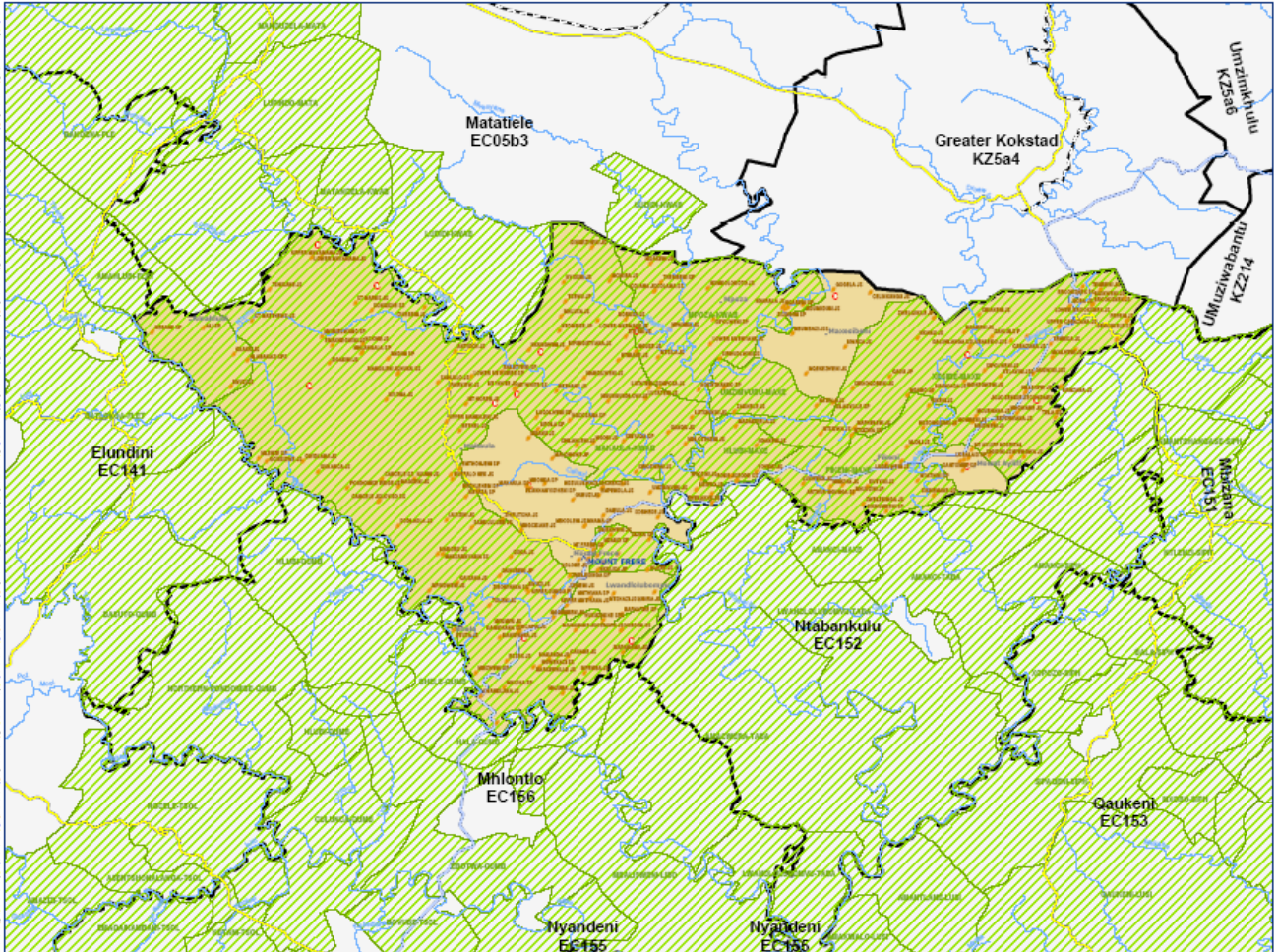


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MUNICIPAL DEMARCATION MAP FOR UMZIMVUBU MUNICIPALITY [2006/7]



Message from the Municipal Manager



Z.H. Sikhundla
Municipal Manager
Umzimvubu Municipality

I am very proud to table this report to the Council and the community of Umzimvubu Local Municipality. This report provides a record of the activities of the municipality during the financial 2006/7. Considers broadly the general performance of the municipality against the budget and to provide accountability to the local municipality for the decisions made through out the year. Most importantly, is whether communities were involved in influencing these decisions. Community participation is the corner stone of municipal processes.

Once again, I am proud to table this report and many changes have been made and therefore, it provides us the opportunity of counting gains that we have made.

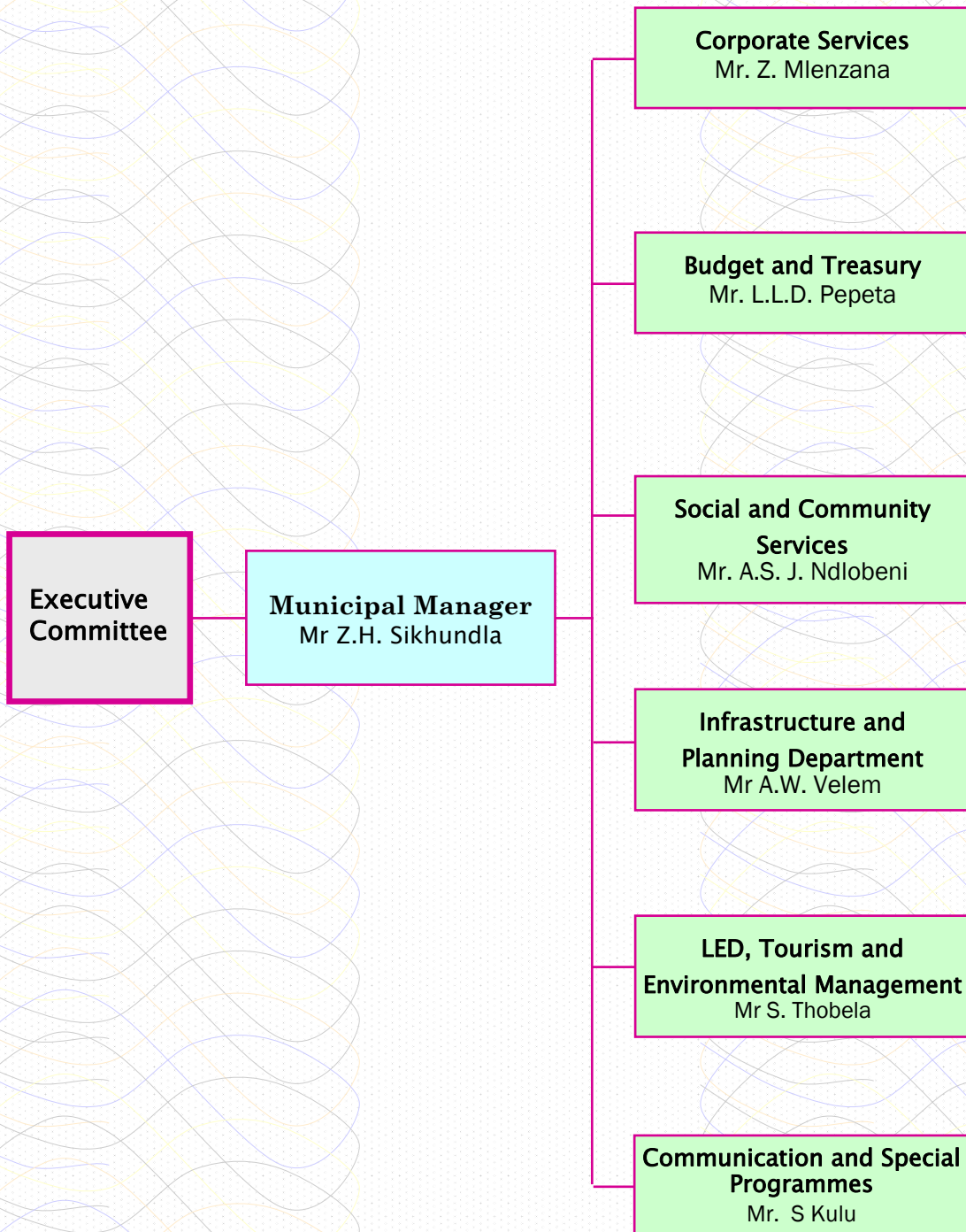
May you find this useful to shape the future of Umzimvubu Local Municipality.

Thank You;

A handwritten signature in black ink, appearing to read 'Z.H. Sikhundla', written over a horizontal line.

Z.H. Sikhundla
Municipal Manager
Umzimvubu Municipality

CORPORATE ORGANISATION CHART
FOR
UMZIMVUBU MUNICIPALITY
At the year ended 30 June 2007



CHAPTER 1 : Introduction and Overview

1.1 Mayor's Foreword



Cllr B.P. Mabengu
Mayor

Developmental local government provides more solutions to communities since the clear role for any municipality is to have the local community at the centre of development. This responsibility clearly gives further mandate of accountability. When we are charged with handling community resources, we must be held accountable for what they have been used for. It is in deed very important that the centre must hold. Communities must give their own expression on how they view our government so that they are able to hold us accountable.

May this annual report 2006/7 add value to the success of Umzimvubu Local Municipality.

A handwritten signature in black ink that reads "B.P. Mabengu". The signature is written in a cursive style and is enclosed within a white rectangular box with a thin black border.

Cllr B.P. Mabengu
MAYOR

1.2 Overview of the Municipality

1.2.1 GEOGRAPHIC PROFILE

Umzimvubu Municipality is situated within the Alfred Nzo District Municipality in the North - West part of the Eastern Cape adjoining Lesotho to the West and KwaZulu Natal to the North and O.R. Tambo District Municipality from East to the South. In the year under review, the municipal area of Umzimvubu consisted of the magisterial districts of Mount Aylif and Mount Frere.

1.2.2 DEMOGRAPHIC AND SOCIAL-ECONOMIC PROFILE

In 2006/7 financial year, the Umzimvubu Municipality consisted of twenty four (24) wards. According to the 2001 census, the Umzimvubu Municipality had a population of 197 550 .

Statistics South Africa released the 2001 Census information at Municipal level during 2003. This section contains more recent statistical information and indicates changes in the 5 year period showing changes from 1 March 2006 which reflects the amendments to the Municipal boundaries that have taken place.

The Census data indicates that population of the Umzimvubu Municipality decreased considerably from 376062 persons in 2001 to 197550 persons in 2006. This decrease affects all other areas of these statistics, as will be seen.

The key demographic data for 2001 and 2006 is summarized below:

TABLE 1: UMZIMVUBU MUNICIPALITY: KEY MUNICIPAL DEMOGRAPHIC INFORMATION 2001 CENSUS AND 2006 UPDATE

	2001	2006
Total Population	376062	197550
Male	170150	
Female	205913	
Urban		12235
Rural		185314
Number of Persons Employed	19628	12014
Number of Persons Unemployed	41622	21992
% of Persons Unemployed	68 %	65 %

1.2.3 EMPLOYMENT STATUS OF UMZIMVUBU MUNICIPALITY

The overall employment status is summarized as follows:

TABLE 2: Umzimvubu municipality: employment status 2001 and updated 2006

Category	2001	2006
Employed	19 628	12 014
Unemployed	41 622	21 992
Not Economically Active	128 797	163 543
Total Labour Force	61 250	34 006

This table indicates that the number of people employed in the municipal area has decreased.

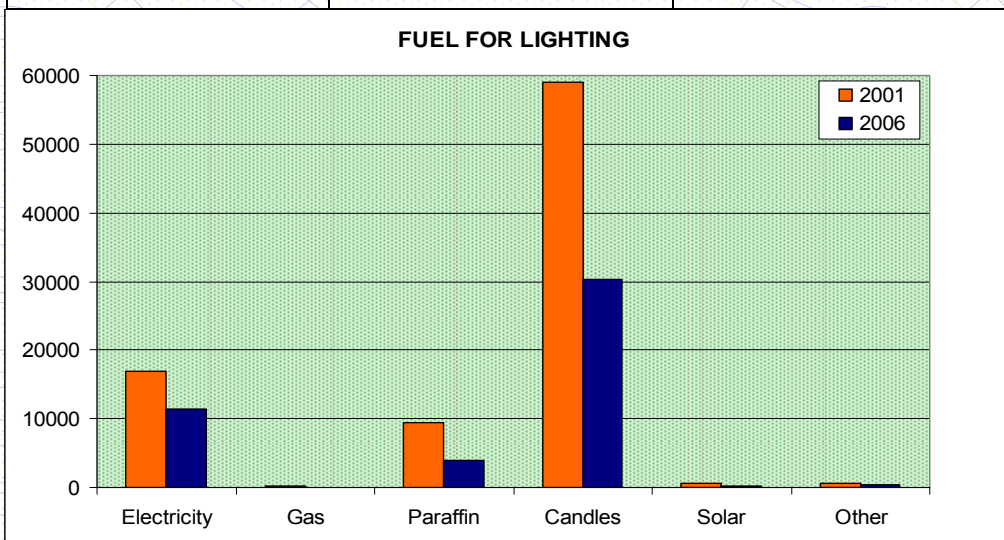
1.2.4 PROVISION OF SERVICES

1.2.4.1 Fuel for Lighting

The 2001 Census data indicates that only 20 % of the households use electricity for lighting and 68 % use candles whereas in the 2006 update the data indicates that 25 % of the households use electricity for lighting and 66 % use candles.

TABLE 3: Umzimvubu municipality: households fuel used for lighting

Service	2001	2006
Electricity	16 943	11 347
Gas	180	80
Paraffin	9371	3 909
Candles	59 074	30 230
Solar	662	217
Other	631	307
Total	86 861	46 090



Sanitation systems in urban areas include waterborne sanitation, septic tanks and conservancy tanks. In rural areas sanitation infrastructure is only VIP toilets.

There is a huge backlog in provision of VIP toilets in rural areas as a basic level of service. In this respect, Alfred Nzo District Municipality started multi-year project in 2006/7 providing VIP toilets, using concrete block top structures. The project is delivering approximately 1,500 VIP toilets per month.

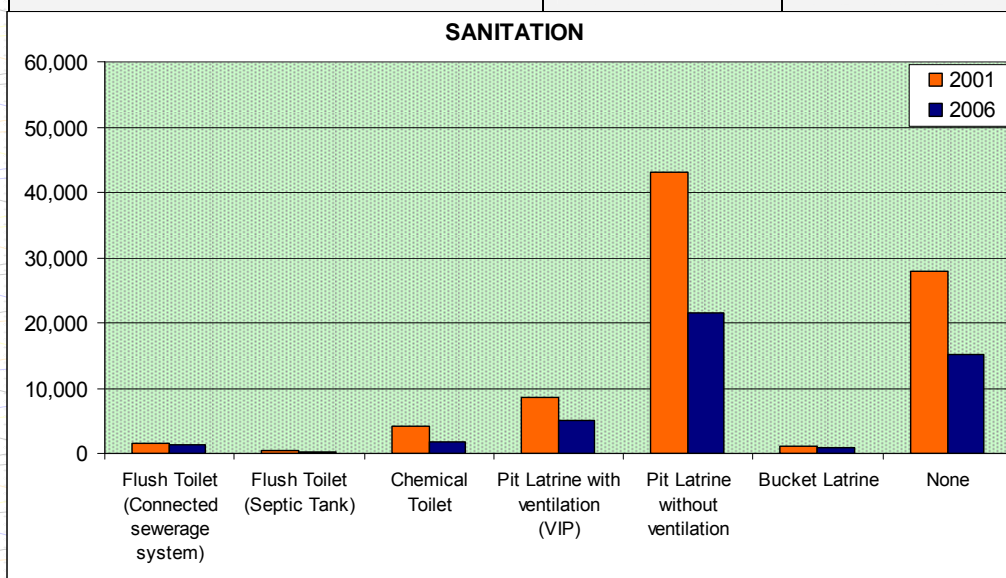
In 2006/7 Alfred Nzo District Municipality was implementing a project of upgrading bulk sewage system in Mt Free that will eliminate bucket system from a total 154 households that are still using the bucket system in Mt Frere town. Projects were still at planning stage to eliminate the bucket system in Mt Ayliff where 38 households were still using bucket system by the end of the 2006/7 financial year.

Free Basic Services in sanitation is provided in a form of one VIP toilet per household that was accessible by communities in rural areas. During the financial year under review, Alfred Nzo District Municipality was in the process of constructing VIP toilets in rural areas using concrete blocks.

The following table summarizes the toilet facilities by household.

TABLE 4: Umzimvubu Municipality: Household Sanitation 2001 And 2006

	2001	2006
Flush Toilet (Connected sewerage system)	1 626	1 350
Flush Toilet (Septic Tank)	500	300
Chemical Toilet	4 127	1 834
Pit Latrine with ventilation (VIP)	8 498	5 139
Pit Latrine without ventilation	42 984	21 535
Bucket Latrine	1 110	844
None	28 016	15 088
Total	86 861	46090



This was not achieved. 28 016 households indicated that no form of toilet at all was available in the 2001 census and 15 088 in the 2006 update.

1.2.4.3 Water Services

Alfred Nzo District Municipality is the Water Services Authority and as well, the Water Services Provider on the area of Umzimvubu Municipality for the year under review.

During the financial year under review Alfred Nzo District Municipality continued to provide free basis water services through unmetered standpipes in rural areas. In 2006/7 Alfred Nzo District Municipality was implementing a project of installing bulk water meters in all rural schemes. However, at that stage these meters were being installed for the purpose of accounting for provision of Free Basic Water only. No tariffs were charged on water supplied in rural areas based on the original assumption that consumption of water in rural areas is within the Free Basic Water threshold of 6 kl/household/month by virtue of the communal standpipe level of service. The installation of bulk water meters will allow the municipality develop a tariff charge policy once the actual consumption is known. Free Basic Water was not provided to communities living in towns.

The developed water resources that supply water to the community of Umzimvubu Municipality include boreholes, protected direct abstraction from springs, weirs and small dams.

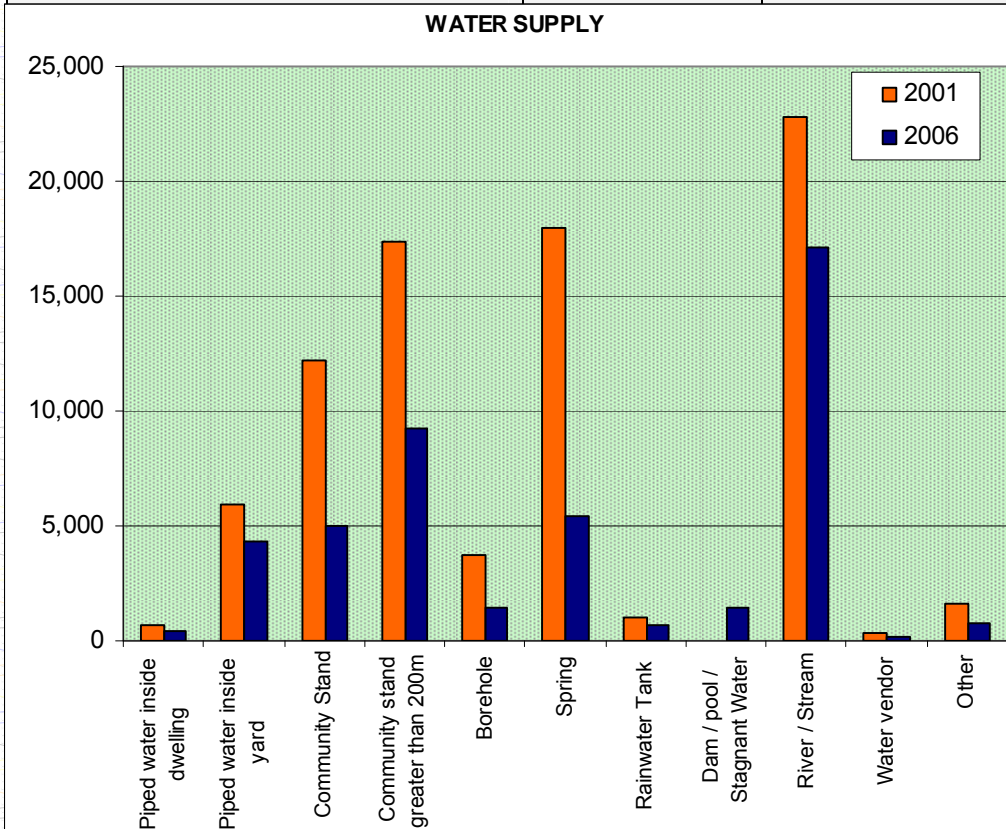
The majority of rural community people in Umzimvubu urban area have access to unmetered standpipes. The physical infrastructure like bulk pipelines and reservoirs are generally in good condition. However, 65% of the reticulation infrastructure dates back to the 1950's and 1960's and needs to be upgraded or replaced. The community in urban centres are supplied from metered household connections.

The existing bulk water infrastructure includes Ntenetyana dam supplying the area around Mt Frere town, Belford Dam supplying areas around Maluti town and direct abstraction from Mzintlava River supplying Mt Ayliff area. Rural areas are mostly supplied from protected spring intakes and boreholes. Most of water schemes that exist in Umzimvubu area were built or rehabilitated by the Department of Water affairs and Forestry (DWAF). By 2006/7 all the water schemes had been transferred from DWAF to Alfred Nzo District Municipality as the Water Services Authority. The 2001 Census indicates that about 26 % of households had access to water via the river / stream and 37 % in the 2006 update.

TABLE 5: Umzimvubu Municipality: Water per Household 2001 And 2006

	2001	2006
Piped water inside dwelling	711	452
Piped water inside yard	5 904	4 338
Community Stand	12 180	4 961
Community stand greater than 200m	17 368	9 279
Borehole	3 769	1 415
Spring	18 005	5 453
Rainwater Tank	1 005	677

	2001	2006
Dam / pool / Stagnant Water	3 189	1 430
River / Stream	22 766	17 110
Water vendor	369	180
Other	1 595	795
Total	86 861	46 090



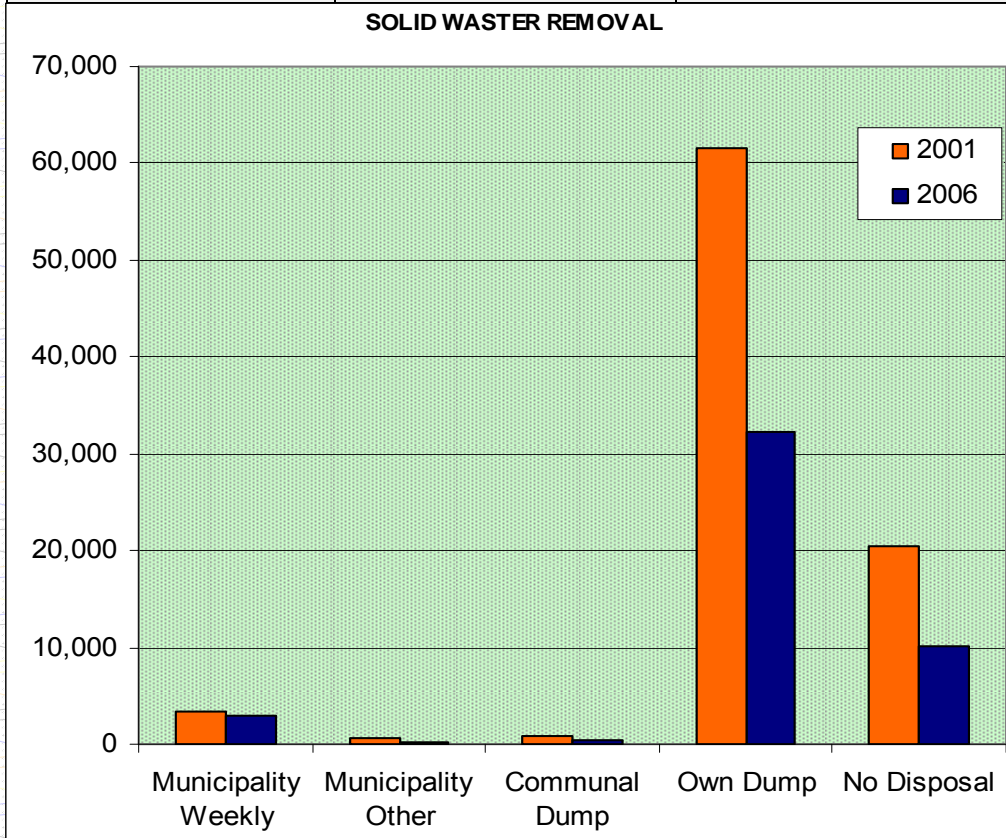
1.2.4.4 Solid Waste

Solid Waste removal in 2001 only covered 4 % by the Municipality and in the 2006 update it had increased to 6 %. 24 % in 2001 had no solid waste removal and in the 2006 update 22 % had no solid waste removal.

TABLE 6: Umzimvubu Municipality: Household Solid Waste Disposal 2001 and 2006

	2001	2006
Municipality Weekly	3 449	2 934
Municipality Other	588	280

Communal Dump	785	412
Own Dump	61 599	32 299
No Disposal	20 440	10 164
Total	86 861	46 090



1.2.5 PHYSICAL INFRASTRUCTURE

Telecommunications

Telecommunication falls within the competence of Telkom in the area of Umzimvubu Municipality. The majority of people in Umzimvubu municipal area do not have access to telecommunication infrastructure. About 35.7% of the households do not have access to telecommunication infrastructure, while 50.8% have access to indirect access through neighbours or public phones and 13.7% have direct access to telecommunication infrastructure through cellular phones and/or landline. In most parts of rural areas, cellular network coverage is weak and in some other areas does not exist at all.

Roads

The roads transport is the only mode of transport in the area of Umzimvubu Municipality. Road Transport consists of four categories namely; the National Road (N2), Provincial Roads, District Roads and Local Access Roads.

Umzimvubu Municipality is rural based, and most parts of the municipal area is accessible through gravel access roads. The provision of access roads falls under the competence of Umzimvubu Municipality, but part of the total municipal budget for provision of access roads is counter-funded by MIG through Alfred Nzo District Municipality. Approximately 91 kilometres had been gravelled during the 2006/7 financial year in Umzimvubu municipal area. However there are still some villages that are not accessible by a vehicle even during dry weather conditions let alone in wet weather conditions.

Housing

According to the housing sector plan and the number of houses completed by the end of the 2006/7 financial year, backlog in housing in the Umzimvubu municipal area was 24 620 houses at the beginning of the 2006/7. No houses were constructed in the year under review because the Department of Housing suspended all projects pending resubmission of business plans.

1.2.6 FREE BASIC SERVICES

In 2006/7 financial year, Umzimvubu Municipality continued receiving a special grant from the National Treasury for the provision of free basic services in electricity and refuse removal. Alfred Nzo District Municipality was responsible for provision of free basic services in water and sanitation.

a) Free Basic Electricity

In 2006/07, about 14 100 households supplied from grid electricity received a subsidy of R20 per household per month and 2 113 households supplied from non-grid electricity received a subsidy of R48 per household per month.

b) Refuse Removal

In the year under review, free basic services in refuse removal was only provided to households living in towns through tariff subsidy. A number of 2,023 households had access to free basic services in refuse removal at least once per week.

c) Water

During the financial year under review Alfred Nzo District Municipality continued to provide free basis water services through unmetered standpipes in rural areas. In 2004/05 Alfred Nzo District Municipality was implementing a project of installing bulk water meters in all rural schemes. These water meters were being installed for the purpose of accounting for provision of Free Basic Water only. No tariffs are charged on water supplied in rural areas based on the original assumption that consumption of water in rural areas is within the Free Basic Water threshold of 6 kl/household/month by virtue of the communal standpipe level of service. The installation of bulk water meters will allow the municipality develop a tariff charge policy once the actual

consumption is known. Free Basic Water was not provided to communities living in towns.

d) Sanitation

Free Basic Services in sanitation is provided in a form of one VIP toilet per household that was accessible by communities in rural areas. During the financial year under review, Alfred Nzo District Municipality was in the process of constructing VIP toilets in rural areas using concrete blocks.

1.2.7 INSTITUTIONAL CHANGES

Internal Changes

Major internal changes during the 2006/7 financial year were a result of the re-demarcation of the municipality. Institutionally, the Council had to undergo major overhaul of its institutional plan. This resulted in developing new organisational structures so as to undergo the new placement of staff. There were major changes with regard to the number of Councillors who were reduced to forty seven (47) with a collective Executive Committee of nine members. Transfer of staff, assets and liabilities was made

External Changes

There were no external changes that affected the Umzimvubu Municipality during the year under review

1.3 Executive Summary

1.3.1 MISSION

An organisation that provides quality services in order to improve the quality of life for its citizens.

1.3.2 VISION

To be an efficient and effective municipality that is social-economically developed.

1.3.3 CORE BUSINESS OF THE MUNICIPALITY

The core business of Umzimvubu Municipality is to provide infrastructure and services that will meet social-economic needs of the local community in an integrated manner by developing effective and efficient leadership of councillors and officials and mobilising participation of stakeholders.

1.3.4 DEVELOPMENTAL PRIORITIES AND GOALS

The developmental priorities and goals of Umzimvubu Municipality are formulated in line with the community needs as identified during the IDP review process and each year they get reviewed to ensure the municipal activities are aligned with the dynamics amongst the local community and other stakeholders. The municipal developmental priorities as at year 2006/7 include the following.

Social programme

This will address the areas of poverty, HIV/AIDS, gender, housing, social facilities, primary health care, land reform, infrastructure and safety and security. The Municipality intends to focus efforts in the main development clusters. Agricultural projects and tourism initiative are also proposed to eradicate poverty and HIV/AIDS programme will be included, as the pandemic is a growing concern. Infrastructure is needed to support social development. In several critical areas the initial projects will be planning in nature, so as to enable the required develop projects to be identified and prioritised.

Institutional Programme

This is intended to achieve a proper organisational structure within Umzimvubu Municipality. It will also include capacity building for officials and Councillors.

Infrastructure Programme

This deals specifically with the provision of basic services and physical infrastructure. The project identified, first deals with studies to investigate the need then and then projects to address the needs and projects to address the needs.

The spatial arrangement of the integrated programmes is focused towards development areas and node where there are greatest needs.

Local Economic Development

This priority focuses on agricultural and agro based industrial activities, SMME development, community based forestation and promotion of tourism in various local sites.

The overall goal is to reduce poverty amongst the local community and create an enabling environment for SMME development.

Financial Arrangements

This priority focuses on revenue enhancement, development of effective accounting systems and policies. The overall goal is to be an effective and efficient local government sphere in service delivery and become a financially vibrant municipality.

Special Programmes

This priority promotes participation and involvement of special targeted groups of community that are disadvantaged by various physical challenges or age limitations to be economically active within the municipal area.

The overall goal of this priority is to reduce social-economic imbalances between the community group having physical challenges or age limitations and the rest of the society.

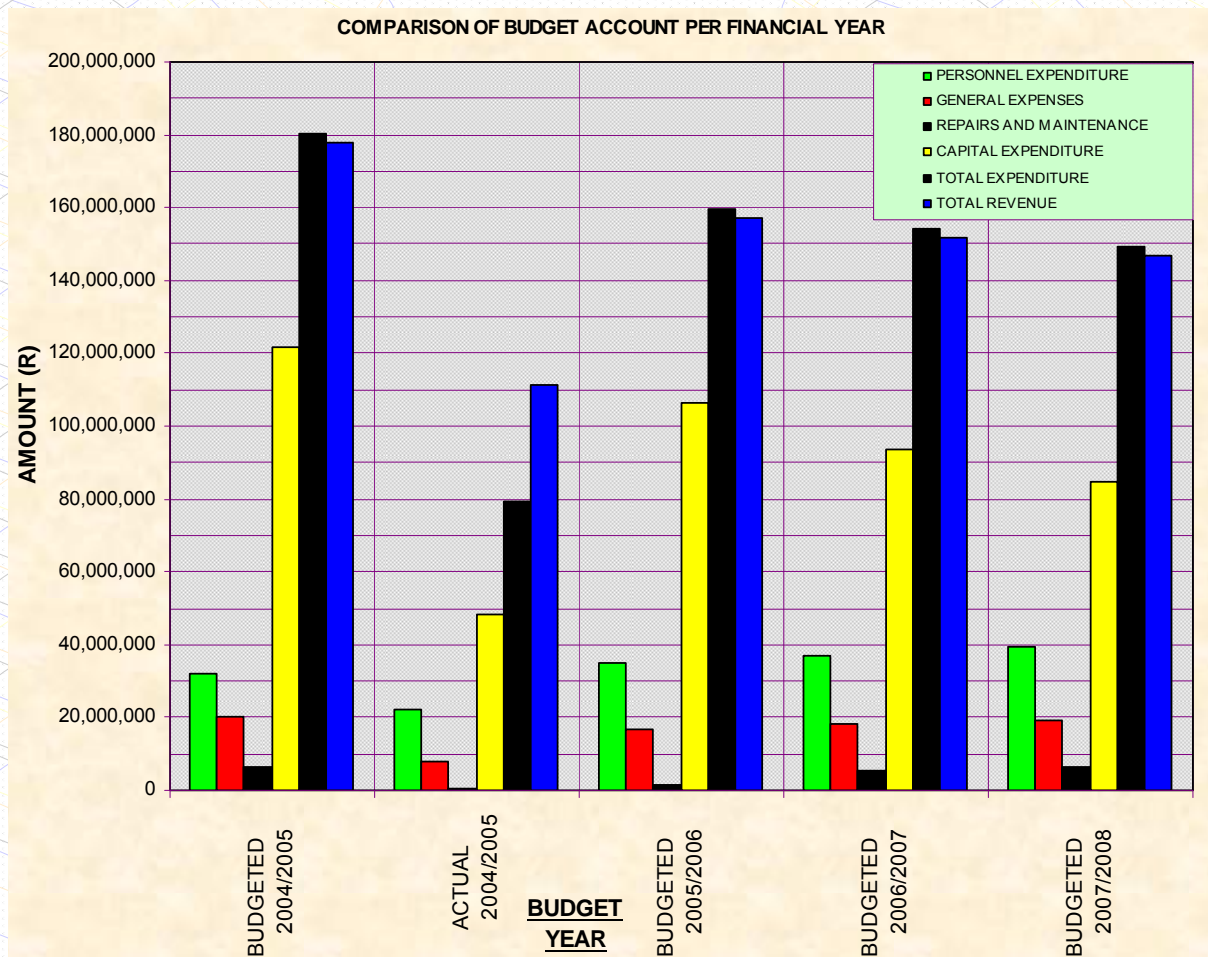
1.3.5 MUNICIPAL FINANCIAL PROFILE

The financial profile of the Umzimvubu Municipality is reflected in the multi-year budget of the municipality in terms of;

- Income, which include grant funding from the national government, tariff charges, property rates and other income that include sundry, interest, etc; and
- Expenditure on operational costs, maintenance of services and capital infrastructure development.

The financial trend of the municipal budget is presented in the figure below and the accompanying table. In 2005/06 financial year, the municipal expenditure consisted of 19.3% personnel cost, 9.4% general expenses, 0.8% repairs and maintenance and 88.6% capital expenditure.

The municipal income is dominated by grants, which formed about 74% of the total revenue of 2005/06 budget and 53.5% of the grants was Equitable Share.



BUDGETED 2003/2004	BUDGETED 2004/2005	ACTUAL 2004/2005	BUDGETED 2006/2007	BUDGETED 2006/2007	BUDGETED 2007/2008
PERSONNEL EXPENDITURE	32,074,024	22,041,281	34,738,143	36,917,324	39,233,856
GENERAL EXPENSES	19,983,560	7,965,590	16,994,844	18,217,286	19,303,597
REPAIRS AND MAINTENANCE	6,404,290	688,234	1,499,906	5,599,182	6,205,064
CAPITAL EXPENDITURE	121,831,685	48,440,773	106,549,339	93,386,831	84,604,442
TOTAL EXPENDITURE	180,293,559	79,135,878	159,782,232	154,120,623	149,346,959

RATES	0.00	790,098.00	0.00	0.00	0.00
BUILDING OF OFFICES	0.00	0.00	0.00	0.00	0.00
POWER & FUNCTIONS	4,845,615.00	0.00	5,109,342.00	5,445,487.68	5,803,873.06
INTEREST : INVESTMENTS	4,647,355.00	2,629,264.00	4,600,000.00	4,876,000.00	5,168,560.00
RURAL VILLAGE SURVEY	196,650.00	196,650.00	0.00	0.00	0.00
CIMIP PROJECT	15,800,000.00	5,111,316.00	0.00	0.00	0.00
SUCKING FEES	65,400.00	62,239.00	69,651.00	73,830.06	78,259.86
ERADICATION OF BUCKET SANITATION SYSTEM	2,201,000.00	0.00	0.00	0.00	0.00
EQUITABLE SHARE	74,282,000.00	71,389,666.00	62,227,000.00	64,636,000.00	54,776,000.00
MUNICIPAL SUPPORT PROGRAMME	1,000,000.00	150,000.00	0.00	0.00	0.00
LOCAL ECONOMIC DEVELOPMENT	0.00	0.00	0.00	0.00	0.00
FREE BASIC SERVICES - CARRIED FORWARD	11,654,000.00	0.00	0.00	0.00	0.00
SALES: WATER	1,002,650.40	95,857.00	1,072,835.93	1,147,934.44	1,228,289.85
SANITARY & SEWERAGE CHARGES	67,680.00	42,323.00	72,079.20	76,403.95	80,988.19
REFUSE REMOVAL	1,009,324.80	42,053.00	1,079,977.54	1,155,575.96	1,236,466.28
FREE BASIC SERVICES	9,827,000.00	5,932,000.00	10,099,650.00	10,806,626.00	11,250,932.80
OPERATING RESERVES	14,614,421.00	14,364,421.00	32,298,839.00	34,236,769.34	36,290,975.50
TENDER FEES	18,792.00	153,308.00	20,107.00	20,107.00	20,107.00
ON GIONG PROJECT	9,024,336.00	9,024,336.00	24,894,067.00	0.00	0.00
CONNECTION FEES	134,882.40	5,901.00	144,249.76	154,188.74	164,813.95
RENT: HALL	21,384.00	4,235.00	22,773.96	24,140.40	25,588.82
LEASING OF LAND	2,354.00	0.00	2,507.01	2,657.43	2,816.88
POUND FEES	48,150.00	34,762.00	51,279.75	54,356.54	57,617.93
GRAZING FEES	3,531.00	293.00	3,760.52	3,986.15	4,225.31
SALES: WOOD	2,118.60	12,550.00	2,256.31	2,391.69	2,535.19
FUNERAL PLOT FEES	13,867.20	3,301.00	14,768.57	15,654.68	16,593.96
SALES: GRAVEL & SAND	941.60	0.00	1,002.80	1,062.97	1,126.75
TRAFFIC FINES	385,200.00	234,915.00	410,238.00	434,852.28	460,943.42
VEHICLE REGISTRATION AND LICENCING	144,450.00	434,471.00	411,164.00	435,833.84	461,983.87
VEHICLE TESTING FEES	0.00	0.00	0.00	0.00	0.00
APPROVAL OF BUILDING PLANS	20,000.00	0.00	21,300.00	22,578.00	23,932.68
LAND LEASE	50,000.00	0.00	53,250.00	56,445.00	59,831.70
LAND SALES	500,000.00	0.00	600,000.00	636,000.00	674,160.00
LOCAL GOVERNMENT FINANCIAL MANG GRANT	250,000.00	250,000.00	250,000.00	500,000.00	500,000.00
MUNICIPAL INFRASTRUCTURE GRANT	14,462,000.00	0.00	11,706,000.00	24,252,000.00	25,884,000.00
VALUATION	213,180.00	213,180.00	0.00	0.00	0.00
MUNICIPAL SYSTEMS IMPROVEMENT PROGRAMME	0.00	0.00	984,000.00	1,234,000.00	1,234,000.00
SPATIAL PLANNING	161,024.00	161,024.00	0.00	0.00	0.00
GRANT IN AID (TESTING STATION & LICENSES)	11,000,000.00	0.00	0.00	0.00	0.00
RURAL VILLAGE SURVEY	0.00	0.00	0.00	0.00	0.00
SPORT COMPLEX	0.00	0.00	984,000.00	1,234,000.00	1,234,000.00
TOTAL REVENUE	177,669,307.00	111,338,163.00	157,206,099.34	151,538,882.15	146,742,623.01

TOTAL EXPENDITURE	180,293,559	79,135,878	159,782,232	154,120,623	149,346,959
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SURPLUS/(DEFICIT)	(2,624,252)	32,202,285	(2,576,133)	(2,581,741)	(2,604,336)
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CHAPTER 2: Performance Highlights

2.1 Review by the Municipal Manager

2.1.1 IDP AND BUDGET PROCESSES

The Municipal Systems Act requires municipalities to adopt a single, inclusive plan for the development of municipality which, according to section 25 of the act:-

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based; and
- Is compatible with national and provincial LED, Tourism and Environmental Management requirements that are on the municipality in terms of legislation.

2.1.2 BUDGET AND TREASURY

Significant portions of objectives were achieved during the 2006/7 financial year. Of note is the revenue collection, which increased by 32% and the information technology department, which enhanced the processing of information and communication with all stakeholders.

During that financial year the following financial and administration (Treasury) policies were presented and adopted by the council:

- i. Supply Chain management Policy
- ii. Budgeting Schedule
- iii. Formulation of Revenue Strategy

Other performance highlights of the year under review include;

- i. Stakeholder consultation concerning the 2006/07 budget,
- ii. Finalisation of the 2006/07 budget before the end of the 2005/06 financial year
- iii. Submission of the Financial Statements by 30 August 2006
- iv. Finalisation of Audit by 30 November 2006

2.1.3 CORPORATE SERVICES

The year financial year ended 30 June 2006 had several objectives implemented and achieved. Of note was the formulation of the following policies and procedures, which were approved by Council:

- i. Employment Equity Plan
- ii. Bursary Policy

Other performance highlights of the year under review include;

- i. Provision of training to Ward Committee clerks, municipal officials and councillors.
- ii. Formation of Work Skills Plan
- iii. Implementation of PMS: Bonuses paid to managers and non-monetary incentives to other staff members according to the PMS score card
- iv. Implementation of learnership programmes

2.1.4 COMMUNICATION AND SPECIAL PROGRAMMES UNIT

Various initiatives were taken in the year under review to improve communication between the municipality and stakeholders, and in mobilising the participation of special targeted community groups in various municipal activities. These included;

- i. Meetings to discuss children-related issues to be arranged with Home Affairs, Health (primary health care), Education, Social Development, Justice and NGO's by end of September 2005
- ii. Strengthening relationship with traditional leaders: Conducted three day summit
- iii. Formation of three co-operatives: Youth, Women and Disabled
- iv. Formation of forums: Special programmes and Communication
- v. Implementation of the Communication Strategy

2.1.5 SOCIAL AND COMMUNITY SERVICES

Our performance highlights in 2006/7 include;

- i. Operation and maintenance of two cemeteries
- ii. Provision of municipal services in pauper burials
- iii. Maintenance of one park in Mt Frere town
- iv. Attendance to 377 traffic related emergency call-outs
- v. Attendance to 132 traffic related standard call-outs
- vi. Issuing of driving licences to 1,107 applicants who passes out of 2,042 applicants who were tested.
- vii. Issuing of learner-driving licences to 3 applicants who passes out of 148 applicants who were tested.
- viii. Training of three (3) examiners of driving licenses

- ix. Continued with the construction of the motor vehicle roadworthy testing centre.
- x. Conducted eight (8) HIV/Aids awareness campaigns
- xi. Collected data for home based carers (CBOs)
- xii. Formed the local Aids Council

2.1.6 LED, TOURISM AND ENVIRONMENTAL MANAGEMENT

Our performance highlights in 2006/7 include;

- i. Preparation of Spatial Development Framework
- ii. Preparation of Draft Land Use Management Plan
- iii. Maize production in Ward 1 to Ward 25 as part of the municipal LED activities
- iv. Fencing of maize production fields

2.1.7 INFRASTRUCTURE AND PLANNING DEPARTMENT

Our performance highlights in 2006/7 include completion of projects that were started in the previous years and in the year under review. The municipality has delivered various infrastructure development projects in 2006/7 financial year. Critically important is the extension of infrastructure to communities that are not serviced or areas that are receiving municipal services below basic level of services. In 2006/7 financial year, the municipality made the following achievements:

- i. 32.3 km of Gravel Roads (A/R) funded by MIG
- ii. Three (3) No. of Reinforced Concrete Bridges funded by MIG
- iii. One (1) No. of Sports Field Facility funded by MIG
- iv. 82.7 km of gravel access roads funded by Equitable Share
- v. 53.7 km of maintenance of gravel access roads funded by Equitable Share
- vi. Completed five (5) No. of Community Halls, seven (7) No. of Pre-Schools and one (1) No. of Recreational Centre facility funded by Equitable Share.

Table 7: Detailed account of projects implemented 2006/07 by Municipal Infrastructure Grant (MIG) Budget of R. 9 283 577.78

Ward	Project Name	Distance (km)	Contract/ Budget
3	1. Valiphathwa Low Level Bridge	-	1 127 000.40
	Total		1 127 000.40
6	1. Baphuthini Access Road	5.8	1 491 602.05
	Total	5.8	1 491 602.05
8	1. Lugelweni Low Level Bridge	-	610 132.54

	Total		610 132.54
9	1. Sugarbush Sports Field	-	1 047 441.12
	Total		1 047 441.12
10	1. Sigundwaneni Access Road	5.0	761 011.85
	Total	5.0	761 011.85
13	1. Sinyaqa Access Road	6.5	988 754.20
	Total	6.5	988 754.20
14	1. Ngwetsheni – Mhlathenkomo Access Road	3.5	552 934.37
	Total	3.5	552 934.37
17	1. St Georges Access Road	7.0	1 255 444.00
	Total	7.0	1 255 444.00
21	1. Qoqa-Zibokwana Low Level Bridge	-	458 000.00
	Total		458 000.00
22	1. Goodhope – Maziyetyeni Access Road	4.5	991 257.25
	Total	4.5	991 257.25

Table 7: Detailed account of projects implemented 2006/07 by Capital Budget of R12 975 079.38.

Ward	Project Name	Distance (km)	Contract/ Budget
1	1. Mageyithini – Kwavala Access Road	7.0	1 130 668.48
	Total	7.0	1 130 668.48
2	1. Cabazana Access Road	5.9	1 052 279.02
	Total	5.9	1 052 279.02
6	1. Ext Ndumndum-Mbumbazi Access Road	3.3	1 226 366.96
	Total	3.3	1 226 366.96

8	1. Mapheleni-Matibeni Access Road	3.5	778 171.52
	Total	3.5	778 171.52
9	1. Bamko Access Road	3.0	562 062.49
	Total	3.0	562 062.49
10	1. Siqhingeni-Sifolweni Access Road	4.3	875 699.00
	Total	4.3	875 699.00
11	1. Nyosini-Gudlintaba Access Road	3.7	993 025.80
	Total	3.7	993 025.80
12	1. Lutateni-Sidungeni Access Road	3.5	678 156.43
	Total	3.5	678 156.43
15	1. Marhwaqa Access Road	6.5	1 364 086.24
	Total	6.5	1 364 086.24
16	1. Moyeni Access Road	6.5	968 324.25
	Total	6.5	968 324.25
19	1. Mahamane-Mguga Access Road	8.6	1 468 067.76
	Total	8.6	1 468 067.76
21	1. Bislani-Mabinda Access Road	6.5	894 048.09
	Total	6.5	894 048.09
22	1. Rayment Access Road	4.5	984 123.34
	Total	4.5	984 123.34

Table 7: Detailed account of projects implemented 2006/07 under Maintenance Programme of R8 000 000.00.

Ward	Project Name	Distance (km)	Contract/ Budget
1	1. Lower Brooksnek Access Road	4.3	457 410.45

	Total	4.3	457 410.45
2	1. Sidakeni Access Road	5.3	815 803.38
	Total	5.3	815 803.38
5	1. Sikhunjana Access Road & Bridge	3.0	524 634.96
	Total	3.0	524 634.96
9	1. Dutyini Access Road	3.5	353 293.32
	Total	3.5	353 293.32
11	1. N2 to Sithinteni Access Road	6.5	648 147.85
	Total	6.5	648 147.85
12	1. Mgungundlovu-Manqilweni Access Road	4.5	545 048.37
	Total	4.5	545 048.37
17	1. Lubhacweni Access Road	4.5	474 384.29
	Total	4.5	474 384.29
20	1. Mawusheni Access Road	5.5	597 839.73
	Total	5.5	597 839.73
21	1. Bhuwa Access Road	4.2	411 199.93
	Total	4.2	411 199.93
22	1. Qhayizana Access Road	4.6	596 609.88
	Total	4.6	596 609.88
23	1. Mlenze Access Road	2.2	501 309.45
	Total	2.2	501 309.45
24	1. Sivumela Access Road	3.2	1 076 723.67
	Total	3.2	1 076 723.67

Table 7: Detailed account of projects implemented 2006/07 by Capital Budget for Community Facilities (Halls , Pre-schools and Recreational Centres) for an amount of R6 893 984.27.

Ward	Project Name	Contract/ Budget
1	1. Zweljikile Recreational Centre (Phase II)	455 780.00
	Total	455 780.00
3	1. Msukeni Community Hall	755 900.00
	Total	755 900.00
5	1. Mombeni Community Hall	734 361.35
	2. Lubaleko Pre-School	523 261.31
	Total	1 257 622.66
8	1. Bhonga Pre-School	459 290.61
	Total	459 290.61
9	1. Dutyini Pre-School	442 890.00
	Total	442 890.00
14	1. Sahlulo Community Hall	823 836.90
	Total	823 836.90
18	1. Mt Frere Street Names and Signs Installation	71 723.38
	Total	71 723.38
20	1. Essek Pre-School	459 494.00
	Total	459 494.00
23	1. Mampondomiseni Community Hall	765 850.00
	2. Magxeni Pre-School	489 737.04
	Total	1 255 587.04
24	1. St Marks Pre-School	456 066.00
	2. Mvumelwano Pre-School	455 793.68
	Total	911 859.68

2.2 Backlog in Service Delivery

Backlogs in service delivery show the number of households that do not have access to the minimum services (level and standard) as specified by the relevant sector department or within the national policy. The service standard used in the area of Umzimvubu Municipality to determine backlog is as follows.

2.2.1 WATER SERVICES

Backlog in water services is defined as the number of households that do not have access to a minimum requirement of 6 kl of clean water per household per month within a distance of 200mm from a dwelling unit.

2.2.2 SANITATION SERVICES

Backlog in sanitation services is defined as number of households that do not have access to a minimum requirement of one VIP toilet per household.

2.2.3 REFUSE REMOVAL SERVICES

Backlog in refuse removal is defined as number of households that do not have access to removal of refuse once per week.

2.2.4 ELECTRICITY SERVICES

Backlog in electricity services is defined as number of households that do not have access to 30 Kwh of electricity per household per month.

2.2.5 ROADS SERVICES

Backlog in roads services is defined as total length of roads required to provide households with road service that meet the required minimum standard of a gravel access road.

2.2.6 HOUSING SERVICES

Backlog in housing services is defined as number of households that do not dwell in a masonry house of at least 40 m² per household.



2.3 Relating Backlog to Municipal Spending

Delivery Backlog [Note: Areas where data was not available are marked (-)]

	30 June 2006			30 June 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlog (month)									
to be eliminated (No Not Receiving Standard of Service)	42,427	4,943	4,293	38,134	3,300	4,293	-	-	-
to be eliminated HH identified as HH in municipality)	49 %	6 %	5%	44 %	4 %	5%	-	-	-
in New are to Eliminate and '000)	227,408	26,497	23,016	195,215	17,695	23,016	-	-	-
in Renewal of Infrastructure to Backlogs (R'000)	-	4,021	4,021	-	-	4,021	-	-	-
ing to eliminate and '000)	227,408	30,518	27,037	195,215	17,695	27,037	-	-	-
in maintenance to New Backlogs '000)	11,900	11,200	11,200	14,700	12,311	11,200	-	-	-
Backlog (month)									
to be eliminated (No Not Receiving Standard of Service)	71,248	0	0	71,248	7,894	-	-	-	-
to be eliminated HH identified as HH in municipality)	82 %	0 %	0 %	82 %	9 %	-	-	-	-
in New are to Eliminate and '000)	249,368	1,246	1,246	249,368	24,268	-	-	-	-
in Renewal of Infrastructure to Backlogs (R'000)	0.00	0.00	0.00	0.00	0.00	-	-	-	-
ing to eliminate and '000)	249,368	1,246	1,246	249,368	24,268	-	-	-	-
in maintenance to New Backlogs '000)	8,750	5,880	4,200	10,500	5,880	-	-	-	-

Delivery Backlog [Note: Areas where data was not available are marked (-)]

	30 June 2006			30 June 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
Removal Backlog (week)									
to be eliminated (No Not Receiving Standard of Service)	-	-	-	-	-	-	-	-	-

to be eliminated (HH identified as HH in municipality)	-	-	-	-	-	-	-	-	-
in New re to Eliminate (and '000)	-	-	-	-	-	-	-	-	-
in Renewal of rastructure to acklogs (R'000)	-	-	-	-	-	-	-	-	-
ing to eliminate (and '000)	-	-	-	-	-	-	-	-	-
in maintenance to New Backlogs (000)	-	-	7,611	-	-	-	-	-	-
Backlog (per month)									
to be eliminated (No Not Receiving Standard of Service)	53,638	-	-	-	-	-	-	-	-
to be eliminated (HH identified as HH in municipality)	61 %	-	-	-	-	-	-	-	-
in New re to Eliminate (and '000)	202,752	-	-	-	-	-	-	-	-
in Renewal of rastructure to acklogs (R'000)	0.00	0.00	-	0.00	-	-	0.00	-	-
ing to eliminate (and '000)	202,752	-	-	-	-	-	-	-	-
in maintenance to New Backlogs (000)	-	-	-	-	-	-	-	-	-

Delivery Backlog [Note: Areas where data was not available are marked (-)]

	30 June 2006			30 June 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlog (Access Road)									
to be eliminated (No Providing Minimum Service)	685.63	180	180	-	-	-	-	-	-
to be eliminated (KMs identified as Total KMs)	15%	17%	17%	-	-	-	-	-	-
in New re to Eliminate (and '000)	113,006	42,524	42,524	-	-	-	-	-	-

Renewal of Infrastructure to Backlogs (R'000)	7,420	0.00	0.00	0,00	0,00	0,00	0,00	0,00	0,00
ing to eliminate and '000)	113,006	42,542	42,524	-	-	-	-	-	-
aintenance to New Backlogs (000)	16,958	8,000	8,000	-	-	-	-	-	-
Backlog (Household)									
be eliminated (No Not Receiving Standard of Service)	25,661	1,041	1,041	24,620	7,138	-	-	-	-
be eliminated HH identified as HH in municipality)	29.5 %	1%	1%	28.3 %	8 %	-	-	-	-
New Core to Eliminate and '000)	592,373	21,132	21,132	568,342	142,894	-	-	-	-
Renewal of Infrastructure to Backlogs (R'000)	0.00	0.00	0.00	0.00	0.00	-	-	-	-
ing to eliminate and '000)	592,373	21,132	21,132	568,342	142,894	-	-	-	-
aintenance to New Backlogs (000)	0.00	0.00	0.00	0.00	0.00	0.00	-	-	-

CHAPTER 3 : Organisational Management Structures

Office of the Municipal Manager

The office of the Municipal Manager is responsible for management and accountability in overall performance of the municipality.

Key Responsibilities

a. Governance/Public Participation, Executive Support & Communication

- Stakeholder Mobilisation;
- Internal and External Communication;
- Corporate Image;
- Service Delivery Improvement/Customer Care
- Support to the Mayor

b. Internal Audit

- Risk Management;

- Legislative and Regulatory Compliance.

c. Strategic and Operational Planning

- Integrated Development Planning and Performance Management

Organisational Development

In 2006/7 financial year, the office of the Municipal manager had 2 Staff members out of 3 posts of identified in the Council's adopted organogram. The critical posts that were vacant in the 2006/7 financial included the post of the IDP Officer.

Challenges and Initiatives

Challenges	Initiatives
GOVERNANCE / PUBLIC PARTICIPATION	
1. Extension of community participation to ward committees; 2. personnel to assist in community mobilisation;	1.1 Ward Committee establishment and launches ; 1.2 Appointment of Ward Committee Clerks to support Ward Councillors and also CDW's
INTERNAL AUDIT	
3. Resignation of the internal auditor; 4. establishment of the Audit Committee	3.1 Appointment of KPMG as interim a internal auditors; 3.2 Agreement of the Audit Committee as a shared service with Alfred Nzo District Municipality;
STRATEGIC AND OPERATIONAL PLANNING	
5. Development of the IDP	5.1 Appointment of service provider to assist in the development of the IDP;
6. Development of the PMS	6.1 Review of the PMS framework and train Councillors on the PMS development;

Budget and Treasury



Mr. L.L.D. Pepeta
Manager: Budget and Treasury

The Department of Budget and Treasury is responsible management of municipal finance and promotion of financial viability of the municipality.

Key Responsibilities

- Revenue management
- Budget reform and reporting
- Expenditure management
- Asset and liability management
- Investment
- Supply Chain Management
- Implementation of Financial System (IT)
- Internship program

Organisational Development

In 2006/7 financial year, the Department of Budget & Treasury had 17 staff members, by which all 18 posts identified in the Council's adopted organogram was fully populated.

Challenges and Initiatives

Challenges	Initiatives
REVENUE COLLECTION	
1. Inaccurate data in our billing system.	<ul style="list-style-type: none"> ▪ The municipality continued developing and conducting data cleansing exercise.
2. The billing system is outsourced, and updating information is problematic	<ul style="list-style-type: none"> ▪ The municipality was still in the process of appointing service providers to establishment an integrated billing system but temporarily using Pastel Module
PREPARATION OF BUDGET	
3. Reduction of Equitable Share allocation against projects that were committed for implementation in that year	<ul style="list-style-type: none"> ▪ The project implementation plan was amended according to the reduced budget and the municipality embarked on an outreach programme to inform the community in the changes in the project implementation plan
4. Poor revenue collection	<ul style="list-style-type: none"> ▪ Formulation and implementation of revenue strategy
BUDGET EXPENDITURE	
5. Changing from manual cheques and electronic payments	<ul style="list-style-type: none"> ▪ Consistent request of bank particulars and establishment of supplier data base.
ASSET MANAGEMENT	
6. Conversion of Asset Register to comply with GAMAP and GRAP	<ul style="list-style-type: none"> ▪ The municipality linked the challenge with conversion with financial statements as a project since the compliance with GAMAP and GRAP was effective from 06/07 financial year.
INVESTMENT	
7. Limitations of investment capital within our area of jurisdiction	<ul style="list-style-type: none"> ▪ Implementation of revenue strategy
INFORMATION TECHNOLOGY	
8. Delay of establishing website	<ul style="list-style-type: none"> ▪ The municipality took an initiative to develop our own website.
9. Insufficient IT infrastructure (network) related to satellite connection	<ul style="list-style-type: none"> ▪ Establishment of relationship with network service providers
10. Vacancy in the post of IT Manager	<ul style="list-style-type: none"> ▪ Checked alternative IT solutions with other IT companies dealing with financial systems.
SUPPLY CHAIN MANAGEMENT	
11. Establishment of Supply Chain management Unit.	<ul style="list-style-type: none"> ▪ Budgeting for and creation of unit structure. ▪ Formulation of Supply Chain Management Policy

Corporate Services



Mr Mlenzana
Manager: Corporate Services

The Department of Corporate Services is responsible for development, management and administration of Human Resources.

Key Responsibilities

- Personnel management
- Occupational health and safety
- Recruitment and selection
- Induction
- Employment Equity
- Performance Management System
- Organisational Development
- Human Resource Development
- Legal services
- Cleaning services
- Skills development and Training
- Employee Assistance Program
- Labour Relations
- Records Management
- Committee and Secretariat Services
- Reception management
- Formulation of by-laws and policies
- Printing and stationary
- Catering

Organisational Development

In 2006/7 financial year, the Department of Corporate Services had 21 staff members out of 21 posts identified in the Council's adopted organogram.

Challenges and Initiatives

Challenges	Initiatives
HUMAN RESOURCES SERVICES	
1. Limited experience amongst staff and limited understanding of organisation structure and municipal policies by staff and councillors	<ul style="list-style-type: none"> ▪ The staff and councillors went through various training and workshops.
2. Lack of motivation for employees and lack of strategies to deal with disgruntled employees.	<ul style="list-style-type: none"> ▪ The municipality developed a Performance Management System and incentive schemes
3. Councillors with limited understanding of the functionality of administration	Capacity building workshops and team building sessions involving both officials and councillors.
SECRETARIAL SERVICES	
4. Manual recording of files is affecting performance	Training of users to effectively use an HR IT system
LEGAL SERVICES	
5. Limited capacity to deal with in house legal matters and limited compliance to legislation	Managers and councillors were put on relevant training programmes as part of the municipal capacity building programme
6. Lack of relevant municipal by-laws	Strategic planning to identify and formulate municipal by-laws

Communication and Special Programmes Department

Mr. S Kulu
Chief Operations Officer

The communications and Special Programmes Department is tasked to improve customer care, develop effective communication strategies, forge two-way communication between municipal management structures and local community and instil recognition of special targeted community groups in municipal service delivery programmes.

Key Responsibilities

- Stakeholder consultation and management program
- Corporate image
- Service delivery improvement / customer care
- Support to the Mayor
- Public relations and publications
- Municipal international relations
- communication
- Community social-economic advancement
- Special Programmes
 - Youth Development;
 - Gender Streaming;
 - Development and Involvement of Disabled
 - Children and elderly

Organisational Development

In the year under review, the Department of communication and Special Programmes Unit had 4 Staff members out of 12 posts identified in the Council's adopted organogram.

Challenges and Initiatives

Challenges	Initiatives
DEVELOPMENT OF COMMUNICATION STRATEGY	
1. Due to limited staff in the department operational staff had in most cases been taken away from their primary duties to attend to general municipal meetings and little progress was made in developing a communication strategy.	<ul style="list-style-type: none"> ■ Population of the organisational structure
ENTERPRISE DEVELOPMENT AND JOB CREATION FOR TARGETED GROUPS	
2. Lack of alignment of SPU goals and objectives with LED and infrastructural development projects implemented in other departments of the municipality.	<ul style="list-style-type: none"> ■ Strategic planning sessions involving all municipal departments to align overall goals of the municipality.
COMMUNITY SKILLS DEVELOPMENT	
3. Limited funding	<ul style="list-style-type: none"> ■ Utilise training and learnership programs
4. Lack of integration and co-ordination between municipal programmes for the youth and elderly; and government department's initiatives	<ul style="list-style-type: none"> ■ Planning for workshops to capacitate special groups

Social and Social and Community Services



Mr A.S.J. Ndlobeni
Manager: Social & Social and
Community Services

The Department of Social and Community Services is responsible for delivery of municipal services in public safety, public transport, public facilities, social services and traffic management.

Key Responsibilities

- a. Public Safety
 - Crime reduction
 - Guarding of municipal properties
 - Implementation of access control facilities/equipment
- b. Public transport
 - Improve road safety
 - Improve traffic flow in towns
 - Income generation activities
- c. Public facilities and amenities
 - Libraries (construction and renovations)
 - Cemeteries
 - Pounds
 - Parks and recreational facilities
- d. Social Development

- Environmental policy
- Occupational health and safety
- HIV/AIDS
- Disaster management
- Municipal by-laws

- e. Traffic management
- f. Community development and participation
- g. Moral regeneration

Organisational Development

In 2006/7 financial year, the Department of Social and Community Services had 15 Staff members consisting of the Social and Community Services Manager, one (1) foreman, nine (9) general assistants and four (4) rangers. The traffic section had one superintendent, one assistant superintendent, one principal clerk and six traffic officers.

Challenges and Initiatives

Challenges	Initiatives
PUBLIC SAFETY	
1. Rape and domestic violence	<ul style="list-style-type: none"> ■ Establishment of Community Policing forums
PUBLIC TRANSPORT	
2. Inadequate capacity of Taxi Ranks to accommodate various public transport operators	<ul style="list-style-type: none"> ■ create PPP on taxi rank developments
TRAFFIC MANAGEMENT	
3. Lack of Testing Station	<ul style="list-style-type: none"> ■ Construction of new testing station and training of testing officers.
4. Inadequate staff in the traffic section	<ul style="list-style-type: none"> ■ Budgeting for more staff members for recruitment in the following year.
PUBLIC FACILITIES	
5. Lack of funds to expand library services	<ul style="list-style-type: none"> ■ Enter into a service level agreement with the department of Sports, Arts and Recreation.
SOCIAL DEVELOPMENT	
6. Lack of sports facilities within the municipal area	<ul style="list-style-type: none"> ■ Establishment of local Sports Federation to integrate resources for more facilities.
7. Lack of graveyard sites: the Mt Ayliff graveyard is full and the identified site is under land claim	<ul style="list-style-type: none"> ■ Municipal Department of LED, Tourism and Environmental Managements is still dealing with the matter.
PROVISION OF HEALTH SERVICES	
8. Limited resources to implement HIV/Aids awareness to cope with increasing rate of spread of Aids	<ul style="list-style-type: none"> ■ Mobilisation of stakeholder participation HIV/Aids awareness initiatives.
9. Lack of information material on HIV/Aids	<ul style="list-style-type: none"> ■ Establishment of a local Aids Council to integrate information systems
10. People are not willing to volunteer in Aids/HIV support activities, instead, they ask for grants/benefits	<ul style="list-style-type: none"> ■ Workshops held amongst the local community to mobilise voluntary participation in fight against HIV/Aids
11. A lot of people are dropping patients at the hospital when they are critically ill without identity	<ul style="list-style-type: none"> ■ This is still a challenge and the municipality has to arrange burial of unidentified dead



Mr A. Velem
Manager: Infrastructure and
Planning Department

In 2006/7 financial year the Department of Infrastructure and Planning Department was responsible for delivery of water services, electricity, roads and works and sanitation services.

Key Responsibilities

a. Land Use Management

- Receive and process applications for land use
- Ensure valuation management and Real Estate Management
- Enforce provision of ordinance; Land Use Management System and Spatial Development Framework

b. Town Planning

- Establishment of new townships
- Enforce ordinance and town planning schemes
- Control and prevent urban sprawl
- Approval of land use applications for zoning, sub-dividing and special consent

c. Provision of housing services and building control

- Identify housing needs and maintain statistics
- Apply for new housing development
- Implement approved housing developments
- Ensure compliance to NBR&SA
- Approval of building Plans

Ensure community access to:

- Water and sanitation Services
- Electricity including free basic electricity
- Roads, bridges and storm-water
- Social infrastructure
- Solid Waste Management

Organisational Development

In 2006/7 financial year, the Department of Infrastructure and Planning Department had the following staff complement;

Road Section: The road section had the Infrastructure Manager, Senior Project Manager, two Works Managers, Administrative Clerk, one Foreman, two Assistant Foremen and thirteen General Assistants.

Solid Waste Section: The Solid Waste section had one foreman, one TLB operator, three drivers, two Assistant Foremen and twenty five General Assistants (casuals).

Sanitation Section: The Sanitation Section had five operators, three plumbers, three drivers and eleven General Assistants.

Water Section: The Water Section had three Foremen, three Operators, three plumbers, and ten General Assistants

Challenges	Initiatives
PROVISION OF WATER AND SANITATION AS WATER SERVICES PROVIDER	
1. Alfred Nzo taking over the function of being a Water Services Provider for the urban areas	<ul style="list-style-type: none"> Negotiate with ANDM not to take the function using the Mayors' forum
PROVISION OF ROADS, BRIDGES AND STORMWATER FACILITIES	
2. Environmental processes were taking too long	<ul style="list-style-type: none"> The municipality embarked on employing an environmentalist
3. Some chiefs impose selling of gravel material on roads projects	<ul style="list-style-type: none"> Involvement of chiefs in the project planning stages
4. Lack of participation of communities in municipal activities results in lack of ownership of infrastructure (project prioritisation)	<ul style="list-style-type: none"> Monitoring of participation of communities by requesting attendance register for community meetings by ward councillors
5. Changes in legislation in terms of powers and function in light of EPWP and MIG project registration	<ul style="list-style-type: none"> Establishment of PMU
6. lack of plant and machinery for local contractors	<ul style="list-style-type: none"> Provisions made by the municipality to arrange sessions for direct payment
SOLID WASTE MANAGEMENT	
7. To have permitted waste disposal sites in Mt Ayliff and Maluti	<ul style="list-style-type: none"> Still in the process of getting permitted sites
8. Land claims	<ul style="list-style-type: none"> Intervention from the land Claims Commission involving all affected parties
HOUSEHOLD ELECTRIFICATION	
9. Eskom being a service provider inhibits municipal intervention to speed up household electrification.	<ul style="list-style-type: none"> The municipality entered into a dialogue with the Department of Minerals and Energy and Eskom to work out a strategy to reduce the huge backlog in household electrification.
PROVISION OF FREE BASIC ELECTRICITY	
10. Lack of electricity infrastructure in rural areas makes it impossible for the poorest community to access Free basic Electricity	<ul style="list-style-type: none"> Expansion of Non-grid electricity to remote areas
COMPLIANCE WITH LEGISLATION	

11. **MPRDA:** Mining rights for gravel. Existing registered borrow pits are usually far from identified projects, which increases the cost of roads.

▪ Engagement of the Department of Transport and Department of Environmental Affairs and Tourism in municipal service delivery programmes

LED, Tourism and Environmental Management



Mr S. Thobela
Manager: LED, Tourism and Environmental Management

The Department of LED, Tourism and Environmental Management is responsible for land planning, town planning and delivery of housing services.

Key Responsibilities

d. Local economic development

- Support systems
- SMME development

Organisational Development

In 2006/7 financial year, the LED, Tourism and Environmental Management had 12 Staff members consisting of the LED, Tourism and Environmental Management Manager, Assistant Manager Building, a Senior Estate Officer, Junior Planner, Housing Co-ordinator, two LED Project Supervisors, two Technical Co-ordinators and three Administrative Officers.

Challenges and Initiatives

Challenges	Initiatives
LAND USE MANAGEMENT	
1. Land invasion by informal settlements	identify more land for low cost housing to avoid urban sprawls
2. Most of land identified for economic development are under land claim	Consultation with the Department of Land Affairs
TOWN PLANNING	
3. Lack of a Town Planner within the municipality	Use of Estates Officer and services of a Town Planner at the District Municipality.
PROVISION OF HOUSING AND BUILDING CONTROL	
4. Inadequate staff to perform the function of housing and building control	Employed an Assistant Manager and employment of contract staff for the housing

function.

LOCAL ECONOMIC DEVELOPMENT

5. Lack of adequate budget to implement project identified in the IDP

Sourcing funds from other institutions such as DBSA, IDT, etc.

Building and zoning plans 2006/2007

Applications outstanding 1 July 2006	Category	Number of new applications received 2006/7	Total value of applications received (Rand)	Applications outstanding 30 June 2007
0	Residential new			
	Residential PHP			
0	Residential additions			
0	Commercial			
0	Industrial			
0	Education			
0	Medical			
0	Institution			
0	B & B			

Municipal Disclosures

Disclosures Concerning Councillors, Directors and Senior Officials:
 for the period 1 July 2006 to 30 June 2007

Description	Mayor (R)	Other Councillors (R)	Municipal Manager (R)	Chief Financial Officer (R)	Other Senior Managers (R)	TOTAL (R)
Salaries and Wages						
Salaries	214,053	3,512,032	357,553	284,292	1,007,031	5,374,961
Wages	0.00	0.00	0.00	0.00	0.00	0.00
Contributions						
Contributions	65,204	1,148,438	47,832	25,347	101,391	1,388,212
Gratuity Aid	12,168	571,896	15,208	10,244	63,247	672,763
	0.00	0.00	0.00	0.00	0.00	0.00
Expenses						
Travel and Motor	108,673	1,014,026	178,794	122,137	457,806	1,881,336
Accommodation	0.00	0.00	0.00	0.00	0.00	0.00
Entertainment	0.00	0.00	0.00	0.00	0.00	0.00
Living Benefits Allowances (R)	34,595	558,397	42,944	42,658	158,501	837,095

and ces	N/A	N/A	N/A	N/A	71,255	71,255
Benefits and nces	0,00	N/A	N/A	N/A	N/A	0,00
s Owed to pality	0.00	0.00	0.00	0.00	0.00	0.00

Employment Equity

Councillors

Functional Category	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
ive Committee	5	0	0	0	4	0	0	0	09
llors	26	0	0	0	21	0	0	0	47
uncillors	9	0	0	0	14	0	0	0	23
llors with ities	0	0	0	0	0	0	0	0	0

Municipal Staff

Functional Categories	Male				Female				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
ctors, senior officials anagers	7	0	0	0	0	0	0	0	7
sionals	16	0	0	0	10	0	0	0	26
icians and associate sionals	3	0	0	0	1	0	0	0	4
	5	0	0	0	19	0	0	0	24
e and sales workers	0	0	0	0	0	0	0	0	0
gricultural and workers	0	0	0	0	0	0	0	0	0
nd related trades s	0	0	0	0	0	0	0	0	0
nd machine ors and assemblers	1	0	0	0	0	0	0	0	1
ntary occupations	30	0	0	0	23	0	0	0	53
PERMANENT	62	0	0	0	53	0	0	0	115
permanent ees	14	0	0	0	27	0	0	0	44

Employment and vacancies

Employment and Vacancies per Department

Budget Vote	No. of Posts as per Adopted Organogram	Number of New Posts Budgeted 2006/7	Number of Posts Filled by 2006/7	Vacancy Rate
1. Office of The Speaker	1	1	1	0
2. Office of the Mayor	2	2	2	0
3. Office of the Municipal Manager	1	1	0	100
4. Communication and Special Programmes	07	07	07	0
5. Corporate Services	20	20	18	
6. Budget and Treasury	12	12	10	
7. Infrastructure and Planning Department	86	86	65	
8. Social and Community Services	29	29	16	
9. LED, Tourism and Environmental Development	05	05	05	0
TOTAL	163	163	124	

Annual Turnover per Department

Budget Vote	Number of Employees	Appointments 2006/7	Resignations 2006/7	Turnover Rate
1. Office of The Speaker	1	1	0	0%
2. Office of the Mayor	2	2	0	0 %
3. Office of the Municipal Manager	0	0	0	0 %
4. Communication and Special Programmes	7	2	0	0%
5. Corporate Services	18	5	1	%
6. Budget and Treasury	10	6	2	%
7. Infrastructure and Planning Department	65	2	4	%
8. Social and Community Services	16	4	0	0 %
9. LED, Tourism and Environmental Development	5	2	1	%
TOTAL	124	24	8	%

Number of Policies Identified and Formulated for Umzimvubu Municipality For the period 1 July 2006 to 30 June

Policy	Status
--------	--------

Supply Chain Management Policy	Adopted
Placement Policy	Adopted
Bursary Policy	Adopted
Revenue Strategy	Adopted
LED Strategy	Adopted
Delegation of Powers	Adopted
Municipal Meetings	Adopted
Rules and Procedures	Adopted
Financial Policy	Adopted
Budgeting Policy	Adopted
Telephone Usage Policy	Adopted
Financial Responsibilities of Municipal Manager	Adopted
Municipal Audit Committee Policy	Adopted
Petty Cash Policy	Adopted
Banking Policy	Adopted
Investment Policy	Adopted
Subsistence and Travelling Policy	Adopted
Records Management	Adopted
Code of Conduct	Adopted
Acting Allowance	Adopted
Motor Car Scheme	Adopted

Annual Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

INDEX

1. General information
 2. Report by the Chief Finance Officer
 3. Accounting policies
 4. Balance sheet
 5. Income statement
 6. Cash flow statement
 7. Notes to the financial statements
-
- A. Statutory funds, Trust funds, Project funds and reserves
 - B. External loans and internal advances
 - C. Analysis of fixed assets
 - D. Analysis of operating income and expenditure
 - E. Detailed income statement
 - F. Statistical Information

Annual Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

GENERAL INFORMATION

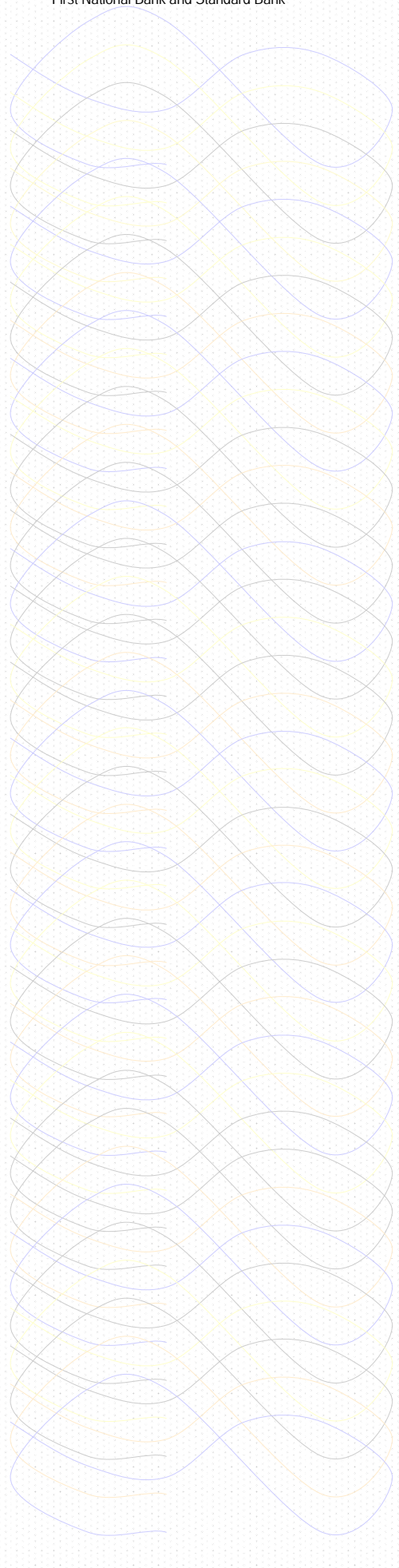
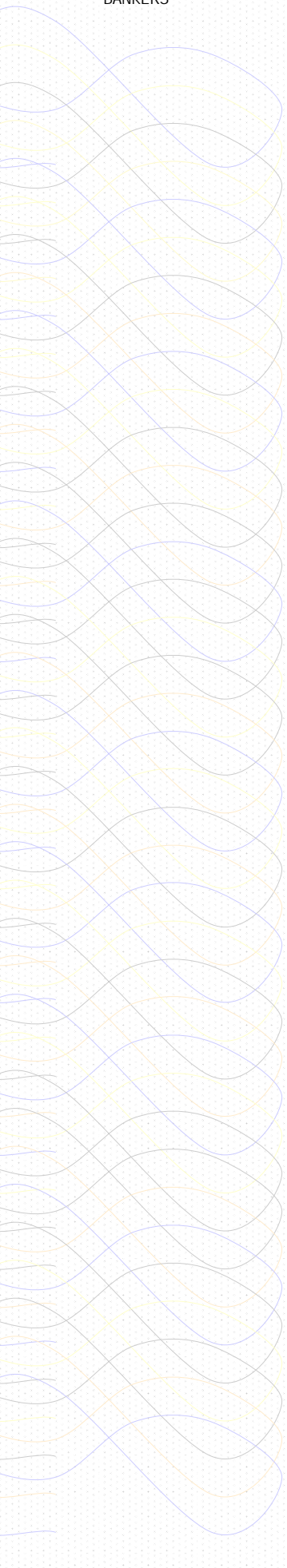
MEMBERS OF THE UMZIMVUBU COUNCIL

1.	Mabengu PB	Mayor	38.	Sikisi LL	Councillor
2.	Tshekela ST	Speaker	39.	Sishiqqa NV	Councillor
3.	Jeke MM	Councillor	40.	Songqishe ZR	Councillor
4.	Gwebani ZA	Councillor	41.	Zwane BB	Councillor
5.	Mnukwa SK	Councillor	42.	Fikeni NE	Councillor
6.	Ndevu Z	Councillor	43.	Myingwa S	Councillor
7.	Sineke MN	Councillor	44.	Mdzinwa NG	Councillor
8.	Thingathinga PK	Councillor	45.	Mpepanduku MM	MM Councillor
9.	Ngalonkulu EN	Councillor	46.	Sishuba EL	Councillor
10.	Mbekeni SB	Councillor	47.	Socikwa MS	Councillor
11.	Cezula NP	Councillor			
12.	Dandala HN	Councillor			
13.	Diko BZ	Councillor			
14.	Duba N	Councillor			
15.	Garane AN	Councillor			
16.	Gcadinja NN	Councillor			
17.	Gqoli SP	Councillor			
18.	Jakalase VA	Councillor			
19.	Jona GX	Councillor			
20.	Mapekula MV	Councillor			
21.	Mataka M	Councillor			
22.	Mbele N	Councillor			
23.	Mbedu P	Councillor			
24.	Mgoqozi DL	Councillor			
25.	Mjokane AN	Councillor			
26.	Mpanda N	Councillor			
27.	Mzaza MN	Councillor			
28.	Ngqaimbana LM	Councillor			
29.	Nqatsha LL	Councillor			
30.	Phangwa SK	Councillor			
31.	Ntsengwane M	Councillor			
32.	Senzela AN	Councillor			
33.	Lungu X	Councillor			
34.	Magaya IK	Councillor			
35.	Makanda GU	Councillor			
36.	Makaula VM	Councillor			
37.	Msindwana TS	Councillor			

GRADING OF THE MUNICIPALITY	Grade 3
AUDITORS	Auditor - General

BANKERS

First National Bank and Standard Bank



Annual Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

GENERAL INFORMATION

REGISTERED OFFICES

Church Street	Tel:- 039- 254 6000
Mount Ayliff	Fax:- 039- 254 0033
4735	
MUNICIPAL MANAGER	
Z.H Sikhundla	
CHIEF FINANCE OFFICER	
L.L.D Pepeta	
APPROVAL OF THE FINANCIAL STATEMENTS	

The annual financial statements set out on pages 3 to 20 were approved by the Municipal Manager on _____ and presented to and approved by Council on _____

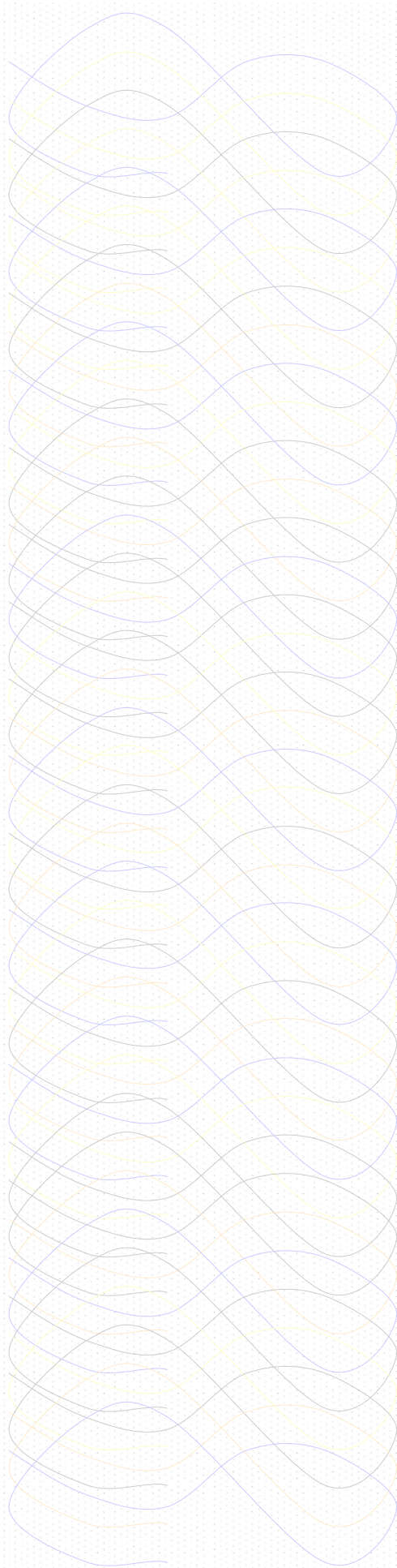
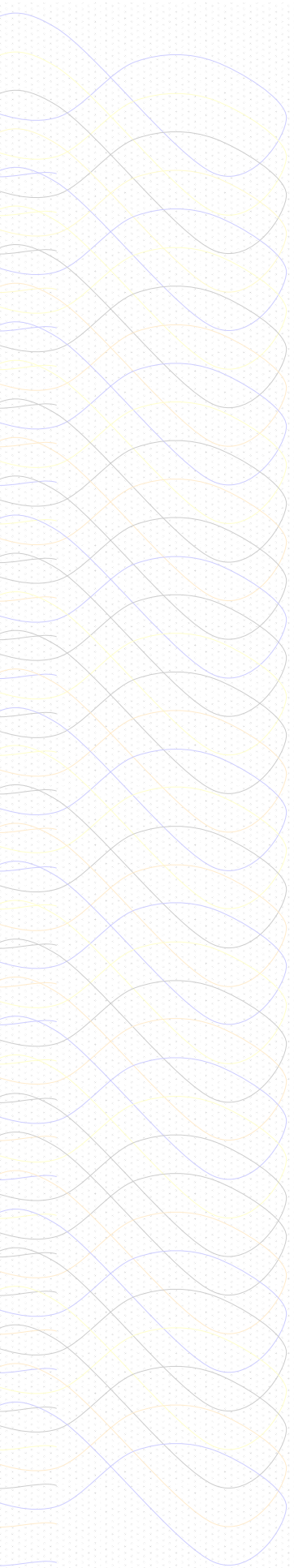
MUNICIPAL MANAGER

Date : _____

MAYOR

Date : _____





Annual Financial Statements

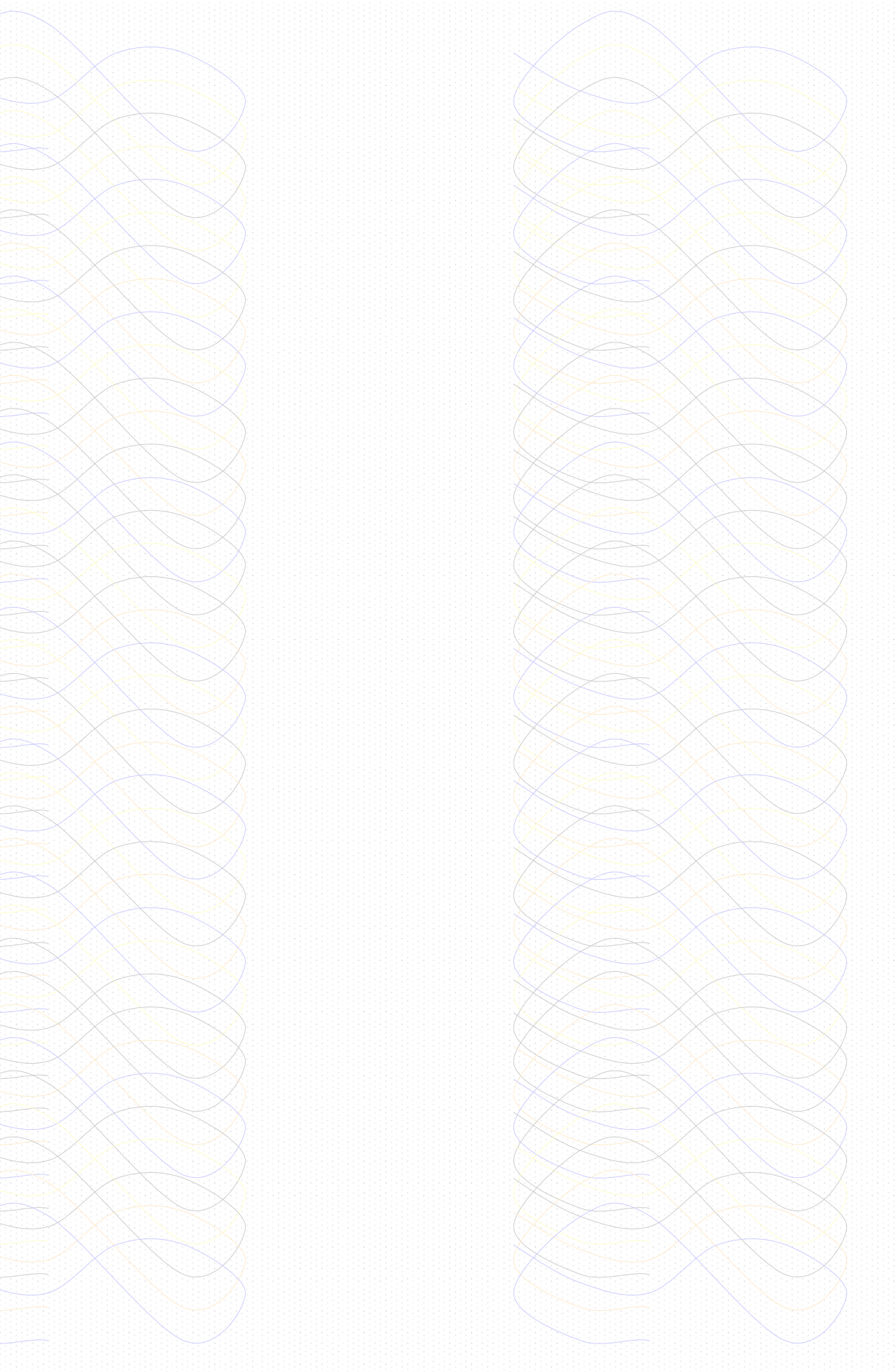
FOR THE YEAR ENDED 30 JUNE 2007

REPORT BY THE CHIEF FINANCE OFFICER

OPERATING RESULTS

1. Details of the operating results per department, classification and object of the expenditure are included in appendices D and E. The operating results for the year ended 30 June 2007 are as follows:

	VARIANCE	ACTUAL	ACTUAL	BUDGET
	%	2007	2006	2007
		R	R	R
INCOME				
Rates and general services	44	108 360 030	75 358 670	187 952 812
Trading services	(94)	53 050	900 573	4 550 196
Total income	42	108 413 080	76 259 243	192 503 008
Less:				
EXPENDITURE				
Rates and general services	2	89 041 494	87 512 899	183 805 443
Trading services	(89)	161 503	1427 273.10	2 476 785
Total expenses	0.3	89 202 997	88 940 172	186 282 228
Surplus/(deficit) for the year	(252)	19 210 083	(12 680 929)	6 220 780



Annual Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

REPORT BY THE CHIEF FINANCE OFFICER (Continued)

1.	During the year under review municipal operations resulted in a surplus of R 19 210 083		
	An amount of R 16 317 572 is owed in trade debtors. Provision for bad debts amounted to R 10 367 019. An amount of this magnitude is indicative of resistance to pay from debtors owing to the municipality.		
	CAPITAL EXPENDITURE AND FINANCING		
2.	Capital expenditure incurred for the year under review amounted to R 67 947 501. The breakdown of the expenditure is as follows:		
		ACTUAL	BUDGET
		2007	2007
		R	R
	Land and building	18 512 027	0
	Furniture and Fittings	(1 469 245)	593 693
	Containers	185 820	0
	Motor Vehicles	32 445	550 000
	Plant and Equipment	168 754	0
	Computer Equipment	(584 564)	50 000
	Parking meters	0	212 000
	Tools	0	0
	Pre-Schools	(2 240 579)	0
	Sport Field	1 292 607	0
	Traffic equipment	0	217 426
	Fencing and Toilets	(819 177)	0
	Community Halls	359 027	0
	Testing Centre	0	0
	Project Expenditure	0	2 434 247
	Poultry	0	0
	Recreational Park	135 331	321 000
	Milling	0	0
	Bakery	0	0
	Roads	48 417 169	71 495 525
	Schools	(287 443)	0
	Small Business Unit	729 591	0
	Cemetery	0	0
	Mayoral Chain	0	0
	Bridges	1 047 252	0
	Irrigation Scheme	0	0
	Sanitation	1 416 431	0
	Water Meters	0	0
	Water Works	1 052 055	0
		67 947 501	75 873 891
	Resources used to finance the fixed assets were as follows: -		
	Operating account	45 936 754	

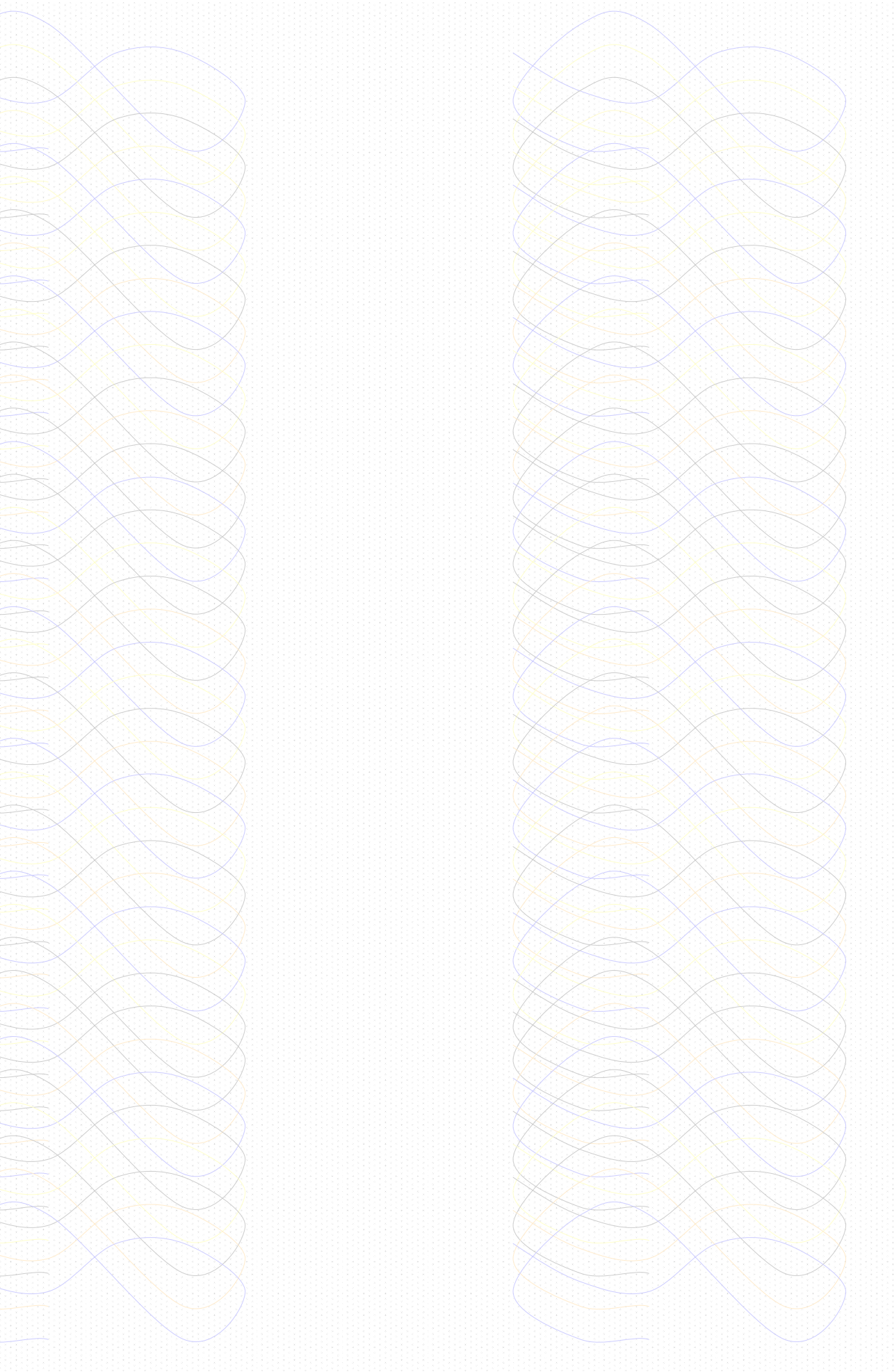
A detailed analysis of fixed assets can be examined on Appendix C.

Annual Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

REPORT BY THE CHIEF FINANCE OFFICER (Continued)

	EXTERNAL LOANS, INVESTMENTS AND CASH
3.	There was no external loans during the year under review.
	Investments at year end amounted to R 80 528 900 (2006: R65 114 864).
	Bank/(bank overdraft) amounted to (R1 521 529)/(2006: R 768 335).
	More information regarding loans and investments are disclosed in the note
	More information regarding loans and investments are disclosed in the notes and Appendix B
	FUNDS AND RESERVES
4.	More information regarding Funds and Reserves can be viewed on Appendix A.
	POST BALANCE SHEET EVENTS
5.	Due to demarcation of municipal boarders, on of our towns (Maluti) had to be incorporated to
	Matatiele Municipality and it was agreed that some of the assets had to be transferred to the
	said Municipality as at 01 July 2006.
	EXPRESSION OF APPRECIATION
6.	I am grateful to the Mayor and the Council, the Municipal Manager and to the staff at large for their
	support and in particular, the representatives of the Auditor General for their assistance and
	support during the year.
	L.L.D Pepeta
	CHIEF FINANCE OFFICER



Annual Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

ACCOUNTING POLICIES

1. Basis of Presentation

- 1.1 The financial statements have been prepared so as to conform to the standards laid down by the institute of Municipal Officers in the code of practice (1992) and report on Public Annual Financial Statements (second edition January 1996)
- 1.2 The financial statements are prepared on the historical cost basis, adjustable for the fixed assets as more full detail in accounting policy note 3. The accounting policies are consistent with those applied in previous year except if otherwise indicated.
- 1.3 The financial statements are prepared on an accrual basis as stated :
 - Income is accrued when measurable and available to finance operations. Certain direct income is accrued and received, such as fines and certain licenses.
 - Expenditure is accrued in the year it is incurred

2. Consolidation

The financial statements include rates and general services, trading services and the different funds reserves. All interdepartmental charges are set off against each other with exception of assessment rates, refuse removal, sanitation and water, which are treated as income in the departments.

3. Fixed Assets

3.1 Fixed assets are stated:

- At historical cost, or.
- At valuation (based on the market price at date of acquisition), where assets have acquired by grant or donation, while they are in existence and fit for use except in the case of bulk which are written off at the end of their estimated life as determined by the treasurer.

3.2 Depreciation

The balance shown own against the heading "Loans redeemed and Capital receipts" in the notes to the balance sheet is tantamount to a provision for however, certain structural differences do exist. By way of this "provision" assets are written down over their useful life. Apart from advances from the various council funds, assets may also be acquired through:

- Appropriations from income, where the full cost of the asset forms an immediate and direct charge against operation income, and therefore it is unnecessary to make any further provision for depreciation.
- Grants or donation, where the amount representing the value of such grant or donation is immediately credited to the "Grants and subsidies" account in the balance sheet.

3.3 All net proceeds from the sale of fixed assets are credited to the Revolving Fund.

3.4 Fixed Assets are financed from different sources, including external loan, operation income, endowments and internal advances. These loans and advances are repaid within estimated lives of the assets acquired from such loan or advance.

4. Funds and Reserves

4.1 Revolving Fund

The Municipality Act 1979, Section 74(1), the revolving fund requires a minimum contribution of 7.5 % of the rate income of the council for the immediate proceeding financial year.

4.2 Trust Funds

Transactions relating to the funds held by the council for the benefit of third parties are accounted in the balance sheet with no recognition of income and expenditure in the income statement.

4.3 Project Funds

From time to time, the Central and Provincial Government provides funds to Municipalities for the undertaking of certain prescribed projects. The funds so provided are treated as operational grants upon receipt but revenue is recognized only upon spending of the funds for the designated purpose, to be extent of expenditure.

5. Surplus and Deficit

Any surplus or deficit from operation of the Economic and Trading services are transferred to the rates and general services.

6. Income Recognition

6.1 Water Billing

Water is charged at a flat rate approved by the council.

6.2 Assessment Rates

All ratable properties are charged assessment rates based on the Municipal valuation of properties.

6.3 Sanitation Billing

Sanitation is charged on a flat rate as approved by the Council.

6.4 Refuse Removal

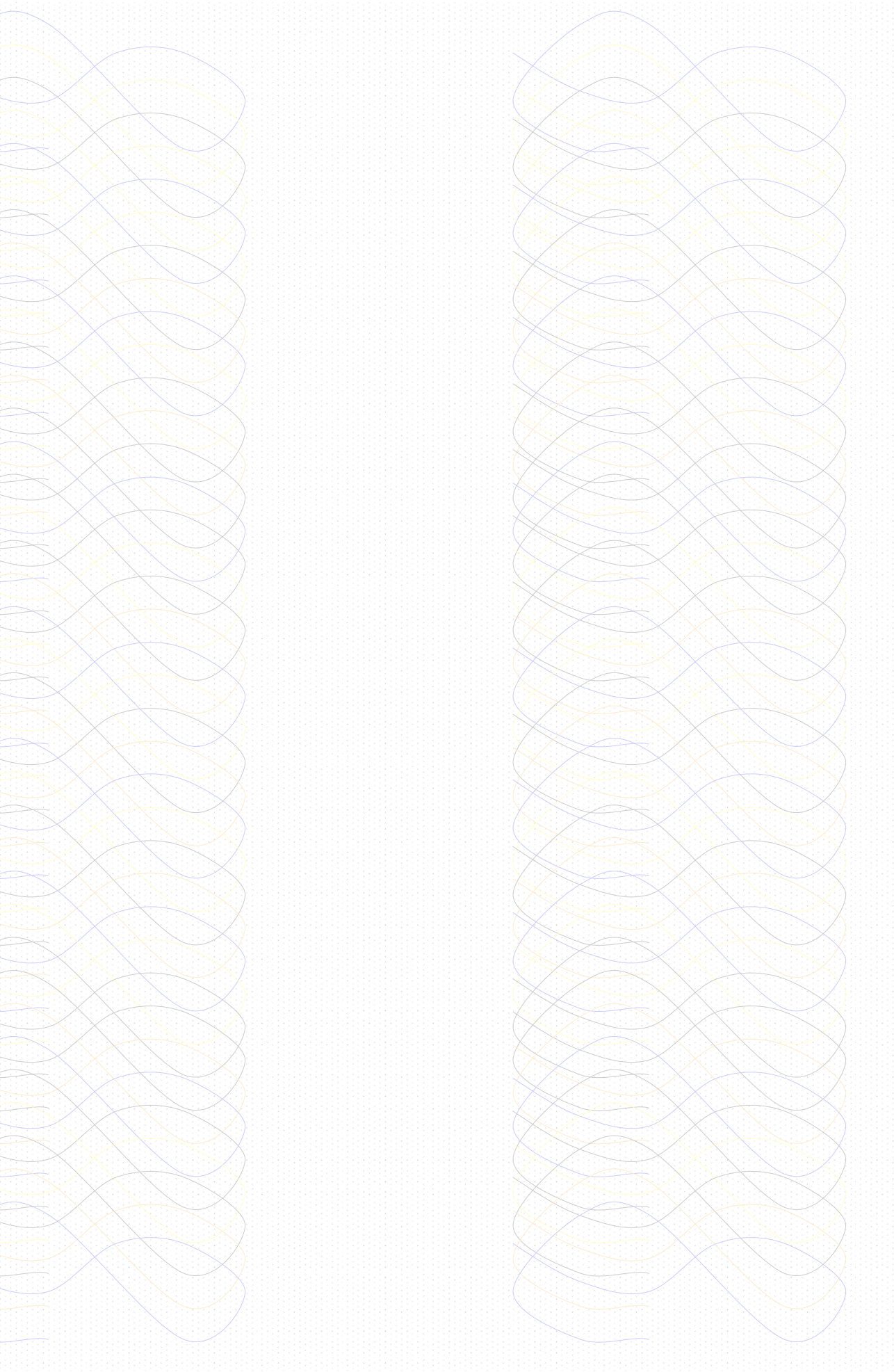
Refuse is also charged on a flat rate as approved by Council

7. Investments

Investments are shown at lowest cost or market value if a permanent decline in the value occurred.

8. Assessment Rate

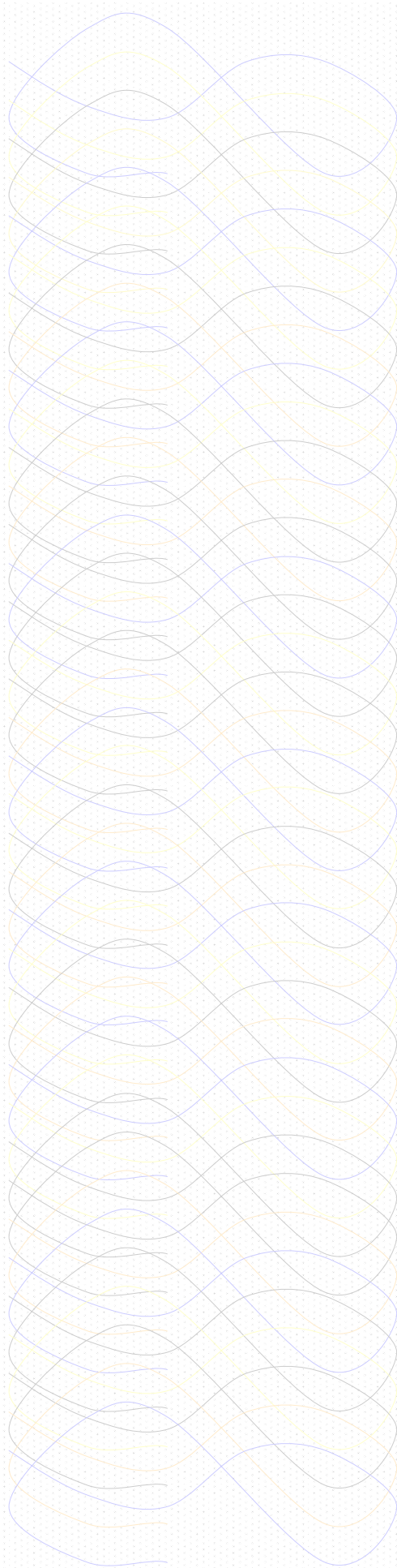
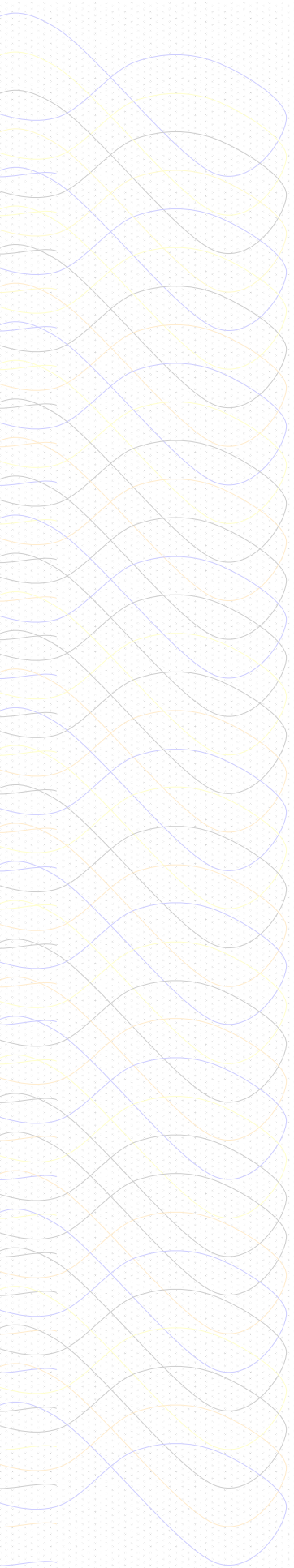
The Municipality applies a differential site rating system. In terms of the system, the assessment rates are levied on the value of property and rates are granted according to the use to which a particular property is put. Rebates of 100% were granted to the owners of land accommodating churches and educational establishments.



Balance Sheet

AS AT 30 JUNE 2007

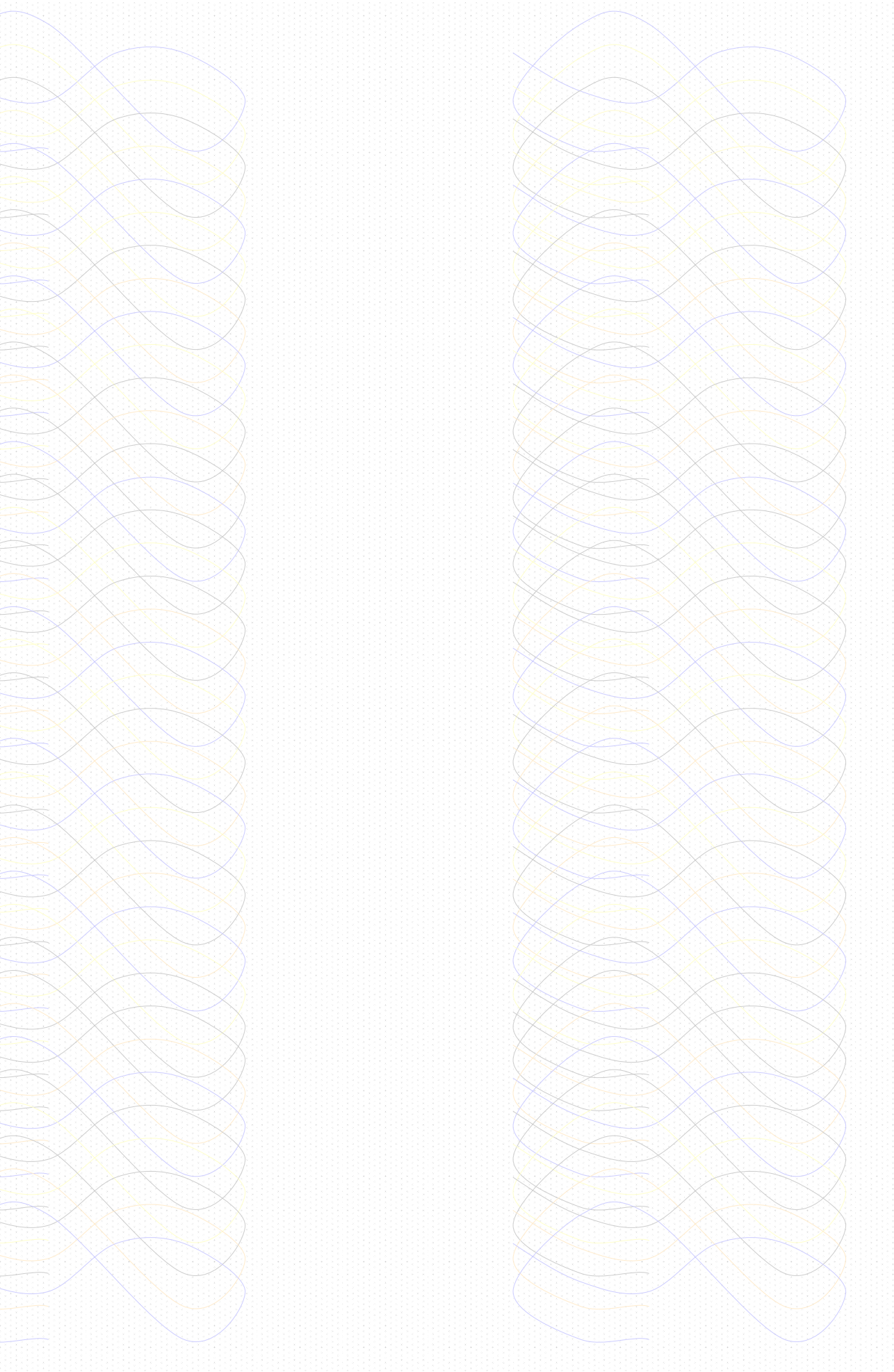
	Notes	2007	2006
		R	R
CAPITAL EMPLOYED			
FUNDS AND RESERVES		1 086 609	1 013 059
Statutory funds	1	1 086 609	1 013 059
ACCUMULATED SURPLUS	14	62 559 502	55 966 169
		63 646 111	56 979 229
Trust funds	2	27 879 583	25 113 265
Project funds	3	1 451 464	1 352 326
		92 977 158	83 444 818
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	4	0	0
Long term Debtors	7	2 888 356	0
CURRENT ASSETS		98 484 375	91 195 715
Short term investments	5	80 528 900	65 114 864
Accounts receivable	6	17 838 647	25 000 392
Short term portion of long term debtors	7	115 543	312 125
Cash and cash equivalent	10	1 286	768 335
CURRENT LIABILITIES		8 395 575	7 750 896
Bank Overdraft	10	1 522 815	0
Accounts payable	8	4 883 779	6 577 525
Provisions	8	1 988 982	1 173 371
NET CURRENT ASSETS		90 088 800	83 444 819
		92 977 157	83 444 818



Income Statement

FOR THE YEAR ENDED 30 JUNE 2007

2006	2006	2006		2007	2007	2007	2007
R	R	R		R	R	R	R
Actual Income	Actual Expenditure	Surplus / (deficit)		Actual Income	Actual Expenditure	Surplus / (deficit)	Budget Surplus / (deficit)
75 358 670	87 512 899	(12 154 229)	RATES AND GENERAL SERVICES	108 360 030	89 041 494	19 318 536	4 147 369
75 358 670	47 761 698	27 596 972	Social and Community Services	80 051 381	40 369 766	39 681 615	42 441 943
0	39 751 201	(39 751 201)	Economic services	28 308 649	48 671 729	(20 363 079)	(38 294 574)
900 573	1 427 273	(526 700)	TRADING SERVICES	53 050	161 503	(108 453)	2,073,411
76 259 243	88 940 172	(12 680 929)	TOTAL	108 413 080	89 202 997	19 210 083	6 220 780
		9 003 839	Appropriations for the year			(12 616 750)	
		(3 677 090)	(Deficit)/Surplus for the year			6 593 333	
		0	Prior Year Adjustment			0	
		59 643 259	Accumulated surplus at the beginning			55 966 169	
		55 966 169	Accumulated surplus at the end			62 559 502	



Cash Flow Statement

AS AT 30 JUNE 2007

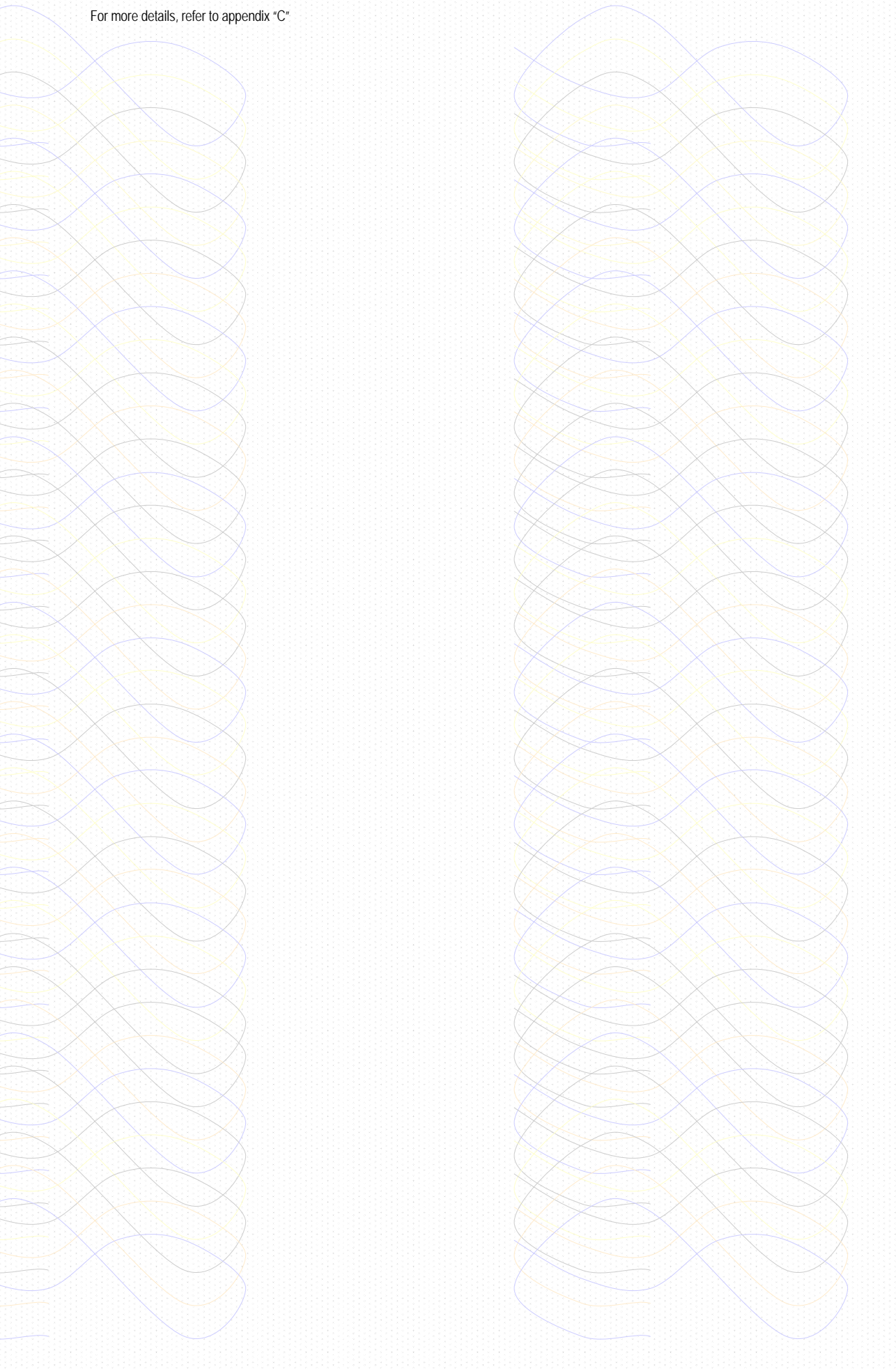
	Notes	2007	2006
		R	R
CASH (UTILISED)/GENERATED FROM OPERATING ACTIVITIES			
		80 605 506	20 057 872
Cash generated by operations	15	73 529 152	22 602 176
Investment income	12	3 433 871	2 820 374
(Decrease) in working capital	16	3 591 835	(5 968 010)
Cash generated from operating activities		80 554 857	19 454 539
(Increase)/Decrease in long term debtors		(2 888 356)	-
Increase/(Decrease) in funds and reserves		2 939 005	603 333
CASH UTILISED IN INVESTING ACTIVITIES			
Investment in fixed assets		(67 947 501)	(29 099 640)
		12 658 005	(9 041 768)
CASH EFFECTS OF FINANCING ACTIVITIES			
(Increase)/decrease in investments		(15 414 036)	9 797 223
(Increase)/decrease in cash	17	2 756 031	(755 455)
		(12 658 005)	9 041 768

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	R	R
1. STATUTORY FUNDS		
Revolving fund	1 086 609	1 013 059
	1 086 609	1 013 059
2. TRUST FUNDS		
Survey	0	-
Xesibe Tourism	(86)	(86)
Free Basic Services	20 324 194	19 751 436
Local Economic Development	0	-
Bucket System Fund	0	-
Drought Relief	293 890	396 394
Municipal Infra-structure Grant	4 850 949	302 608
Testing Ground	2 410 636	4 662 913
	27 879 583	25 113 265
3. PROJECT FUNDS		
Transitional	0	-
Mt Ayliff PHP	(83)	(83)
Mt Frere PHP	0	-
Tyoksville	0	-
Housing	0	-
Municipal Support Programme	1 451 546	1 352 409
	1 451 464	1 352 326
For more details, refer to appendix "A"		
4. FIXED ASSETS		
Fixed assets at the beginning of the year	148 348 207	119 248 566
Capital expenditure during the year	67 947 501	29 099 640
Less: Assets written off during the year	(260 094)	-
TOTAL FIXED ASSETS	216 035 614	148 348 206
Loans Redeemed and other capital receipts	216 035 614	148 348 206
NET FIXED ASSETS	-	-

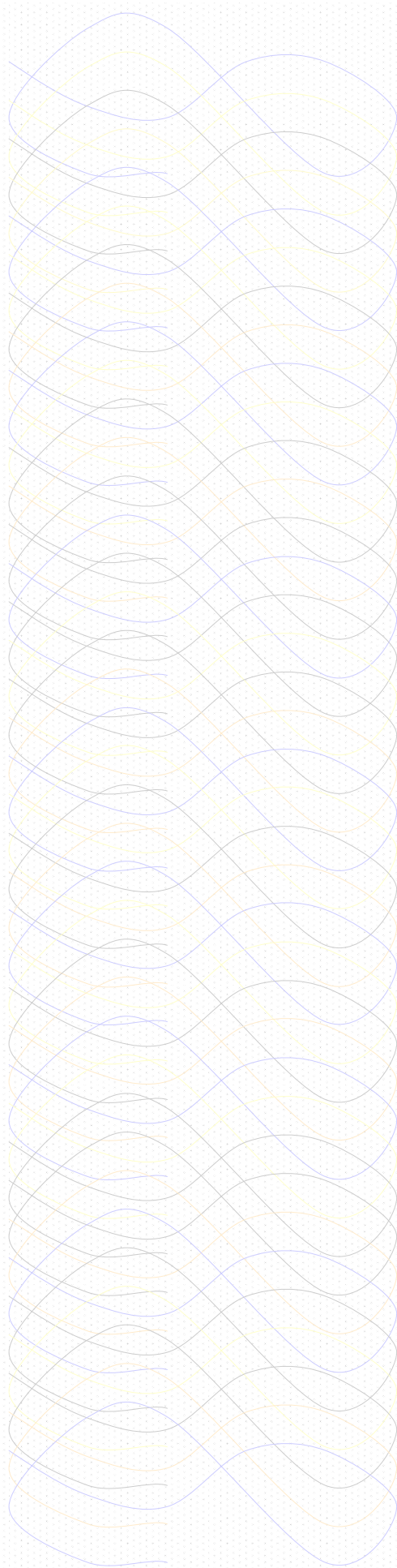
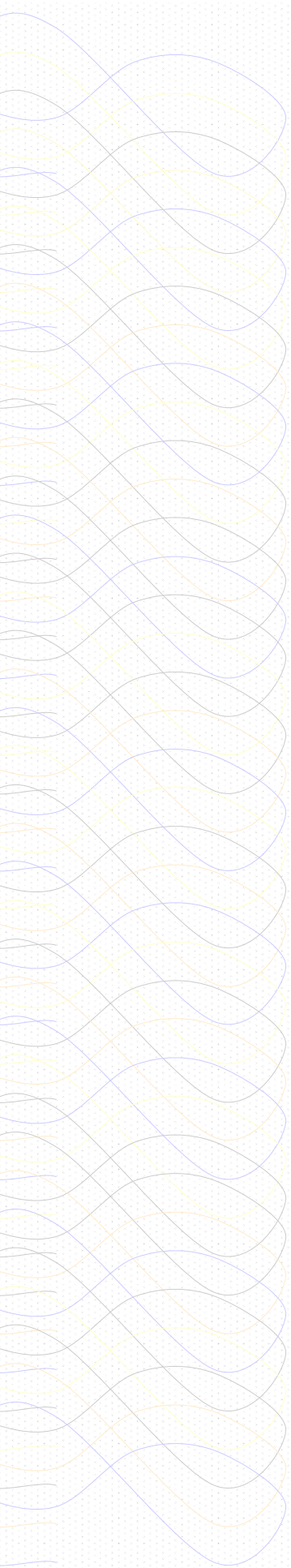
For more details, refer to appendix "C"



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	R	R
5. SHORT TERM INVESTMENTS		
Unlisted		
Xesibe Tourism	(86)	(86)
Municipal Support Programme	1 451 546	1 352 409
Operation Investment	49 894 312	37 428 573
Free Basic Services	20 324 193	19 751 436
Mt Ayliff Tyoksville	(83)	(83)
Municipal Mentoring Programme	29 700	30 342
Revolving Fund	1 086 609	1 013 059
Electricity Guarantee	187 234	177 299
Drought Relief Grant	293 890	396 394
Municipal Infrastructure Grant	4 850 949	302 608
Testing Station	2 410 636	4 662 913
	80 528 900	65 114 864
Management's valuation of unlisted investments	80 528 900	65 114 864
6. ACCOUNTS RECEIVABLE		
Rates and General Services	16 317 572	26 427 269
Provision for bad debts	(10 367 019)	(12 302 112)
	5 950 554	14 125 157
Other debtors	1 429 799	3 896 921
Alfred Nzo District Municipality	897 664	-
SARS: Vat	9 560 631	6 978 314
	17 838 647	25 000 392
7. LONG TERM DEBTORS		
Mt Frere Housing debtors	1 499 076	-
Mt Ayliff Housing debtors	1 389 280	-
Car Loans	115 543	312 125
Short Term Portion	(115,543)	(312 125)
	2 888 356	(0)



Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

8. ACCOUNTS PAYABLE		
Accounts Payable	4 883 779	6 577 525
	4 883 779	6 577 525
PROVISIONS		
Provision for Audit Fees	157 487	-
Provision for Staff Leave	1 831 495	1 173 371
	1 988 982	1 173 371
9. ASSESSMENT RATES		
	General Valuation	
Valued properties	268 538 554	
Rate tariff	1.5 c/R	
	4 017 904	4 028 078
10. CASH AND CASH EQUIVALENT		
First National Bank Limited - Mt Frere Branch		
Bank Overdraft Balance	(1 522 815)	768 335
Cash on hand	1 286	-
11. AUDITORS REMUNERATION		
Audit fees: Current year	157 487	264 092.87
	157 487	264 093
12. FINANCE TRANSACTIONS		
Interest earned	3 433 871	2 820 374
Capital charges debited to operating account:		
Interest		
Redemption	0	0
TOTAL	0	0
13. COUNCILOR'S REMUNERATION		
Councillors' allowances	5 911 327	4 725 811
	5 911 327	4 725 811

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2007

14. APPROPRIATIONS		
Accumulated surplus/(deficit) at the beginning of the year	55 966 169	59 643 259
Operating (deficit)/Surplus for the year	19 210 083	(12 680 929)
Prior Year Adjustments	-	-
Appropriations for the year	(12 616 750)	9 003 839
Write off of debtors	(13 496 719)	-
Allocation of previous year unknown deposits	519 837	-
Reversal of previous year levies provision	360 132	-
Allocation of prior year Equitable share	-	2 700 000
Repayment of trust funds to main ledger	-	5 281 022
Reversal of stale cheques for previous year	-	1 022 817
	62 559 502	55 966 169
15. CASH GENERATED BY OPERATIONS		
Surplus for the year	19 210 083	(12 680 929)
Adjustments in respect of :		
Appropriations for the year	12 616 750	9 003 839
Contribution to fixed assets	67 947 501	29 099 640
Adjustment to fixed assets	(20 876 219)	-
Interest received	(3 433 871)	(2 820 374)
Bad debts recovered	(1 935 093)	-
	73 529 152	22 602 176
16. (DECREASE) IN WORKING CAPITAL		
(Increase) in accounts receivable	4 469 971	(3 903 307)
(Decrease)/Increase in accounts payable	(878 136)	(2 064 704)
	3 591 835	(5 968 010)

17. DECREASE IN BANK AND CASH

Cash balance at the beginning of the year	768 335	12 880
Less : Cash balance at the end of the year	(1 987 696)	(768 335)
	(2 756 031)	755 455

18. EVENTS AFTER THE REPORTING DATE

Due to the revised demarcation of the municipal boarders, one of the Municipality towns (Maluti) had to be split from the Municipality and be incorporated to another Municipality (Matatiele). As a result of this assets and debtors in respect of this town were transferred to Matatiele Municipality with effect from 01 July 2006.

Appendix A - Statutory Funds, Trust Funds, Project Funds And Reserves

	Balance at 30 June 2006	Contr during the period	Interest on investment	Repayment of main ledger	Operating expenditure during the year	Capital expen- diture during the year	Balance at 30 June 2007
STATUTORY FUNDS							
Revolving fund	1 013 059	-	73 549	-	-	0	1 086 609
	1 013 059	0	73 549	0	0	0	1 086 609
TRUST FUNDS							
	-			-		-	0
Survey	379 613		11 772	(391 385)		-	-
Xesibe Tourism	(86)						(86)
Free Basic Services	19 751 436		1 405 008			(832 251)	20 324 193
Drought Relief	396 394		28 757		(28)	(131 232)	293 890
Municipal Infra-structure Grant	302 608	15 992 550	806 666		(2 651)	(12 248 224)	4 850 949
Testing Center	4 662 913		335 612			(2 587 889)	2 410 636
	25 492 878	15 992 550	2 587 815	(391 385)	(2 679)	(15 799 597)	27 879 582
PROJECT FUNDS							
Transitional Fund	-						-
Mt Ayliff PHP Fund	(84)						(84)
Municipal Support Programme	1 352 409		99 360		(223)		1 451 546
IDP Fund	1 352 325	0	99 360	0	(223)	0	1 451 463
The Xesibe Tourism and Mt Ayliff PHP funds had a negative balance because they were closed off but the bank charged interest on their bank accounts. This will be rectified the following year							

Appendix B

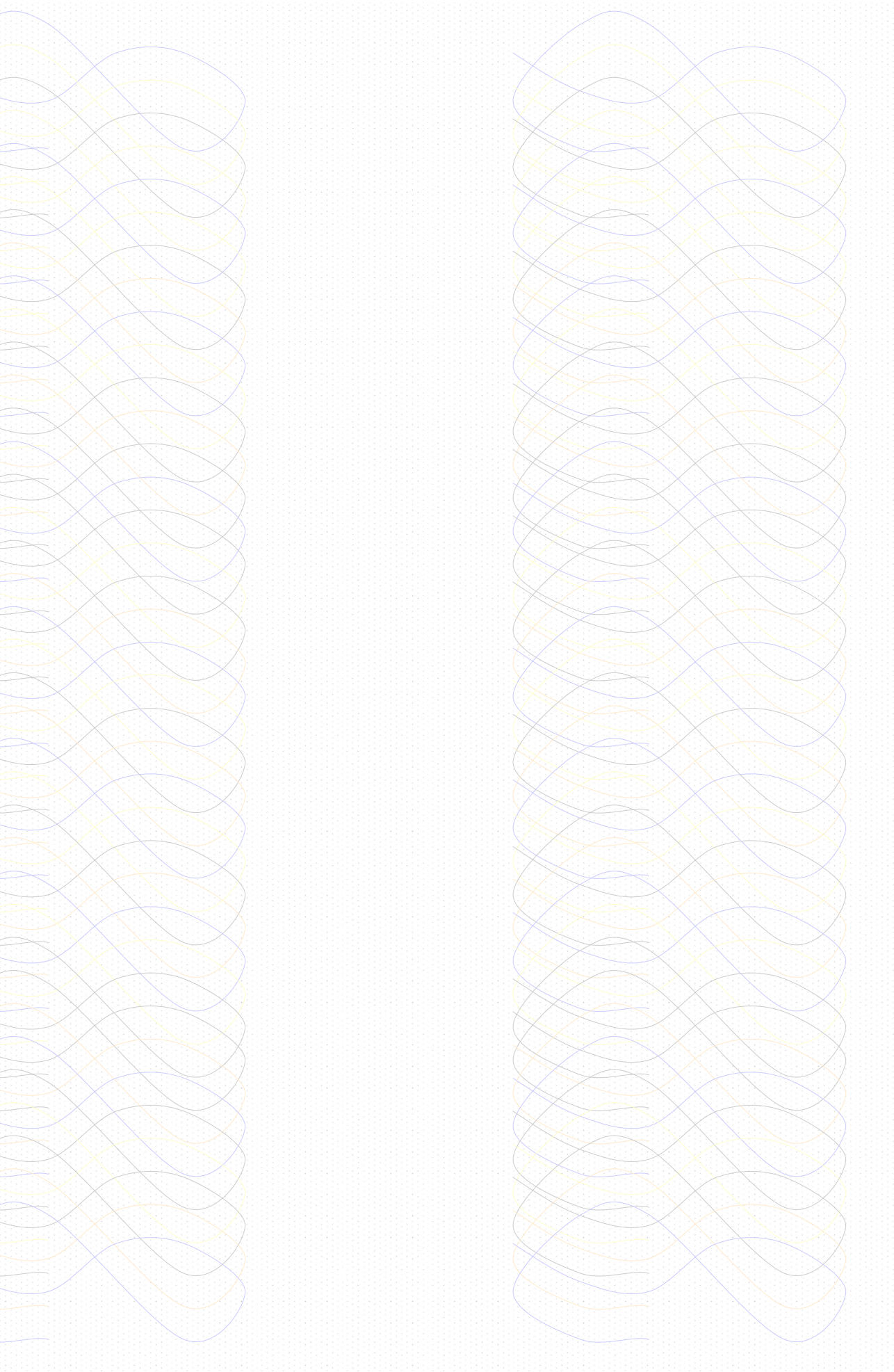
External Loans And Internal Advances

EXTERNAL LOANS

INTERNAL ADVANCES

Revolving Fund	-	-	-	-	-
Mt Frere Survey	-	-	-	-	0
Xesibe Torism	-	-	-	-	-
LED Fund	-	-	-	-	-
Mt Frere PHP	-	-	-	-	0
Mt Ayliff PHP	-	-	-	-	0
Municipal Support Programme	-	-	-	-	-
	0	0	0	0	0

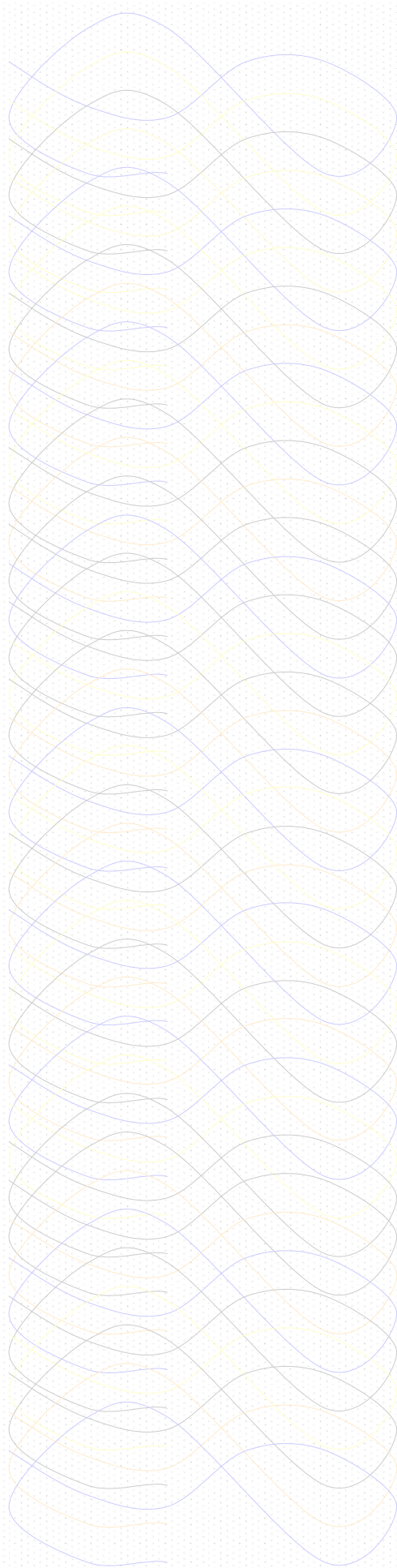
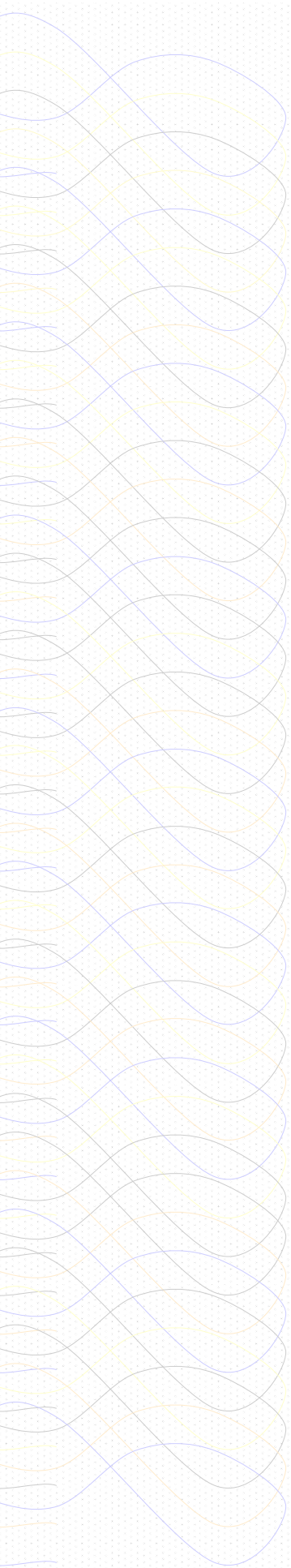




Appendix C

Analysis of Fixed Assets

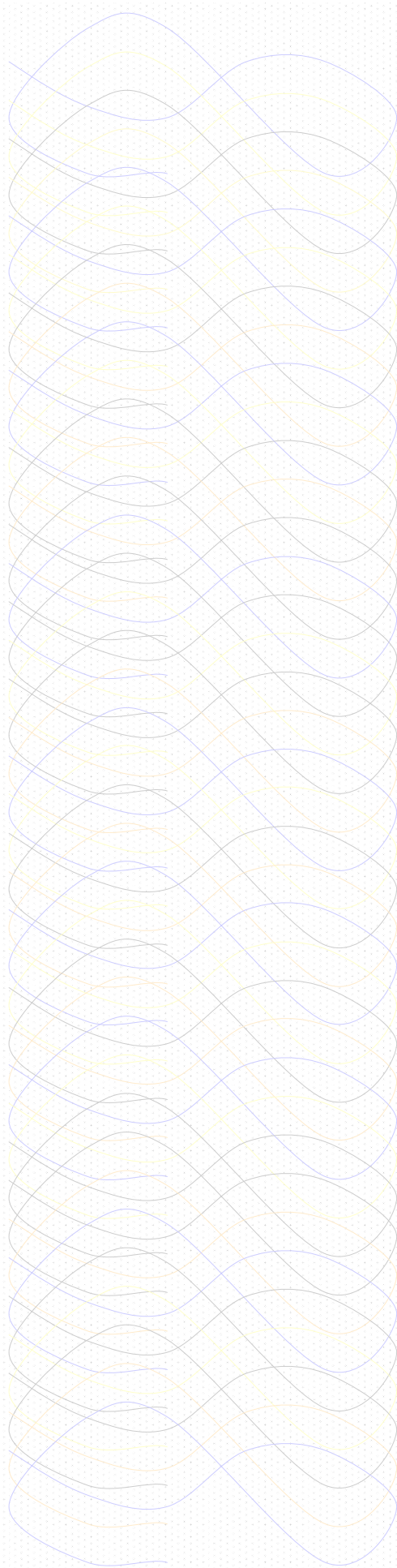
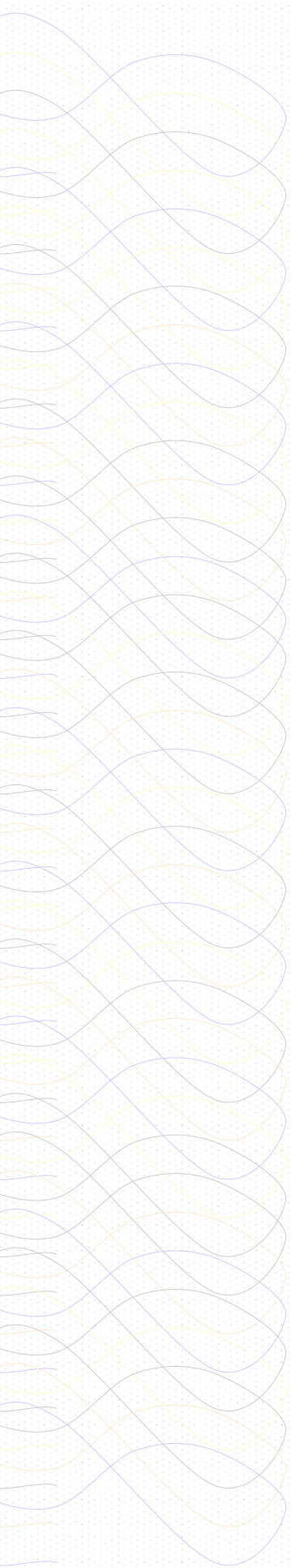
	Budget for 2007	Balance as at 30 June 2006	Expenditure	Written off / transferred	Balance as at 30 June 2007
Rates and General Services	75 873 891	122 307 220	65 479 016	26 830 658	214 616 894
Social and Community Services	75 873 891	122 307 220	65 479 016	26 830 658	214 616 894
Land and building	-	5 428 840	18 512 027	18 512 027	42 452 894
Furniture and Fittings	593 693	1 977 436	(1 469 245)	(1 698 971)	(1 190 780)
Containers	-	-	185 820	-	185 820
Motor Vehicles	550 000	3 609 993	32 445	(511 548)	3 130 889
Plant and Equipment	-	202 587	168 754	168 754	540 095
Computer Equipment	50 000	2 048 485	(584 564)	(724 678)	739 243
Parking meters	212 000	-	-	-	0
Tools	-	5 995	0	-	5 995
Pre-Schools	-	25 886 907	(2 240 579)	(3 177 040)	20 469 289
Sport Field	-	2 144 153	1 292 607	-	3 436 760
Traffic equipment	217 426	-	-	-	0
Fencing and Toilets	-	2 054 820	(819 177)	(819 177)	416 466
Community Halls	-	11 573 862	359 027	(490 890)	11 442 000
Testing Centre	-	2 353 746	0	-	2 353 746
Project Expenditure	2 434 247	1 562 099	0	-	1 562 099
Poultry	-	539 757	0	-	539 757
Recreational Park	321 000	1 038 842	135 331	-	1 174 173
Milling	-	252 330	0	-	252 330
Bakery	-	580 005	0	-	580 005
Roads	71 495 525	59 886 644	48 417 169	15 130 034	123 433 847
Schools	-	287 443	(287 443)	(287 443)	(287 443)
Small Business Unit	-	378 791	729 591	729 591	1 837 973
Cemetery	-	82 078	0	-	82 078
Mayoral Chain	-	17 719	0	-	17 719
Bridges	-	394 687	1 047 252	-	1 441 939
Trading Services	0	26 040 987	2 468 485	(27 090 752)	1 418 720
Irrigation Scheme	-	1 579 425	0	(160 705)	1 418 720
Sanitation	-	7 768 263	1 416 431	(9 184 693)	0
Water Meters	-	1 167 149	-	(1 167 149)	0.00
Water Works	-	15 526 150	1 052 055	(16 578 205)	0
	75 873 891	148 348 207	67 947 501	(260 094)	216 035 614
Less: Loans redeemed and other capital receipts		148 348 207	67 947 501	(260 094)	216 035 614
Loans Redeemed		-	-	-	0
Revenue Contribution		128 538 840	45 936 754	(260 094)	174 215 490
Grants and Subsidies		19 809 377	22 010 748	-	41 820 124
NET FIXED ASSETS		-	-	-	-



Appendix D Analysis of Operating Income and Expenditure

FOR THE YEAR ENDED 30 JUNE 2007

INCOME			
	Actual	Actual	Budget
	2007	2006	2007
	R	R	R
Grants and subsidies	93 895 153	64 757 715	94 317 037
Provincial Government	27 266 281	1120 288.00	52 832 371
Grants from DM	-	1 410 094	-
Equitable Share	66 628 872	62 227 333	41 484 667
Operating income	14 517 927	11 501 526	9 831 032
Assessment rates	4 017 904	4 028 078	-
Sale of water	-	900 573	715 224
Other service charges	681 217	1 172 624	768 038
Other income	9 818 806	5 400 251	8 347 770
TOTAL INCOME	108 413 080	(53 256 189)	104 148 069
EXPENDITURE			
Salaries, wages and allowances	25 937 533	21 332 570	18 768 850
General expenditure	22 487 439	36 554 083	11 375 478
Bad debts	0	1 605 541	-
Purchase of electricity & Water	0	2 097 248	-
Other general expenses	22 487 439	32 851 294	11 375 478
Repairs and maintenance	676 327	343 969	999 937
Capital charges	0	0	-
Contributions to fixed assets	40 101 698	29 099 640	73 176 892
Contribution to revolving fund	-	302 106	-
Gross expenditure	89 202 997	(44 967 228)	104 321 158
Less: amounts charged out	-	-	-
Net expenditure	89 202 997	(44 967 228)	104 321 158
(Deficit)/Surplus for the year	19 210 083	(8 288 961)	
Appropriations for the year	(12 616 750)	(9 003 839)	
Prior Year Adjustments	0.00	0.00	
Surplus at the beginning of the year	55 966 169	59 643 259	
Surplus at the end of the year	62 559 502	42 350 459	

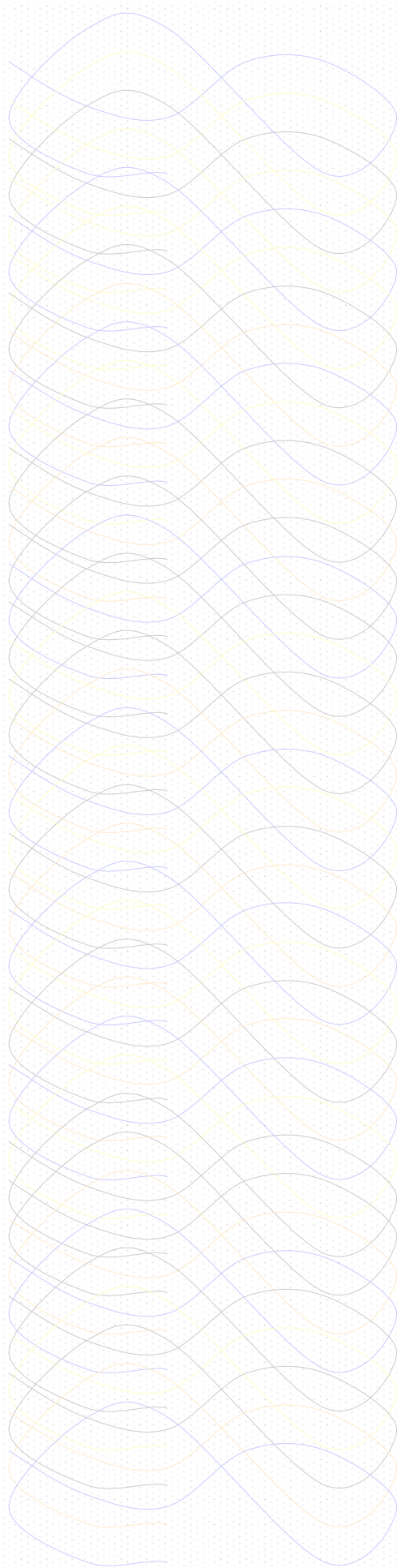
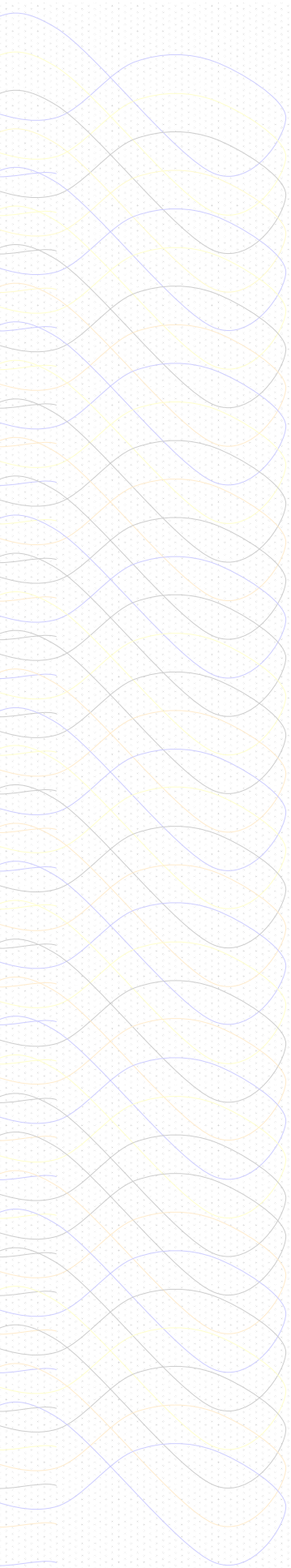


Appendix E

Detailed Income Statement

FOR THE YEAR ENDED 30 JUNE 2007

2006	2006	2006		2007	2007	2007	2007
R	R	R		R	R	R	R
Actual Income	Actual Expenditure	Surplus / (deficit)		Actual Income	Actual Expenditure	Surplus / (deficit)	Surplus / (deficit)
							Budget
75 358 670	87 512 899	(12 154 230)	RATES AND GENERAL SERVICES	108 360 030	89 041 494	19 318 536	42 441 943
75 358 670	47 761 698	27 596 971	Social and Community Services	80 051 381	40 369 766	39 681 615	42 441 943
4 028 078	-	4 028 078	Assessment Rates	4 017 904	-	4 017 904	-
1 829 817	4 588 613	(2 758 796)	Social and Community Services	1 859 493	4 846 410	(2 986 917)	(3 530 685)
-	2 460 402	(2 460 402)	Special Programs Unit	0	2 403 314	(2 403 314)	
-	7 255 575	(7 255 575)	Corporate Services	3 500	9 752 024	(9 748 524)	(6 996 006)
-	20 965 764	(20 965 764)	Council General Expenses	0	11 537 551	(11 537 551)	(16 093 641)
-	4 536 936	(4 536 936)	LED, Tourism and Environmental Management	0	5 778 661	(5 778 661)	(9 546 773)
69 500 774	6 072 925	63 427 850	Finance	74 170 484	4 080 349	70 090 135	80 637 688
-	1 881 483	(1 881 483)	Municipal Manager	0	1 971 457	(1 971 457)	(2 028 640)
0	39 751 201	(39 751 201)	Economic services	28 308 649	48 671 729	(20 363 079)	(38 294 574)
-	39 751 201	(39 751 201)	Infrastructure	28 308 649	48 671 729	(20 363 079)	(38 294 574)
900 573	1 427 273	(526 700)	Trading services	53 050	161 503	(108 453)	2 073 411
900 573	1 427 273	(526 700)	Water services	53 050	161 503	(108 453)	2 073 411
		0					
76 259 243	88 940 172	(12 680 930)		108 413 080	89 202 997	19 210 083	6 220 780
		9 003 839	Appropriation for the year			(12 616 750)	
		(3 677 090)	(Deficit)/Surplus for the year			6 593 333	
		59 643 259	Accumulated surplus/(deficit): Beginning of the year			55 966 169	
		55 966 169	Accumulated surplus/(deficit): End of the year			62 559 502	



Appendix F Statistical Information

FOR THE YEAR ENDED 30 JUNE 2007

1. GENERAL STATISTICS	
Population	
Date of Valuation	
Taxable and non taxable valuation of properties	
Valuation of residential and commercial properties	
Valuation of industrial properties	
Assessment rates : Cents in a rand	
Number of residential and commercial properties	
Number of industrial properties	
Number of Employees	
2. WATER	
Number of users	
Fixed Rate charges per category	

38.99 45.49
R 45.49

CHAPTER 5: Functional Area Service Delivery Reporting

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Function	Sub-Function	Page
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Governance Support	: Office of the Municipal Manager	89
Communication and Special Programmes		91
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LED, Tourism and Environmental Management	: Economic Development	92
Health	: Clinics	95
Community and Social Services	: All inclusive	97
Housing		100
Public Safety	: Police (Traffic)	103
Waste Management	: Solid Waste	106
Road Transport	: Roads	112
	: Public Buses	115
		117

Electricity	: Electricity Distribution	122
	: Street Lighting	126

Umzimvubu Municipality

GENERAL INFORMATION

OVERVIEW

The year financial year ended 30 June 2005 had several objectives implemented and achieved and of note were various as the formulation of various policies and procedures, which were approved by Council. Other highlights of the year include the formulation and election of the audit committee and establishment of the internal audit department and the bid committee.

Significant portions of financial objectives were achieved during the year under review. Of note is the revenue collection, which increased by 25% and the information technology department, which enhanced the processing of information and communication with all stakeholders.

Tariff Charges

Property Rates

All 1.5 c/r

Residential R51.98

Refuse Removal

Bus. & Gov. R57.18

Hall Hire

Mt. Ayliff R25 p/h

Mt. Frere R50 p/h

Cemetery

Mt. Ayl & Fr R500 & R600

Pound

Horse & Cow R100 + R10df

Sheep & Goat R50 + R10 df

In 2006/7 financial year, Umzimvubu Municipality continued receiving a portion of Equitable Share ringfenced for provision of free basic services as follows.

- i. Free Basic Electricity
- ii. Free Basic Services in Refuse Removal

R932 000

R 5,000,000

Budget and Expenditure 2006/7

The 2006/7 budget and expenditure was as follows

- i. Personnel Expenditure
- ii. General Expenses

Budgeted	Actual
----------	--------

36,513,216	22,594,741
------------	------------

17,585,177	11,375,478
------------	------------

iii. Repairs and Maintenance	1,599,182	999,937
iv. Capital Expenditure	134,893,942	73,176,892
Total Expenditure	190,591,517	108,147,049

Reporting Level	Detail	Total
Information:	Geographic and Demographic Statistical information	
1	Geography:	Total
	<ul style="list-style-type: none"> ■ Geographical area in square kilometres (Data Source: Municipal Demarcation Board) 	5,298
2	Demography:	
	<ul style="list-style-type: none"> ■ Total population (Data Source: Statistics South Africa: Census 2001) 	376,061
3	Indigent Population	
	The indigent in Umzimvubu Municipality is defined as a household with a combined gross monthly income NOT exceeding R1 800.	
	<u>Individual Monthly Income</u>	
	<ul style="list-style-type: none"> ■ None ■ R 1 – R 400 ■ R 401 – R 800 ■ R 801 – R 1600 ■ R 1,601 – R 3,200 ■ R 3,201 – R 6,400 ■ R 6,401 – R 12,800 ■ R 12,801 – R 25,600 ■ Over R 25,600 	303,7589 22,289 37,374 4,819 3,833 2,758 728 109 395
	(Data Source: Statistics South Africa: Census 2001)	
4	Voters	Total
	Total number of voters (2000 Elections)	No data
5	Aged breakdown:	
	<ul style="list-style-type: none"> - 65 years and over - between 35 and 64 years - between 15 and 34 years 	24,830 73,812 114,168

	- between 5 and 14 years - between 0 and 4 years <i>Data Source: Statistics South Africa: Census 2001</i>	117,802 45,451
Reporting Level	Detail	Total
6	Household income:	No. HH
	■None	35,130
	■R 1 – R 4,800	10,427
	■R 4,801 – R 9,600	22,899
	■R 9,601 – R 19,200	10,549
	■R 19,201 – R 38,400	4,654
	■R 38,401 – R 76,800	2,605
	■R 76,801 – R 153,600	938
	■R 153,601 – R 307,200	231
	■R 307,201 – R 614,400	94
	■R 614,401 – R 1,228,800	47
	■R 122,8801 – R 2,457600	149
	■Over R 2,457,600	49
	<i>(Data Source: Statistics South Africa: Census 2001)</i>	

Function:	EXECUTIVE AND COUNCIL
Sub Function:	N/A

1. OVERVIEW:

In the year under review, the council of Umzimvubu Municipality had forty seven (47) members. Executive Committee had nine members which include the Mayor, four fulltime portfolio committee chairpersons, two part-time portfolio chairpersons and two part-time members.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangements

The function of executive and council within the municipality is administered as follows and includes:

The Council

In 2006/7 financial year, the Council had 47 Councillors, including the Speaker as the Chairperson. The speaker assumes responsibility for the legislative function of the council. The legislative function of a council include:

- i. the passing of by-laws and formulation of policies;
- ii. the oversight of the executive and administration;
- iii. The approval and amendment of budgets;
- iv. The imposition and amendment of rates and other taxes, levies and duties;
- v. The raising of loans;
- vi. The approval or amendment of the Municipality's integrated development plan;
- vii. The setting of tariff charges;
- viii. The entering into Municipal Service Partnerships; and
- ix. The appointment of the Municipal Manager.

The Executive Committee,

In 2006/7 financial year, the Executive Committee had 9 members including the Mayor as the Chairperson. The Executive Committee and the Mayor are responsible for The Executive Council is responsible for overall management, coordination, monitoring of performance of administration and drafting of policies and by-laws.

2.2 The Mandate of the Municipality

The Municipality has the mandate to;

- i. Implement authorised powers and functions, and facilitate or support implementation of powers and functions that fall within the competencies of other spheres of government within its area of jurisdiction.
- ii. Promote public participation in service delivery programmes
- iii. Prepare and review IDP

2.3 Strategic Objectives of the Function

The strategic objectives of this function are.

- i. Poverty alleviation.
- ii. Well informed community about IDP priorities and budget.
- iii. Equitable allocation of resources to all communities in the municipal area.
- iv. Controlled budget expenditure.
- v. Full participation of community and other stakeholders in service delivery

2.4 Key Issues for 2006/7

- i. Complete budgeting processes and ensure Council adopts 2005/06 budget before 1st July 2005..
- ii. Meet the deadline for preparation of Financial Statements, removing qualifications and improve quality and timelines of supporting records.
- iii. Review the structure of Finance Services and ensure sufficient capacity to deal with business demand.
- iv. Meet monthly financial reporting targets;

3 ANALYSIS OF THE FUNCTION:

	Statistical information on Executive and Council function include:	Total
3.1	Councillor detail:	
	i. Total number of Councillors	47
	ii. Number of Traditional Leaders	0
	iii. Number of Councillors in Executive Committee	9
3.1	Ward detail:	
	i. Total number of Wards	24
	ii. Number of Ward Meetings	No Data
3.1	Number and type of Council and Committee meetings:	
	i. Ordinary Council meetings	2
	ii. Special Council meetings (including budget meeting)	4
	iii. Emergency Council meetings	0
	iv. Ordinary Executive Committee meetings	4
	v. Special Executive Committee meetings	4
	vi. Special Executive Committee meetings	2
	vii. Finance Standing Committee meetings	4
	viii. Corporate Services Standing Committee meetings	3
	ix. LED, Tourism and Environmental Management Committee meetings	2
	x. Engineering/Infrastructure Standing Committee meetings	4
	xi. Social and Community Services Committee meetings	3
	xii. Local Labour Forums	0

Function:	GOVERNANCE SUPPORT
Sub Function:	Office of the Municipal Manager

1. OVERVIEW:

This function renders support services to all departments with regard to performance, customer care and service delivery

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangements

This function is performed by the office of the municipal manager:

2.2 The Mandate of the Municipality

This function derives its mandate from Section 52 of the Municipal Systems Act and other relevant legislation IDP

2.3 Strategic Objectives of the Function

The strategic objectives of this function are.

- i. To ensure effective liaison between political office bearers, administration and the community.
- ii. To promote the public image of the Council, especially the Mayor.
- iii. To enhance capacity of the municipality in service delivery.

2.4 Key Issues for 2005/06.

- i. Staff turnover.
- ii. Re-configuration of the municipality;
- iii. Delegation of power to Councillors and officials;
- iv. Development of by-laws;

3 ANALYSIS OF THE FUNCTION:

Statistical Information						
3.1 Number and cost to employer of all personnel in the Office of the Municipal Manager						
Position	Post Level	Total	Cost (R)			
		Number of Staff	Adjusted Basic	Annual Bonus	Other Benefits	Cost 2005/06
Municipal Manager	1	1	677,548		0	677,548
IDP Officer	3	1	234,600		0	234,600
Internal Auditor	3	1	251,022		0	251,022
Admin Officer	7	1	81,522	6,794	42,254	130,570
Secretary	7	1	81,522	6,794	48,754	137,070
Total Cost of Personnel			1,326,214	13,588	91,008	1,430,810
3.2 Cost to employer of the Office of the Municipal Manager						
Budget Item					Cost (R)	
i. Personnel Expenditure					1,144,188	
ii. General Expenses					986,964	
iii. Repairs and Maintenance					12,079	
iv. Capital Expenditure					27,979	
Total Cost of the Office of the Municipal Manager					2,304,768	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
Internal Audit	Conducting of risk assessment and adoption of Audit Charter	None	30 June 07
Review of IDP	Review and approval of IDP	15 June 07	30 June 07
PMS	Performance review of Section 57 managers	15 June 07	30 June 07

Function:	COMMUNICATION AND SPECIAL PROGRAMMES
Sub Function:	N/A

1. OVERVIEW:

This function includes all internal and external communication activities for increased communication between the community and Local Umzimvubu Municipality, stakeholder mobilisation, corporate image, improved service delivery and support to the mayor.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangements

This function includes strategies of municipal communication with stakeholders and programmes that enable special groups to participate fully in service delivery and also looks at gender balances in communities and equal chances of seizing opportunities from service delivery and improved business skills amongst youth as well as strong knowledge of development issues by disabled people.

2.2 The Mandate of the Municipality

Communication Services derives its mandate from various pieces of legislation, which include the Constitution Act 108 of 1996, the Promotion of Access to Information Act, 1999, the Municipal Systems Act and Council Resolutions.

Special Programmes Unit derives its mandate from the Integrated National Disability Strategy, National Youth Policy, Gender Policy Framework and including the Child Care Act. The Special Programmes Unit is mandated to mobilize and empower targeted groups.

2.3 Strategic Objectives of the Function

The strategic objectives of this function are.

- i. To strengthen communication between the Municipality and its stakeholders internally and externally.
- ii. To strategically place or position the municipality as the best service provider
- iii. To establish communication forum for stakeholder feedback and participation
- iv. To mobilise and empower stakeholders to take control of the processes for their own development
- v. To promote the municipality as an attractive location for investment and tourism
- vi. To ensure compliance and adherence to protocol standards and procedures in all official and ceremonial activities of the municipality
- vii. To provide executive support to the office of the Mayor, Chief Whip and Speaker
- viii. To give capacity building to special groups so as to enable them to participate fully in service delivery.

2.4 Key Issues for 2006/07

- i. Stakeholder Consultation and Management Programme.
- ii. Communication and Municipal International Relations & Protocol.
- iii. Branding and Marketing strategy for the Municipality
- iv. Co-operative Governance and Public Participation
- v. Website Development
- vi. Sponsoring Community Radio
- vii. Development and review of policies and strategies for development of youth, women and people with disabilities
- viii. Formation of special programmes forums
 - Youth
 - Gender
 - Aged
 - Disabled.

3 ANALYSIS OF THE FUNCTION:

Statistical Information						
3.1 Number and cost to employer of all Communication and Special Programmes personnel						
Position	Post Level	Total	Cost (R)			
		Number of Staff	Adjusted Basic	Annual Bonus	Other Benefits	Cost 2005/06
Manager	1	1	510,500	0	0	510,500
Special Programs Officer	4	1	119,200	9,933	98,804	227,938
Communication Officer	4	1	119,200	9,933	98,804	227,938
Admin Officer	7	1	70,166	5,847	39,075	115,087
Total Cost of Personnel			819,066	25,713	236,683	1,081,462
3.2 Cost to employer of Communication and Special Programmes Function						
Budget Item					Cost (R)	
i. Personnel Expenditure					2,025,983	
ii. General Expenses					2,647,616	
iii. Repairs and Maintenance					32,614	
iv. Capital Expenditure					0,00	
Total Cost of Communication and Special Programmes Function					4,367,564	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
Internal and External Communication	Press statements, advertisements and media briefings (are done as and when needed. They are not fixed)	On-going	On-going
	Media breakfast/lunch	1	2
	Facilitation of telecommunication infrastructure (Only facilitating and telecommunication companies do the implementation)	On-going	On-going
	Exco Outreach programmes and Imbizo	3	4
	Public Information Day	1	2
	Local Communicators Forum	4	4
	Marketing and Branding of municipality to give a corporate image	Ongoing	Ongoing
Public Participation, Events and Programmes	Traditional Leaders workshop	1	1
	Ward committees establishment	32	32
	Project Handovers	On-going	On-going
	Conducted 16 Days of Activism	1	1
	National calendar of events are conducted	10	10
Executive support to the Mayor, Speaker and Chief Whip	Research, draft and write speeches/reports for Mayor	On-going	On-going
	Advise and brief Mayor and Speaker	On-going	On-going
Special Programmes	Development of SPU Policy(Insufficient funds)	0	1
	SPU training and development	1	1
	Gender mainstreaming	1	1
	Disability workshop	1	1
	Youth entrepreneurship	1	1

Function:	BUDGET AND TREASURY
Sub Function:	Income, Expenditure and IT

1. OVERVIEW:

The finance function includes all services relating to the finance activities of the municipality. The Financial Statements and Related Financial Information are included in Chapter 4 of this report.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangements

Finance is administered within the Department of Budget and Treasury and includes

- i. Asset and liability Management
- ii. Supply Chain Management
- iii. Income and Expenditure Management
- iv. Credit and Debt Management
- v. Budgeting and Budget Management
- vi. Financial Reporting
- vii. Financial Risk Management
- viii. Insurance and Grants Management
- ix. Rates, Taxes and Tariff Administration

2.2 The Mandate of the Municipality

- i. Manage Revenue.
- ii. Prepare Budget
- iii. Manage expenditure
- iv. Manage its assets
- v. Promote Investment
- vi. Procure external services equitably

2.3 Strategic Objectives of the Function

The strategic objectives of this function are.

- v. Maximise revenue collection.
- vi. Prepare annual budget with budget process plan.
- vii. Expenditure control including unauthorised expenditure.
- viii. Safeguard all municipal assets through insurance, bar coding and asset management policies
- ix. Maximise investment returns
- x. Comply with Supply Chain Management regulations
- xi. Ensure fair value of projects in terms of quality and price
- xii. Ensure open and fair supply practices open to all service providers and minimise corruption

- xiii. Promote and assist in the internship program

2.4 Key Issues for 2006/7

- i. Complete budgeting processes and ensure Council adopts 2006/7 budget before 1st July 2004.
- ii. Make available a wider range of payment methods for customers paying for municipal services.
- iii. Meet the deadline for preparation of Financial Statements, removing qualifications and improve quality and timelines of supporting records.
- iv. Review the structure of Finance Services and ensure sufficient capacity to deal with business demand.
- v. Meet monthly financial reporting targets

3 ANALYSIS OF THE FUNCTION:

3.1 Debtor billings and Collections: number and value of monthly billings and collections:					
		Rates	Refuse	Sanitation	Water
Month	Number Billed				
July 2005	Billing	4,028,078	92,466.90	0,00	0,00
	Receipts	148,759	9,646	0,00	0,00
Aug 2005	Billing		92,66.90	0,00	0,00
	Receipts	209,444	10,388	0,00	0,00
Sep 2005	Billing		92,466.90	0,00	0,00
	Receipts	168,984	7,527	0,00	0,00
Oct 2005	Billing		92,466.90	0,00	0,00
	Receipts	158,924	5,954	0,00	0,00
Nov 2005	Billing		92,466.90	0,00	0,00
	Receipts	15,121	13,218	0,00	0,00
Dec 2005	Billing		92,466.90	0,00	0,00
	Receipts	23,765	9,305	0,00	0,00
Jan 2006	Billing		92,466.90	0,00	0,00
	Receipts	92,982	15,226	0,00	0,00
Feb 2006	Billing		92,466.90	0,00	0,00
	Receipts	166,278	15,704	0,00	0,00
Mar 2006	Billing		92,466.90	0,00	0,00
	Receipts	57,263	14,291	0,00	0,00
Apr 2006	Billing		92,466.90	0,00	0,00
	Receipts	116,475	14,834	0,00	0,00
May 2006	Billing		92,466.90	0,00	0,00
	Receipts	55,007	16,255	0,00	0,00
June 2006	Billing		92,466.90	0,00	0,00
	Receipts	49,663	8,886	0,00	0,00

Overall Balance – June 2005		10,504,494.655	2,452,822.42	0,00	0,00	
3.2	Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days:					
	Period	Rates	Refuse	Sanitation	Water	Total
	Current	-226,858.54	230,869.16	38,469.34	216,755.22	259,235.18
	30 Days	16,157.44	103,798.90	21,553.90	94,982.75	259,235.37
	60 Days	14,625.91	102,470.86	20,614.89	92,164.57	229,876.23
	90 Days	12,386.40	78,497.20	16,734.20	72,693.68	180,311.70
	120 Days	11,418,142.72	4,188,357.04	904,178.08	3,992,841.80	20,503,519.64
3.3	Write off of debts: number and value of debts written off:					
		Rates	Refuse	Sanitation	Water	Total
	Number	0	0	0	0	0
	Value	0	0	0	0	0
3.4	Property rates (Residential):			Number	Value (R)	
	i. Number and value of properties rated					
	ii. Number and value of properties not rated					
	iii. Number and value of rate exemptions					
	iv. Rates collectible for the current year					
3.5	Property rates (Commercial):			Number	Value (R)	
	i. Number and value of properties rated					
	ii. Number and value of properties not rated					
	iii. Number and value of rate exemptions					
	iv. Rates collectible for the current year					
3.6	Property rates (Industrial):			Number	Value (R)	
	i. Number and value of properties rated					
	ii. Number and value of properties not rated					
	iii. Number and value of rate exemptions					
	iv. Rates collectible for the current year					

Detail		Total																			
3.7	Regional Service Council (RSC) levies:	Number	Value (R)																		
	<ul style="list-style-type: none"> i. Number and value of returns ii. Total Establishment levy iii. Total Services levy iv. Levies collected for the current year 	This function falls within the competence of the District Municipality and there is no information available.																			
3.8	Property valuation:																				
	<ul style="list-style-type: none"> i. Year of last valuation ii. Regularity of valuation 	2000	5 Year Cycle																		
3.9	Indigent Policy:	Number	Value (R)																		
	<ul style="list-style-type: none"> i. Quantity (number of households affected) ii. Quantum (total value across municipality) 																				
3.10	Creditor Payments: List of five largest creditors																				
	<table border="1"> <thead> <tr> <th>Month</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> </tr> </thead> <tbody> <tr> <td>01 JULY 2006 TO 30 JUNE 2007</td> <td>ZANAMAZI SERVICES</td> <td>PAC ROWN</td> <td>ELLIOT & WALKER</td> <td>PAYE</td> <td>ESKOM</td> </tr> <tr> <td></td> <td>150,987.57</td> <td>43,370.00</td> <td>16,815,06</td> <td>61,585.58</td> <td>33,914,57</td> </tr> </tbody> </table>	Month	1	2	3	4	5	01 JULY 2006 TO 30 JUNE 2007	ZANAMAZI SERVICES	PAC ROWN	ELLIOT & WALKER	PAYE	ESKOM		150,987.57	43,370.00	16,815,06	61,585.58	33,914,57		
Month	1	2	3	4	5																
01 JULY 2006 TO 30 JUNE 2007	ZANAMAZI SERVICES	PAC ROWN	ELLIOT & WALKER	PAYE	ESKOM																
	150,987.57	43,370.00	16,815,06	61,585.58	33,914,57																
3.11	Credit Rating:	R (000s)	Date																		
	None	-	-																		
3.12	External Loans:	Received R (000s)	Paid R (000s)																		
	The municipality did not have external loans in the year under review.																				
3.13	Delayed and Default Payments:	R (000s)	Date																		
			-																		

3.14 Number and cost to employer of all Budget and Treasury personnel						
Position	Post Level	Total	Cost (R)			
		Number of Staff	Adjusted Basic	Annual Bonus	Other Benefits	Cost 2005/06
CFO	1	1	510,500	0	0	510,500
Assistant Finance Manager	3	1	257,326	0	0	257,326
SCM Officer	3	1	231,263	0	0	231,263
Budget & Treasury	3	1	231,263	0	0	231,263
Accountant	4	1	125,264	10,439	51,195	186,897
Project Accountant	4	1	125,264	10,439	51,195	186,897
Expenditure & Payroll	5	1	113,452	9,454	48,099	171,106
Revenue Officer	7	1	70,166	5,847	37,222	113,235
Project Acc Officer	7	1	70,166	5,847	37,222	113,235
Billing Clerk	8	1	60,677	5,056	34,816	100,549
Natis Supervisor	9	1	56,026	4,669	33,637	94,332
Revenue Clerk Natis	11	2	92,188	7,790	62,562	163,834
Revenue Clerk	11	4	186,956	15,580	125,124	327,660
Total Cost of Personnel			2,129,910	80,758	556,613	2,767,281
3.15 Cost to employer of Budget and Treasury Function						
Budget Item					Cost (R)	
i. Personnel Expenditure					3,007,212	
ii. General Expenses					3,663,342	
iii. Repairs and Maintenance					59,188	
iv. Capital Expenditure					3,746,919	
Total Cost of Budget and Treasury Function					10,476,661	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
REVENUE MANAGEMENT	To maximize revenue collection	On-going	20% increase
BUDGET PREPARATION	Prepared Budget and adopted by Council	23 May 2007	31 May 2007
EXPENDITURE	Ensure and effective control of expenditure	On-going	On going
ASSET MANAGEMENT	Prepared municipal asset register and updated the register on a continuous basis	On-going	On-going
COMPLIANCE WITH LEGISLATION	Implementation, enhancement and maintenance of an effective financial reporting system to ensure compliance with legislation and regulations	On-going	On-going
SUPPLY CHAIN MANAGEMENT	Enhancement of preferential procurement system to ensure compliance with legislation and regulations	On-going	On-going
IMPLEMENTATION OF INDIGENT POLICY	Issuing of indigent applications Scrutinising and approving of indigent applicants	None	All Indigent

Function:	BUDGET AND TREASURY
Sub Function:	Supply Chain Management

1. OVERVIEW:

This function includes all activities relating to overall procurement functions of the municipality including costs associated with orders, tenders, contract management etc

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

In 2006/7, this function was administered through the bid adjudication committee and the final award made by the Accounting Officer.

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Distribute tenders equitably
- ii. Create an enabling environment for development of SMME's
- iii. Ensure involvement of women and youth in service delivery projects.

2.3 Strategic Objectives of the Function

The strategic objectives of this function are.

- i. Ensure transparency in procurement of goods and services.
- ii. Deliver efficient tender processes for speedy service delivery.

2.4 Key Issues for 2006/7

Key issues for 2006/7 were:

- i. Establishment of the Bid Committee.
- ii. Compliance with Supply Chain Management regulations
- iii. Supply Chain Management Policy adopting in terms of the MFMA

3 ANALYSIS OF THE FUNCTION:

Statistical Information			
3.1	Details of supply chain management activities:	Number	
	i. Total number of times that Bid Committee met during year	15	
	ii. Total number of tenders considered	67	
	iii. Total number of tenders approved	62	

	iv. Average time taken from tender advertisement to award of tender	45 days	
3.2	Details of Bid committee:	Position	
	i. Chief Finance Officer	Chairperson	
	ii. Manager Social and Community Services	Member	
	iii. Manager Infrastructure and Planning Department	Member	
	iv. Manager Communications and Special Programs	Member	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
BLACK EMPOWERMENT	Percentage of PDI who benefited for contracts awarded	95%	90%
PROVISION OF EFFICIENT TENDER PROCESSES	Number of contracts awarded contracts awarded within three months from the date of tender advert	50%	80%
CONTRACT RISK MANAGEMENT	Number of contracts completed successfully on time	60%	80%

Function:	CORPORATE SERVICES
Sub Function:	

1. OVERVIEW:

This function includes all activities relating to the human resource management function of the municipality including recruitment, selection and induction, performance management systems, code of conduct detail and decision making systems.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

The function of human resource management within the municipality is administered as follows and includes:

Human Resource Management

Corporate Services strive to provide management and staff with quality human resource support to ensure we have the employee resources needed to deliver important services to our community. Activities in this respect include training, and skills development, recruitment and selection.

Legal Services

Corporate Services continues implements employment assistance programme, and also deals with labour relations and management of all legal issues affecting the municipality internally and externally, formulation of relevant policies and by-laws.

Administration Support

Corporate Services provides support to all council activities, which include reception services, catering, committee and secretarial services

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Review organisation structure.
- ii. To implement the Equity Development Plan
- iii. Develop and implement Performance Management System for top Managers.
- iv. Build capacity of Councillors municipal service delivery programmes.

2.3 Strategic Objectives of the Function

The strategic objectives of this function are.

- i. To become an effective municipality with skilled workforce.
- ii. To have fair labour working practices at a working place
- iii. To become a performance driven institution
- iv. Develop and implement Performance Management System for top Managers.
- v. Compliance with relevant legislation
- vi. Effective recruitment and selection process in attracting skilled employees
- vii. Maintain low turnover rate and high level of employee satisfaction

2.4 Key Issues for 2005/06

Key issues for 2005/06 were:

- i. Provision of sound personnel management.
- ii. Creation of safe working environment for employees
- iii. Put into place new employee assistance programme
- iv. Draw up an employment equity plan
- v. Policy review and development

3 ANALYSIS OF THE FUNCTION:

Statistical Information						
3.1 Number and cost to employer of all Corporate Services personnel						
Position	Post Level	Total	Cost (R)			
		Number of Staff	Adjusted Basic	Annual Bonus	Other Benefits	Cost 2005/06
Corporate Service Manager	1	1	455,804	0	0	455,804
Assistant Admin Manager & IT Manager	3	2	479,939	0	0	479,939
Senior Admin Officer	5	1	103,156	8,596	45,217	156,970
Senior HR Officer	5	1	113,452	9,454	46,791	170,698
Labour Relation Officer	6	1	83,044	6,920	40,189	130,153
Training Officer/SDF	6	1	88,622	7,385	41,583	137,590
Admin Officer	7	1	72,217	6,018	37,482	115,117
Committee Clerk	8	1	60,677	5,056	34,598	100,331
Receptionist	8	3	182,031	15,168	103,794	300,993
Committee Clerk	8	2	121,354	10,113	69,194	181,233
Personnel Clerk	9	1	53,668	4,472	32,845	90,985
Registry Clerk	9	1	56,026	4,669	33,435	94,130
Messenger/Driver	10	2	95,196	7,932	62,656	165,782
General Assistant	11	1	44,985	3,749	30,675	79,408
Cleaner	14	6	238,878	19,908	176,286	453,078

	Total Cost of Personnel	2,262,131	110,532	720,157	3,092,820
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3.2	Cost to employer of Corporate Services Function				
	Budget Item	Cost (R)			
	i. Personnel Expenditure	4,194,264			
	ii. General Expenses	2,634,069			
	iii. Repairs and Maintenance	28,386			
	iv. Capital Expenditure	578,519			
	Total Cost of Corporate Services Function	7,435,237			

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
Systems Administration	Improved information management system	On-going	On-going
	Development of Council Policies	2 Policies Adopted	5 Policies
Human Resource Management	Recruited new staff members to vacant posts budgeted for as part of organisation development		
	Conducted skills training and capacity building to municipal staff	On-going	On-going
	Conducted skills training and capacity building to Councillors	On-going	On-going
	Implementation of Performance Management System	Quarterly	Quarterly

Function:	SOCIAL AND COMMUNITY SERVICES
Sub Function:	All Inclusive (Disaster, Commonage and Library)

1. OVERVIEW:

This function of includes all activities relating to the function of Community and Social Services of the Municipality. The municipality provides direct services in Public Safety, management of municipal properties, provision, management and maintenance of public facilities, social development and disaster management.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

The function for the provision of Social and Community Services within the municipality is administered as follows and includes;

Public Safety; includes crime reduction providing security to municipal property and public facilities.

Social Development; includes environmental management, implementation of Occupation Health and Safety and promotion of culture and heritage

Disaster Management; includes the response to disaster incidents and management thereof.

Public Amenities; includes provisioning of libraries, cemeteries, animal pounds, parks and recreation facilities

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Establish, conduct and control of facilities for the purpose of disposing of human and animal remains Identify community needs of health services in its area
- ii. Provide, manage and maintain libraries or any community facility for public use
- iii. Respond and provide support to affected communities
- iv. Provide access to information to all communities
- v. Provide recreational services to communities
- vi. Improve social welfare of the community
- vii. Provide, manage, preserve and maintain any municipal place, land, and building reserved for the protection of places or objects of scenic, natural, historical and

cultural value or interest.

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i. Protect the environment
- ii. To reduce impact of disasters
- iii. Provide modern and better quality environment to the Local Community.
- iv. Provide custody of archives and information resource centre
- v. Promote sports, arts and culture
- vi. To preserve heritage

2.4 Key Issues for 2006/07

Key issues for 2006/07 were:

- i. Better liaison with schools and social workers for information services
- ii. Effective maintenance of community facilities
- iii. Sourcing funds for development of more sports facilities and acquisition of land for more cemeteries
- iv. Extension of Mt Frere and Mt Ayliff graveyards
- v. Development of fire control measures

3 ANALYSIS OF THE FUNCTION:

Statistical Information							
3.1	Nature and extent of facilities provided			Total	Cost (R)		
	i.	Library services		0	0.00		
	ii.	Museums and art galleries		N/A	0.00		
	iii.	New community halls		0	0.00		
	iv.	Cemeteries		0	0,000		
	v.	Crematoriums		0	0.00		
	vi.	New Pre-Schools		0	0.00		
	vii.	Aged care (including aged homes, home help)		N/A	0.00		
	viii.	Schools		N/A	0.00		
	ix.	New Sporting facilities		0	0.00		
	x.	Parks (old)		0			
3.2	Number and cost to employer of Social and Community Services (all inclusive) personnel						
			Total	Cost (R)			
	Position	Post Level	Number of Staff	Adjusted Basic	Annual Bonus	Other Benefits	Cost 2006/07
	Community Manager	1	1	455,804	0	0	455,804
	Foreman	8	2	121,354	10,112	72,836	204,302
	General Assistant	14	9	358,425	29,871	275,202	663,507

	Ranger	14	6	238,950	19,914	183,468	442,338
	Total Cost of Personnel			1,522,575	88,898	772,112	2,383,584
3.3	Cost to employer of Social and Community Services (all inclusive) Function (Budget 2005/06)						
	Budget Item						Cost (R)
	i. Personnel Expenditure						2,622,259
	ii. General Expenses						1,693,909
	iii. Repairs and Maintenance						56,772
	iv. Capital Expenditure						333,119
	Total Cost of Social and Community Services (all inclusive) Function						4,706,060

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Actual	Target
Provision of Cemeteries	Maintenance of cemeteries	2	2
Provision and maintenance of Community Halls	Maintenance of community halls in the municipal area and make available for use by the community.	2	2
Provision of and maintenance of Sports Facilities	Operation and maintenance of Sports fields	1	3
Maintenance of Parks and open spaces	Operation and maintenance of park	1	1

Function:	SOCIAL AND COMMUNITY SERVICES
Sub Function:	Health

1. OVERVIEW:

This function of includes all activities associated with the provision of health. Health services in the area are provided by the Department of Health, and the private sector

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

Department of Health implements the District Health system, which includes hospitals, clinics, mobile clinics and primary health care.

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Facilitate the provision of health services in its area
- ii. Identify community needs of health services in its area
- iii. Join the national campaign against HIV/Aids

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i. To have health community actively involved in service delivery programmes
- ii. To provide training and campaign against HIV/Aids.
- iii. To reduce the spread and impact of HIV/Aids
- iv. To provide easy access to health facilities by all communities

2.4 Key Issues for 2006/07

Key issues for 2006/07 were:

- i. Training of care givers
- ii. Revival of Local Aids Council

3 ANALYSIS OF THE FUNCTION:

Statistical Information			
3.1	Number and cost to employer of all health personnel:	Total	Cost (R)
	i. Professional (Doctors/Specialists)	N/A	0.00
	ii. Professional (Nurses/Aides)	N/A	0.00
	iii. Para-professional (Clinic staff qualified)	N/A	0.00
	iv. Non-professional (Clinic staff unqualified)	N/A	0.00
	v. Temporary	N/A	0.00
	vi. Contract	N/A	0.00
3.2	Number, cost of public, private clinics servicing population:	Total	Cost (R)
	i. Public Clinics (owned by municipality)	None	0.00
	ii. Public Clinics (owned by Department of Health)	No Data	0.00
	iii. Private Clinics (owned by private, fees based)	No Data	0.00
3.3	Total annual patient head count for service provided by the municipality:	Total	Cost (R)
	i. 65 years and over	N/A	0.00
	ii. between 40 and 64 years	N/A	0.00
	iii. between 15 and 39 years	N/A	0.00
	iv. 14 years and under	N/A	0.00
3.4	Estimated backlog in number of and costs to build clinics:	Total	Cost (R)
	i. Mt Ayliff Magisterial District Area	No Data	
	ii. Mt Frere Magisterial District Area	No Data	
3.9	Cost to employer of function of Health		
	<ul style="list-style-type: none"> ▪ The municipality does not perform health services exclusively. ▪ The cost to employer of the municipal health activities is included in the cost of Social and Community Services (All inclusive). 		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
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HIV/AIDS	Training of care givers	0	0
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Function:	SOCIAL AND COMMUNITY SERVICES
Sub Function:	Traffic and Vehicle Licensing

1. OVERVIEW:

This Sub-Function of the municipality includes motor vehicle licensing, motor vehicle registration, examination of learners, testing for drivers licence, and law enforcement. The municipality performs its function in partnership with the KwaZulu Natal Provincial Department of Roads and Transport (Traffic); and the South African Police Service to ensure public safety on all roads within the jurisdiction of Umzimvubu municipality.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

The traffic control functions of the municipality are administered as follows and include:

Motor Vehicle Licensing: This function includes registration and licensing of motor vehicles vehicle and testing for road worthiness of motor vehicles.

Driving Licenses; includes the examination for learners and driving licenses and driving license administration.

Traffic Management; includes road traffic law enforcement, court cases administration, call-outs and patrols and emergency services.

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Register and license motor vehicles
- ii. Improve the effectiveness of prosecution of offenders.
- iii. Ensure public safety and free flow of traffic on all roads within the jurisdiction of Umzimvubu municipality.
- iv. Test applicants for learners and driver's license
- v. Test motor vehicles for COR
- vi. Conduct standard call-outs
- vii. Respond to emergencies including accidents

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i. Efficiency vehicle licensing services to new and old vehicle owners.
- ii. Provide support to other government law enforcement departments by keeping and updating records of licensing information.
- iii. To ensure reduced rate of accidents in our roads.

2.4 Key Issues for 2006/07

Key issues for 2006/07 were:

- vi. Acquire vehicle testing equipment
- vii. Establish Public Transport Forums
- viii. Strengthening Community Policing Forums
- ix. Establishment of Fire Control Committees
- x. Elimination of stray animals on our roads

3 ANALYSIS OF THE FUNCTION:

Statistical Information			
3.1	Number and cost to employer of all personnel associated with policing and traffic control:	Total	Cost (R)
	i. Professional (Senior Management)	1	
	ii. Field (Detectives/Supervisors)	1	
	iii. Office (Clerical/Administration)	3	
	iv. Non-professional (visible police officers on the street)	0	
	v. Traffic Officers	7	
	vi. Volunteer (Reservist Traffic Wadens)	0	
	vii. Temporary	0	
	viii. Contract		
3.2	Total number of call-outs attended:	Total	Cost (R)
	i. Emergency call-outs - Road Accidents	430	
	ii. Standard call-outs	132	
3.3	Average response time to call-outs::	Total	Cost (R)
	i. Emergency call-outs	10 min	
	ii. Standard call-outs	20 min	
3.4	Total number of targeted violations eg: traffic offences:	Total	Cost (R)
	i. Exceeding the 60km speed limit	2,700	
	ii. Motor Vehicle Defects	1,300	
	iii. Parking Offences	600	
	iv. Moving Violations	2,400	
3.5	Total number and type of emergencies leading to a loss of	Total	Cost

3.6	life or disaster:		(R)
	i. Number of Road Accidents leading to loss of life	No Data	Provincial Dept
	Type and number of grants and subsidies received:	1	
	i. Construction of mortar vehicle testing station	1	5,700,000

3.7 Number and cost to employer of Traffic and Vehicle Licensing personnel (Budget 06/07)

Position	Post Level	Total	Cost (R)			
		Number of Staff	Adjusted Basic	Annual Bonus	Other Benefits	Cost 2006/07
Chief Superintendent	3	1	231,263	-	-	231,263
Superintendent	6	1	90,775	7,565	90,846	189,185
Assistant Superintendent	7	2	140,332	11,694	78,150	230,174
Principal Clerk	7	1	72,790	6,066	39,090	118,666
Traffic Officer	8	7	437,605	36,470	580,531	1,054,606
Total Cost of Personnel			972,767	61,792	789,329	1,823,889

3.8 Cost to employer of Traffic and Vehicle Licensing Function

Budget Item	Cost (R)
i. Personnel Expenditure	1,817,311
ii. General Expenses	325,608
iii. Repairs and Maintenance	72,475
iv. Capital Expenditure	253,419
Total Cost of Traffic and Vehicle Licensing Function	2,941,638

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Provision of licensing services	Tested vehicles for road worthiness	0	0
	Issued Learners Licenses to qualified	3,062	4,000
	Tested and issue Driver's Licenses to qualified drivers	3,235	3,500
Traffic Control	Improved level of monitoring and charged traffic offenders	7,000	5,000
Community	Attended to standard calls out during the	132	132

Support	financial year		
	Attended to all emergency calls out during the financial year	377	377

Function:	LED, TOURISM AND ENVIRONMENTAL MANAGEMENT
Sub Function:	Economic Development

1. OVERVIEW:

This function includes all activities relating to the Local Economic Development, Land Administration, Town Planning and Housing.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

The function of LED, Tourism and Environmental Management within the municipality is administered as follows and includes;

Local Economic Development

Local Economic Development focuses on Agriculture, Agro Based Industry, SMME Development, community based forestry and tourism. This is a shared function with the district Municipality. Umzimvubu Municipality participates in the IDP review processes of the district municipality in order to align our initiatives in local economic development with those of the district municipality.

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Create facilities for SMMEs
- ii. Create an enabling environment for private sector

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i. SMME Development
- ii. Establish Local Tourism Organisation

2.4 Key Issues for 2006/7

Key issues for 2006/7 were:

- i. Mobilising funding for Agriculture projects.
- ii. Integration and engagement of relevant government departments programmes and projects
- i. Identification of Tourism products

3 ANALYSIS OF THE FUNCTION:

Statistical Information							
3.1	Detail and cost of incentives for business investment:			Total	Cost (R)		
	i. None						
	ii. None						
3.2	Detail and cost of other urban renewal strategies:			Total	Cost (R)		
	i. None						
3.3	Detail and cost of other rural development strategies:			Total	Cost (R)		
	i. None						
3.4	Number of people employed through job creation schemes:						
	i. Short-term employment						
	ii. Long-term employment						
3.5							
3.7							
3.8							
3.9	Number and cost to employer of all LED, Tourism and Environmental Management personnel						
			Total	Cost (R)			
	Position	Post Level	Number of Staff	Adjusted Basic	Annual Bonus	Other Benefits	Cost 2005/06

	Manager	1	1	455,804	0	0	455,804
	Assistant LED	3	1	231,263	0	0	231,263
	LED Project Supervisor	6	2	166,086	13,840	177,360	357,286
	Admin Officer	7	1	74,300	6,192	40,232	120,723
	Total Cost of Personnel			815,389	29,965	316,396	1,161,751
3.10	Cost to employer of LED, Tourism and Environmental Management Function						
	Budget Item						Cost (R)
	i. Personnel Expenditure						1,223,094
	ii. General Expenses						498,399
	iii. Repairs and Maintenance						37,446
	iv. Capital Expenditure						10,018,119
	Total Cost of LED, Tourism and Environmental Management Function						11,777,057

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
LOCAL ECONOMIC DEVELOPMENT	Development of an LED Strategy	Complete	Complete
TOURISM	Developed Local Tourism Organization		

Function:	LED, TOURISM AND ENVIRONMENTAL MANAGEMENT
Sub Function:	Housing

1. OVERVIEW:

This function includes all activities associated with provision of housing

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

The function for the provision of housing is as follows and includes;

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. To regulate, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of jurisdiction of a municipality,
- ii. To provide for approval of building plans and building inspections
- iii. To control the operations and enforcement of contraventions of building regulations.

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i.

2.4 Key Issues for 2006/7

Key issues for 2006/7 were:

- iii. Construction of more low cost houses to relocate informal settlement

- dwellers.
- iv. Effective identification of beneficiaries and transparent allocation of houses.
- i. Source funding for middle income housing

3 ANALYSIS OF THE FUNCTION:

Statistical Information			
3.1	Number and cost of all personnel associated with provision of municipal housing	Total	Cost (R)
	i. Professional (Architects/Consultants)	0	
	ii. Field (Supervisors/Foremen)	0	
	iii. Office (Clerical/Administration)	0	
	iv. Non-professional (outside workforce)	0	
	v. Temporary	0	
	vi. Contract	0	
	The cost of all personnel associated with provision of municipal housing is included in the cost for the Department of LED, Tourism and Environmental Management (LED)		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
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Function:	INFRASTRUCTURE DEVELOPMENT
Sub Function:	Roads and Works

1. OVERVIEW:

This function includes all activities of the municipality relating to construction and maintenance of roads within the municipality's jurisdiction.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

The refuse collection functions of the municipality are administered as follows and include:

Access Roads:

The provision of access roads is a shared function with the district municipality.

These services extend to include construction and maintenance of local roads but do not take account of the National Routes, Provincial and District roads, which fall within the competence of the SA National Roads Agency and the Provincial Department of Roads and Transport.

Housing Infrastructure Development: is administered within the municipal department of LED, Tourism and Environmental Management

Approval of housing plans: is administered within this department.

Provision of Low Cost Housing: is administered within this department, with housing subsidy received from the Provincial Department of Local Government, Housing and Traditional Affairs (DLGHTA). The provincial DLGHTA office has deployed a project manager in our municipal area to monitor and report progress of the provision of the People's Housing Process.

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to

- i. The construction, maintenance, and control of a road which the public has the right to and includes, in addition to the roadway the land of which the road consists or over which the road extends and anything on that land forming part of, connected with, or belonging to the road, and also, includes a street in build-up areas.
- ii. Facilitate the provision of provincial and district roads by provincial and national roads departments.
- iii. Develop IDP priorities in road transport for the municipal area.

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i. Provision of basic services in roads services to all households in the municipal area.
- ii. Ensure that the road network in the area provide effective and efficient road net
- iii. Ensure that all households have at least basic level of services in sanitation services.
- iv. Ensure that all public utilities have sanitation facilities
- v. Improve the living standard of the community
- vi. Ensure safety of temporary and permanent building structures

- vii. Prevent development in areas that are hazardous and environmentally sensitive
- viii. Ensure security of tenure to low and middle income communities
- ix. Management and control of land invasion by providing alternative and proper housing for the community.

2.4 Key Issues for 2006/7

Key issues for 2006/7 were:

- i. Maintenance of old access roads
- ii. Expansion of access roads to non-serviced areas
- iii. Provision of a compulsory stop for trucks on the National Route N2 at Mt Free by the National Department of Transport following a horror accident involving a truck and stationary cars and pedestrians.
- iv. Widening of N2 and provide a barricaded median at Umzimvubu Cuttings by the National Department of Transport to prevent head-on collision of vehicles at the horizontal curve.

3 ANALYSIS OF THE FUNCTION:

Statistical Information				
3.1	Total number, kilometres and total value of road projects planned (2005/06) and current (2006/7):	Total (Kms)	Cost (R)	
	<ul style="list-style-type: none"> i. Current Projects: New bituminous (number) ii. Current Project: Existing re-tarred (number) iii. Current Project: New gravel (number) iv. Current Project: Existing Rehabilitated (number) 			
	<ul style="list-style-type: none"> i. Planned Projects: New bituminous (number) ii. Planned Projects: Existing re-tarred (number) iii. Planned Projects: New gravel (number) iv. Planned Projects: Existing re-sheeted (number) 			
	3.2	Total kilometres and maintenance cost associated with existing roads provided:	Total (Kms)	Cost (R)
	<ul style="list-style-type: none"> i. Tar ii. Gravel 			
	3.3	Average frequency and cost of re-tarring, re-sheeting roads	Total (Kms)	Cost (R)
	<ul style="list-style-type: none"> i. Tar ii. Gravel 			
	3.4	Estimated backlog in number of roads, showing kilometres and capital cost	Total (Kms)	Cost (R)
<ul style="list-style-type: none"> i. Tar 				

	ii. Gravel	887.8 km	145,697,000
3.5	Total value of specific road grants actually received during year i. MIG ii. Equitable Share Grants received during the year are reported on Page 139		Value (R)
3.6	Number and cost to employer of all Roads and Works personnel		
	Position	Post Level	Total
		Number of Staff	Cost (R)
			Adjusted Basic
			Annual Bonus
			Other Benefits
			Cost 2005/06
	Infra Manager	1	1
	Deputy Manager	2	1
	Works Manager	3	2
	Assistant Manager Building	3	1
	Admin clerk	9	1
	Foreman	8	2
	Assistant Foreman	9	2
	General Assistant	14	13
	Total Cost of Personnel		2,603,925
			66,800
			571,208
			3,241,933
3.7	Cost to employer of Roads and Works Function		
	Budget Item	Cost (R)	
	i. Personnel Expenditure	2,018,981	
	ii. General Expenses	396,896	
	iii. Repairs and Maintenance	89,386	
	iv. Capital Expenditure	118,426,368	
	Total Cost of Roads and Works Function	120,931,630	
3.2	Number and total value of housing projects planned and current: - Current (financial year after year reported on) i. Tyoksville ii. Extension 7 - Planned (future years) i. Rode ii. Mpendla A	Total	Cost (R)
		700	14,210,000
		341	6,922,300
		2,396	56,833,120
		1,000	23,720,000

	iii. Silver City	941	22,320,520
	iv. Santombe	500	11,860,000
3.3	Total type, number and value of housing provided:	Total	Cost (R)
	i. Low Cost Houses : 40 m ²	1,041	
3.4	Total number and value of rent received from municipal owned rental units:	Total	Cost (R)
	i. Units handed over to residents	No Data	-
	ii. Units used by municipal staff	No Data	-
	iii. Units used by commercial businesses	No Data	-
3.5	Estimated backlog in number of (and costs to build) housing: [As identified in the Housing Sector Plan]	Total	Cost (R)
	i. Low Cost Houses : 40 m ²	23,668	546,730,800
	ii. Middle Income Houses :	1,479	33,749,100
	iii. Farm Houses	514	11,893,400
3.6	Type of Habitant breakdown [Data Source : Housing Sector Plan]	Total	
	i. Formal houses	20,295	
	ii. Traditional houses	59,190	
	iii. Informal houses	1,265	
	iv. Homeless	20	
	v. Other (Total number of HH less above figures)	6,091	
3.7	Type and number of grants and subsidies received:	Total	Cost (R)
	Grants received during the year are reported on Page 139		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Construction of new roads	Construction of new gravel access roads	65.71 km	87.80 km
	Construction of new surfaced roads	1.0 km	(km)
Maintenance of existing roads	Re-gravelling of existing gravel access roads	5.1 km	(km)
	Rehabilitation of existing surfaced roads	(km)	(km)

Provision of Low Cost Housing	Completed construction of low cost housing in Tyoksville, Mt Ayliff and Extension 7	770	63,000
Approval of Building Plans in all areas	Evaluated all applications for building approval	40	250
Inspection of Buildings and Structures	Conducted inspections to buildings at all critical stages of construction	None	On-going
DEVELOPMENT PLANNING	<ul style="list-style-type: none"> ■ Development of precise Land Tenure System 		
	<ul style="list-style-type: none"> ■ Development of a Land Use Management Plan 	Draft	Complete
	<ul style="list-style-type: none"> ■ Development of an Environmental management Plan 		
	<ul style="list-style-type: none"> ■ Development of Spatial Development Framework 	Complete	Complete

Function:	INFRASTRUCTURE DEVELOPMENT
Sub Function:	Solid Waste

1. OVERVIEW:

Umzimvubu Local Municipality is authorised to perform the function of refuse removal in its area of jurisdiction. The sub-function of Solid Waste Management includes refuse removal, solid waste disposal and landfill, street cleaning and recycling. Solid waste generated in Umzimvubu area include building rubble, garden refuse, commercial and dry industrial waste.

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

The refuse collection functions of the municipality are administered as follows and include:

Solid Waster Removal:

Solid waste removal is only provided in urban centres and high density areas of Umzimvubu Municipality area.

Management of Waster disposal sites;

Umzimvubu manages all solid waste disposal sites in its area of jurisdiction.

Free Basic Services;

Umzimvubu Municipality provides free basic services in refuse removal through subsidy in tariffs charged on households.

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Remove refuse from household collection points
- ii. Operate and maintain solid waste disposal sites
- iii. Clean public streets, roads and other public spaces.
- iv. Comply with the Environment Conservation Act 1989 (Act 73 of 1989)

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i. Protect the environment
- ii. Provide efficient and effective waste removal service to all communities in the area.
- iii. Provide custody of archives and information resource centre
- iv. Promote Sports, arts culture

2.4 Key Issues for 2006/7

Key issues for 2006/7 were:

- i. Upgrading of disposal site in Mt Frere

3 ANALYSIS OF THE FUNCTION:

3.1	Number of households receiving regular refuse removal services, and frequency and cost of service:	Total	Cost (R)
	i. Removed by municipality at least once a week	3,449	3,044,476
	ii. Removed by municipality less often	588	(incl. above)
	iii. Communal refuse dump used	785	0.00
	iv. Own refuse dump	61,500	0.00
	v. No rubbish disposal	20,440	0.00
3.2	Total and projected tonnage of all refuse disposed:	Current	Future
	i. Domestic/Commercial		

	ii. Garden						
3.3	Total number, capacity and life expectancy of refuse disposal sites:		Capacity		Life Span		
	i. Domestic/Commercial [Number]						
	ii. Garden [Number]						
3.4	Anticipated expansion of refuse removal service::		Total		Cost (R)		
	i. Domestic/Commercial						
	ii. Garden						
3.5	Free Basic Service Provision:		Total		Value (R)		
	i. Quantity (number of households affected)		4,037				
	ii. Quantum (value to each household)						5,932,000
3.6	Number and cost to employer of all Solid Waste personnel						
			Total	Cost (R)			
	Position	Post Level	Number of Staff	Adjusted Basic	Annual Bonus	Other Benefits	Cost 2005/06
	Foreman	8	1	60,677	5,56	36,418	97,469
	TLB Operator	8	1	75,095	6,258	40,455	121,808
	Driver	10	2	84,250	7,020	62,448	153,716
	Assistant Foreman	9	2	107,336	8,944	68,910	185,190
	General Assistant (Casuals)	14	37	1,579,430	131,619	1,238,788	2,949,838
	Total Cost of Solid Waste Personnel			1,948,914	162,409	1,478,239	3,589,563
3.7	Cost to employer of Solid Waste Function						
	Budget Item					Cost (R)	
	i. Personnel Expenditure					3,958,772	
	ii. General Expenses					205,303	
	iii. Repairs and Maintenance					92,737	
	iv. Capital Expenditure					53,500	
	Total Cost of Solid Waste Function					4,310,313	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Refuse Removal	Removal of Refuse from households at least once per week	2,172	19,626

Street Cleaning	Cleansing of all streets in Mt Ayliff, Mt Frere and Maluti Town on daily basis	On-going	On-going
Operation and maintenance of dumping sites	Maintenance of Dumping Sites	2	2

Function:	INFRASTRUCTURE DEVELOPMENT
Sub Function:	Electricity Distribution

1. OVERVIEW:

This function includes the bulk purchase and distribution of electricity. The Umzimvubu Municipality is the Service Authority for the function of Electricity Supply in its area of jurisdiction but ESKOM is the Service Provider licensed perform the function of electricity distribution in the area of Umzimvubu Municipality

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

The water purchase and distribution functions of the municipality were

administered as follows and include:

Grid Electricity:

Grid electricity distribution in urban and rural areas is administered by the Kwa-Zulu Natal Region of Eskom.

Non-Grid Electricity:

Non-Grid electricity is distributed in rural areas only and is administered by the Eskom-Shell as the Service Provider.

Free Basic Electricity:

The provision of Free Basic Electricity is administered by Umzimvubu Municipality, through funding agreement signed with Eskom for grid electricity and Eskom-Shell for non-grid electricity.

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Perform the function of Services Authority for Electricity Distribution
- ii. Prepare and review Electricity Sector Plan
- iii. Provide Free Basic Electricity to poor households

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i. Ensure that all households have at least basic level of services in sanitation services.
- ii. Improve the living standard of the poor community by providing them with Free basic electricity

2.4 Key Issues for 2006/7

Key issues for 2006/7 were:

- i. Provision of Free basic Electricity
- ii. Preparation of Electricity Sector Plan
- iii. Consultation with the Department of Minerals and Energy to provide more funding to reduce electricity backlog in the municipal area.

3 ANALYSIS OF THE FUNCTION:

Statistical Information			
3.1	Number of all personnel associated with water function:	Total	Cost (R)

	<ul style="list-style-type: none"> i. Professional (Engineers/Consultants) ii. Field (Supervisors/Foremen) iii. Office (Clerical/Administration) iv. Non-professional (blue collar) v. Temporary vi. Contract 		
3.2	<p>Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer</p> <ul style="list-style-type: none"> i. Residential ii. Commercial iii. Industrial iv. Mining v. Agriculture vi. Other 	Volume (KI)	Cost (R)
3.3	<p>Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:</p> <ul style="list-style-type: none"> i. Residential ii. Commercial iii. Industrial iv. Mining v. Agriculture vi. Other 	Volume (KI)	Cost (R)
3.4	<p>Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:</p> <ul style="list-style-type: none"> i. Quantity Purchased From Eskom less Total Billed 	Volume (KI) N/A	Cost (R) N/A
3.5	<p>Number of households with electricity access, and type and cost of service:</p> <ul style="list-style-type: none"> i. <u>Electrified areas</u> <ul style="list-style-type: none"> ■ Grid Electricity (Solar) 1,813 ■ Non-Grid Electricity 24,860 ii. <u>Alternate energy source</u> (Data Source: Census 2001) <ul style="list-style-type: none"> ■ Gas 180 ■ Paraffin 9,371 ■ Candles/Wood 631 iii. Non electrified (Total of HH less HH Electrified) 60,188 	Quantity (kwh)	Cost (R)
3.6	Number and cost of new connections:	Total	Cost

		(Number)	(R)
	i. Grid Electricity	No Data	R 3,780 / HH
	ii. Non-grid Electricity	No Data	R 3,500 / HH
3.7	Number and total value of electrification projects planned and current:	Total (Number)	Cost (R)
	i. Current	No Data	Unknown
	ii. Planned (by end of 2005)	6,550	24,759,000
3.8	Anticipated expansion of electricity service:	Total (HH)	Cost (R)
	i. Grid Electricity	6,550	24,759,000
	ii. Non-grid Electricity	300	1,050,000
3.9	Estimated backlog in number (and cost to provide) electricity connection:	Total (Number)	Cost (R)
	i. Backlog in electricity services	60,188	227,500,000
3.10	Free Basic Service Provision (2006/7)	Total (No. of HH)	Cost (R)
	<ul style="list-style-type: none"> ■ FBE on Grid Electricity <ul style="list-style-type: none"> i. Quantity (number of households affected) ii. Quantum (value to each household) [R/hh/Yr] ■ FBE on Non-grid Electricity <ul style="list-style-type: none"> i. Quantity (number of households affected) ii. Quantum (value to each household) [R/hh/Yr] 		
	Total Expenditure on Free Basic Electricity (2006/7)		

3.13	Type and number of grants and subsidies received:	Total (Number)	Value (R)
	i. Equitable Share - Free Basic Electricity		
	Grants received during the year are reported on Page 139		
3.14	Cost to employer of all personnel associated with sewerage functions:		Cost (R)
	i. Personnel Expenditure		0.00
	ii. General Expenses		0.00
	iii. Repairs and Maintenance		0.00
	iv. Capital Expenditure		0.00
	Total Operating Cost of Electricity Distribution Function		0.00

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Provision of Free Basic Electricity	Provide 20 kw per household per month to all households connected to grid electricity	(HH)	All
	Provide 20 kw per household per month to all households connected to grid electricity	(HH)	All
Integrated Planning for Electrification	Preparation of Electricity Sector Plan	Complete	Complete

Function:	INFRASTRUCTURE DEVELOPMENT
Sub Function:	Street Lighting

1. OVERVIEW:

This function includes all activities associated with the provision of street lighting to the community

2. DESCRIPTION OF THE ACTIVITY:

2.1 Administrative Arrangement

Umzimvubu Municipality is responsible for street lighting, high must lighting and general lighting at public facilities.

2.2 The Mandate of the Municipality

The municipality of Umzimvubu has the mandate to:

- i. Provide and maintain the lighting for the illuminating of streets,
- ii. Provide lighting for public safety and night activities

2.3 Strategic Objectives of the Function

The strategic objective of the function are:

- i. Ensure that all households have at least basic level of services in sanitation services.
- ii. Improve the living standard of the poor community by providing them with Free basic electricity

2.4 Key Issues for 2006/7

Key issues for 2006/7 were:

- i. Provision of street lights in Maluti and Mt Ayliff towns

3 ANALYSIS OF THE FUNCTION:

Statistical Information			
3.1	Number and total operating cost of streetlights servicing population:	Total	Cost (R)
	i. Mt Ayliff Town		
	ii. Mt Frere Town		
	iii. Maluti Town		
	Total		
3.1	Total bulk kilowatt hours consumed for street lighting:		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Provision of Street Lighting	Operated and maintained Street lights in towns		All Lights
Ensure Public Safety	Operated and maintained high mast lights	3	7

SUMMARY OF GRANTS RECEIVED

Name of Grant	Source of Grant	Quarter	Amount	Actual Date Received
FINANCIAL MANAGEMENT GRANT	NATIONAL TREASURY	Apr 2006 to Jun 2006	-	-
		Jul 2006 to Sep 2006	500,000.00	21 August 06
		Oct 2006 to Dec 2006		
		Jan 2007 to Mar 2007	-	-
		Apr 2007 to June 2007	-	-
		Total Funds Received	500,000.00	-
URBAN RENEWAL	DPLG	Apr 2006 to Jun 2006	-	-
		Jul 2006 to Sep 2006	-	-

		Oct 2006 to Dec 2006	328,000.00	20 December 06
		Jan 2007 to Mar 2007	-	-
		Apr 2007 to June 2007	-	-
		Total Funds Received	328,000.00	-
CLEANING SERVICES	DPLG & TRADITIONAL AFFAIRS	Apr 2006 to Jun 2006	-	-
		Jul 2006 to Sep 2006	-	-
		Oct 2006 to Dec 2006	274,000.00	01 November 06
		Jan 2007 to Mar 2007		
		Apr 2007 to June 2007	-	-
		Total Funds Received	274,000.00	-
		MUNICIPAL INFRASTRUCTURE GRANT	DPLG	Apr 2006 to Jun 2006
		Jul 2006 to Sep 2006	3,998,150.00	21 July 2006
		Oct 2006 to Dec 2006	9,226,500.00	31 October 2006
		Jan 2007 to Mar 2007	3,588,032.68	28 February 07
		Apr 2007 to June 2007	10,251,666.67	27 March 07
		Total Funding Received	27,064,349.35	-
SYSTEMS IMPROVEMENT GRANT	DPLG & TRADITIONAL AFFAIRS	Apr 2006 to Jun 2006	-	-
		Jul 2006 to Sep 2006	367,000.00	03 August 06
		Oct 2006 to Dec 2006	367,000.00	30 November 06
		Jan 2007 to Mar 2007		0
		Apr 2007 to June 2007	-	-
		Total Funds Received	734,000.00	-

