still not accessible	Nil
	-Gravel		
6	Type and number of grants and subsidies received:		R000s)
	MIG Capital Grant		13 600
	Equitable Share		2 000
	Nil		Nil
7	Integrated Transport Plan Grant		12 644
	Total operating cost of road construction and maintenance function		
<b>Key Performance Area</b>	<b>Performance during the Year, Performance Targets Against Actual Achieved and Plans to improve Performance</b>	<b>Current</b>	<b>Target</b>
Maintenance Plan	The roads maintenance plan for the Municipality being undertaken	15%	15%
Road Construction	All projects completed on time and within budget	100%	100%
Access Roads		100%	100%
Access Roads	Construction 210km		

FUNCTION : ELECTRICITY			
Reporting Level	Detail	Total	
Overview	The Administration Head of the Division is the Director Infrastructure. The Electrical Engineer report to the Director.		
Overview	The Division is responsible for the supply of electricity to Mthatha only. Eskom is the supply authority in Mqanduli and in the rural areas of KSD Municipality. This Division is responsible for planning operation and maintenance of the system.		
Description of the Activity	Responsible for 04M of three 66/11 kv H.V. substations, M.V. 11kv substations, reticulation street lighting, robots and metering. Mthatha has 17000 domestic and commercial customers. The demand for Mthatha is 37 MW.		
	<p>The key issues for 2005/2006 was to plan for the upgrading of the system both the bulk supply 66kv and the 11kv system to ensure quality service to our customer and to meet the expected future demand for planned developments. New Hillcrest 66/11kv substation was planned including new 66kv supply line to connect new substation to the bulk system. Estimated Cost R32M. DME did approve business plan for implementation in 06/07.</p> <p>Plan was also completed to upgrade protection systems R7,5M over 3 years. Subsidy Housing Townships and informed areas were provided with correction. Funding from DME</p>		
Analysis of Function	<p>Statistical information</p> <p>Number of employees associated with the maintenance and operation of Electrical Division.</p> <p>Electrical Engineer</p> <p>Superintendents</p> <p>Foreman</p> <p>Artisans and support staff</p> <p>New connections</p>	<p>1</p> <p>2</p> <p>3</p> <p>55</p> <p>800</p>	<p>300</p> <p>350</p> <p>450</p> <p>7800</p> <p>3200</p>

Key Performance Area	Performance during the year	Current	Target
Low income house connection	800 connections done		
Planning	66/11kv Business Plan preparation.	100%	100%
	Upgrade 11 medium voltage protection system Business Plan	100%	100%
		100%	100%

<b>FUNCTION: PROJECT MANAGEMENT UNIT</b>			
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
Overview	The PMU responsibilities is to implement and manage KSD Municipality Municipal Infrastructure Grant (MIG)		R(000s)
Description of the activity	To identify projects from the I.D.P. that meet MIG criteria. To assist to prioritise projects. To prepare Business Plans and register projects. To manage procurement of Consultants to prepare Tender Documents. To implement and manage projects (both consultants and contractors). To approve monthly progress payments and quality control. To take over projects on completion. Budget for 05/06 was R13,69M		
Analysis of Function	Technician	1	300
	Project Accountant	1	175
	Clerk	1	75
		9	R13,697
	Projects Implemented		
<b>Key Performance Area</b>	<b>Performance during the year</b>	<b>Current</b>	<b>Target</b>
Planning and coordination	To prepare Three Year Capital Plan	100%	100%
	To start committing projects for future financial year.	80%	80%
	To complete 05/06 capital projects and spend budget.	100%	100%

FUNCTION ANALYSIS: DEVELOPMENT PLANNING			
Reporting level	Detail	Total	
Overview	<p>The function of planning within the Municipality is administered as follows and includes:-</p> <ul style="list-style-type: none"> <li>- The Administrative Head is the Manager; Development Planning who currently reports directly to the Director Infrastructure. The Division has 4 units – Forward Planning, Development Control, Building Control and GIS.</li> <li>- The Forward Planning Unit is responsible for the compilation of all strategic plans including spatial development frameworks and land use management plans and their alignment with the IDP.</li> <li>- The Development Control Unit is responsible for the implementation of the strategic plans and policies as adopted by Council including processing of all land use management applications (e.g. subdivisions) rezoning, special consents, building plan evaluation etc.</li> <li>- The Building Control Unit is responsible for the processing of all building plan submissions to final approval, the monitoring of all building construction to occupation and the implementation of Council policies(including signage and container placement).</li> </ul> <p>The G/S Unit is responsible for the introduction, integration and monitoring of all land use management data (electronic) into the Council's MIS.</p>		
Objective	<p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> <li>- To facilitate co-ordinal and harmonious Development throughout the Municipal Area including alignment with other Municipal plans in the region.</li> </ul>		

	<ul style="list-style-type: none"> <li>- Provide an Land information service to the community at large</li> <li>- Create an environment for sustainable and economic development.</li> </ul> <p>Key Issues 2005/2006</p> <ul style="list-style-type: none"> <li>- Build capacity to be able to cope with increased economic activity.</li> <li>- To reduce application backlogs</li> <li>- To maintain investor interest in growing the local economic without compromising the future.</li> <li>- To reduce housing shortage</li> <li>- Prepare business plan and funding applications for KSDM Spatial Development Framework + Procure Service Providers.</li> <li>- Prepare business plan and funding applications for Coffee Bay Regional Spatial Development Framework and procure service providers</li> </ul>		
Key Performance Areas	Prepare business plan and cured part funding for implementation of GIS	July 05 July 05 July 05	June 06 June 06 June 06
<u>Planning</u>  <b>Professional</b>  <b>Non-professional</b>	Number and cost of employees to employer of Development Planning Director  (Managers)  (Administrative)  (Managers)  (Admin	3  1  4  1	846    1351
<u>Building Control</u> <b>Professional</b>  <b>Non-</b>	Details of Building Plans  <ul style="list-style-type: none"> <li>- Number of plans</li> <li>- Value of plans</li> </ul>	296	19191



<b>Professional</b>	Type and number of grants and subsidies received:		
	- KSD SDF (Provincial + DBSA)		464
	- Coffee Bay SDF (DEAT , DBSA)	2	400
	- Panning & Survey (Rural)	2	1116
		4	

<b>Function:</b>	<b>Waste Management</b>	
<b>Sub Function:</b>	<b>Solid Waste</b>	
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>

Overview:	Includes planning and monitoring of the district waste objectives and strategies.		
Description of the Activity:	<p>The waste management functions of the municipality are administered as follows and include:</p> <p><i>Development of waste management plans, monitoring the achievement of waste management targets, meeting with stakeholders and external parties.</i></p> <p>These services extend to include general waste, but do not take account hazardous/medical waste which resides within the jurisdiction of the national/provincial governments. The municipality has a mandate to:</p> <p><i>Develop district waste sector plans, support local municipalities in addressing their mandates, contribute towards waste reduction, raise awareness, and collaborate with the national and provincial governments in pursuing sustainable waste management.</i></p> <p>The strategic objectives of this function are to:</p> <p><i>Build capacity in the local municipalities, and establish a regulatory and monitoring body.</i></p> <p>The key issues for 2005/06 are:</p> <p><i>Inadequate waste management systems that are inadequately operated and low awareness levels of waste management practice.</i></p> <p><i>Statistical Information</i></p>		
Analysis of the Function:	<p>1 Number and cost to employer of all personnel associated with refuse removal:</p> <ul style="list-style-type: none"> <li>- Field (Supervisors/Foremen)</li> <li>- Non-professional (blue collar, outside workforce)</li> <li>- Contract</li> </ul> <p>2 Number of households receiving regular refuse removal services, and frequency and cost of service:</p> <ul style="list-style-type: none"> <li>- Removed by municipality at least once a week</li> <li>- Removed by municipality less often</li> <li>- Communal refuse dump used</li> <li>- Informal settlements</li> <li>- Own refuse dump</li> </ul> <p>3 Total and projected tonnage of all refuse disposed:</p> <ul style="list-style-type: none"> <li>- Domestic/Commercial</li> <li>- Garden</li> </ul> <p>4 Total number, capacity and life expectancy of refuse disposal sites:</p> <ul style="list-style-type: none"> <li>- Domestic/Commercial (number)</li> </ul>	<p>2</p> <p>279</p> <p>3</p> <p>5700</p> <p>1</p> <p>52,500</p> <p>15 years</p>	<p>R (000s)</p> <p>245</p> <p>768</p> <p>320</p> <p>R (000s)</p>

5	- Garden (number) Anticipated expansion of refuse removal service: - Domestic/Commercial - Garden Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		R (000s)
6	Anticipated expansion of refuse removal service: - Domestic/Commercial/Garden [New residential settlements existing and upcoming, new shopping malls soon to open and planned, extended business and institutions of learning all would necessitate expansion of the removal service]	Three fold	R (000s)
	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality	56 393 housing backlog and 15 new shopping complexes	
7	Free Basic Service Provision:	Nil	
District Planning and Coordination	KSD Municipality working with District municipality and DEAET provided for the development of an integrated waste management plan (IWMP).	99%	100%
Waste Mgmt Plans	Draft Waste Mgmt Plans have been produced for KSD local municipalities	100%	100%
Funding of Plans	No funding yet is available for the implementation of the IWMP	30%	100%
Landfill Sites	Waste site currently operated is unpermitted and unrehabilitated.	30%	60%

<b>Function: PUBLIC SAFETY &amp; SECURITY</b>		
<b>Sub Function: ALL INCLUSIVE</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>

Overview:	The department is responsible for planning implementation and coordinating the safety and security function of the Municipality in a manner that is consistent with current legislation, in cooperation with all law enforcement agencies within KSD area of jurisdiction.		
Description of the Activity:	<p>The department is administered by the Director who is directly responsible to the Municipal Manager for all safety aspects, fire fighting and other emergency services as well as vehicle registration and general licensing function. Inherent in the above is an ongoing analysis of threats and risks to identify trends for early planning.</p> <p>The strategic objectives of the finance function are: Provision of efficient, effective and transparent testing and licensing services to all communities in accordance with existing legislation and best practice models.</p> <p>Keeps efficient fire fighting and disaster units designed to carry out and quickly respond to all emergencies, disasters as well as embark on mitigation strategies to capacitate communities to minimize disaster impacts.</p> <p>Enforcement of by laws to complement maintenance of law and order.</p> <p>Render traffic policing, road safety education and crime prevention services.</p>		

<b>Function: PUBLIC SAFETY &amp; SECURITY</b>		
<b>Sub Function: Disaster And Fire Fighting Services</b>		
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>

		<b>Number</b>	<b>Amount</b>
Overview:	To respond to disasters and emergencies as well as mitigation thereof		
Description of the Activity	The Fire Fighting Services are headed by the Chief Fire Officer while the Disaster Section is headed by a Manager both of whom report directly to the head of the department		

Analysis of Function: 1	<p><b>Statistical Information:</b></p> <p><b>KSD Disaster</b> Number of personnel associated with Disaster Services is as follows: -Disaster manager -Assist Manager -Operational staff -Typist -General workers</p>	<p>1 1 Nil 1 1 Total 4</p>	
	<p><b>Disaster responded to</b> a. Number of incidences during the current year-</p> <p>b. Number of households affected c. Number of Homeless d. Number of Destitute e. Number of homeless addressed f. Number of Homeless outstanding g. Number of destitute addressed h. Number of destitute outstanding i. Number of fatalities</p>	<p>8</p> <p>563 93 470 3 90 78 395 3</p>	
	<p><b>KSD Fire</b> Number of personnel associated with KSD Fire Services is as follows: Operational (Fire Fighters) 28 Management 3 General workers 1 Typist Clerk <b>*Management of this service is under staffed thus forcing managers to perform clerical duties as well.</b></p>	<p>28 3 1 Nil Nil Total 32</p>	
2	<p><b>Fire responded to with KSD</b> Put out Out on arrival</p>	<p>165 21</p>	<p>R354.330 have not been collected from these fire calls.</p>
3	<p><b>Outside KSD</b> Put out Out on arrival <b>Capacity Building:</b> a. Training     i. Staff     ii. Business     iii. volunteers  b. Awareness Campaigns c. Resources Acquired :</p>	<p>2 1</p> <p>0 4 0</p> <p>13</p>	<p>R5762-00 was collected from training of businesses</p>

- Fire and rescue vehicles	1	
- Fire and rescue equipment	Various	
- Communication equipment	equipment	
	30	
Fire prevention:		R19 000-00
a. Buildings inspected	28	was
b. License issued	32	collected
		from
		license
		issuing and
		on
		inspection

<b>Function:</b>		<b>PUBLIC SAFETY &amp; SECURITY</b>	
<b>Sub Function:</b>		<b>Crime Prevention, Traffic and By Law Enforcement</b>	
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>	
Overview:	The core function of the division is safety and security in its generic form. Crime prevention strategies and enforcement of by-laws as well as traffic law enforcement is the responsibility of the division		
Description of the Activity:	The division is headed by a divisional head reporting directly to the head of the department. The division is composed of three subdivisions namely Traffic, Key Point and Crime Prevention		
Analysis of Function:	<b>Statistical Information</b>		
1	Number of personnel associated with crime prevention, traffic, and by law -Total posts 290 -Filled posts 199		
2	-Vacant posts 91 <b>Operations:</b> <ol style="list-style-type: none"> <li>a. Man points to help ease off traffic congestion on certain crossing points in Mthatha and help school kids during the pick hour.</li> <li>b. Traffic Awareness campaigns</li> <li>c. Road blocks</li> <li>d. Speed traps</li> <li>e. Traffic offences</li> <li>f. General crime prevention and enforcement of by laws for example removal of illegal caravans ,containers and illegal in the CBD</li> <li>g. Removal of illegal business on streets (i.e. hair braiding) aimed to improve cleanliness of the City.</li> <li>h. Foot Patrols in CBD</li> <li>i. Guarding the key installations of KSDM</li> </ol> <b>Special Operations</b> Special operations conducted and done jointly with Traffic and By Law Enforcement were aimed at saving lives, enforcing traffic laws and reduce to reduce crime as follows: <ol style="list-style-type: none"> <li>i. Operation "Clean-Up"</li> <li>ii. Operation Arrive Alive -</li> <li>iii. Operation Skororo – removing un road worthy vehicles done jointly with SAPS.</li> <li>iv. Operation Khuseleka</li> </ol>		

3	<b>Capacity Building:</b>		
	a. Procurement of traffic vehicles		
	b. Employment of additional staff to man and secure municipal installations		
	c. Procurement of uniform and protective clothing		
	d. Training of traffic and law enforcement officers.		
4	<b>Resources Acquired</b>		
	-Patrol vehicles		
	-communication equipment		
	-Fire arms		
	<b>Traffic Fines</b>		
	Number of tickets issued	8350	4795373-00
	Number of tickets paid	826	413 150-00
	Outstanding tickets	7524	4382223-00

<b>PUBLIC SAFETY &amp; SECURITY</b>		
<b>Function:</b>		
<b>Sub Function:</b>	<b>General Administration and Support Services</b>	
<b>Reporting Level</b>	<b>Detail</b>	<b>Total</b>

Overview:	Includes general administration, logistical support to operational units and departmental asset management.		
Description of the Activity:	The function of economic planning / development within the municipality is administered as follows and duties:		
Analysis of Function:	<b>Statistical Information:</b>		
1	Number of personnel associated with General Administration & Support Services		
	-Head Support Services	1	
	-Admin officers	1	
	-Data capturers	3	
	-Clerks		
	-Typists	Nil	
	-General workers	3	
	-Messenger	1	
2	<b>Operations:</b>		
	-Data capturing of traffic fines and accident reports		
	-General administrative duties		
	-Administering the departmental stores, assets and logistics		
	-Managing the divisional staff.		



3	-Responsible for divisional purchases and orders.		
	-Monitors departmental expenditure		
	-Manages Technical Staff (road Markings)		
	-co-ordinates departmental budget		
	-Manages legal protection division(court processes)		
	<b>Data capturing</b>		
	-Number of tickets issued and captured (Jan 05 – Dec 06)	14905	7903752.00
	-Number of tickets paid (Jan 05 – Dec 06)	1923	854503.00
-Number of outstanding tickets	12982	7049249.00	
-Number of warrants for the period (02-5-2005 to 09-05-2006) still to be served 550		Nil	
-Accident Reports (Jun 2005 – Jul 2006)	264	Nil	

Function:	<b>PUBLIC SAFETY &amp; SECURITY</b>		
Sub Function:	<b>Licensing</b>		
Reporting Level	<b>Detail</b>	<b>Totals</b>	

Overview:	Licensing is inclusive of Motor vehicle registration subdivision, vehicle testing station and driver learner testing centre all functioning as subdivisions		
Description of the Activity:	<p>The head of division post remains vacant and all subdivision heads currently are each in charge of his / her division reporting direct to the head of department:</p> <p>a) Motor vehicle registration is centred in Mthatha which deals with new vehicle registrations, renewals and other vehicle related transactions. The Mqanduli satellite centre has since been closed due to staff being suspected of corrupt activities. Authority has been obtained to re-open but it has to be renovated first.</p> <p>b. Driver and learner test centre deals with the licensing of people for driver and learner licenses.</p> <p>c. Vehicle test station is also currently operational to deal with the issue of testing vehicles for road worthiness</p>		
Statistics	<p><i>a. Total revenue collected by motor vehicle registration</i></p> <p><i>b. Total revenue collected by DLTC</i></p> <p><i>c. Total revenue collected by VTS</i></p>		<p>R1,215,971 for KSD &amp; R5,406,744 for the Province</p> <p>R2,653,058 R157,527</p>

Urban Renewal Programme – Ngangelizwe		
Reporting Level	Detail	Total
Overview	Urban Renewal is a transversal programme – part of government's overall strategy to plan and budget in an integrated manner to produce results and maximise the impact of its expenditure and investments.	
Description of the Activity	Urban Renewal Programme functions within the municipality are administered as follows and includes :  The administrative head of the Programme is the Programme Manager who reports to the Municipal Manager.  The strategic objective of the programme is to promote, facilitate, co-ordinate, strengthen and monitor urban development. Activities include establishing and maintaining effective communication strategies, facilitating community involvement in project planning and implementation, facilitating access for the training and empowerment of community structures, develop and implement a marketing and awareness campaign, liaise with all Municipal Business Units to ensure support for co-ordination and integration, to guide service providers where applicable, to partake in Provincial URP / ISRDP forum, establish and maintain administrative and operational support systems and to facilitate Government, private and international donor funding to complement municipal funding to implement quick wins.	
<b>Analysis of function</b>	<b>Detail</b>	<b>Total</b>
1.	Co-ordinating and consolidating all sector specific URP planning outcomes into a single Strategic Plan covering a seven year period.	
2.	Facilitate consultation of stakeholders, assess and co-ordinate their inputs.	
3.	Formalise approval of Urban Renewal Strategy Plan through Municipal Structures.	
4.	Formalise URP Strategy Plan as part of KSD's Integrated Development Plan.	
5.	Seek Strategic Partnerships.	
Key Performance Areas	Performance during the Year, Performance Targets Against actual Achieved and Plans to improve Performance.	
Co-ordination of URP planning Reports	Consolidated Draft URP Strategic Plan completed September 2005.	
Facilitate consultation	Four months September to December 2005 allowed as consultation period through workshops, IDP forums, meetings etc.	

Formalisation of Approval Identify Strategic Partnership	URP Strategic Plan approved by Council May 2006. Memorandum of Understanding signed with the Development Bank of Southern Africa (DBSA) February 2006.	
Seek funding	Business Plans submitted to Department of Housing Local Government and Traditional Affairs.	
Align URP with IDP	URP projects part of KSD's 2005 IDP.	