



NKONKOBÉ MUNICIPALITY



**ANNUAL REPORT FOR 2006/07
FINANCIAL YEAR**



DEFINITIONS	i
-------------------	---

CHAPTER 1

Foreword by the Mayor.....	1
Overview of the Municipality.....	2-6
Executive Summary.....	7-9

CHAPTER 2

Background on services provided	10-13
---------------------------------------	-------

CHAPTER 3

Human and Organizational Management.....	14-19
--	-------

CHAPTER 4

4.1. Financial Information and Audited Financial Statements.....	20-47
4.2. Auditor's General's Report on consolidated Financial Statements.....	48-57
4.3. Response on Issues Raised on Auditor's General Report.....	<i>(not attached)</i>
4.4. Oversight Report by Audit Committee for both Nkonkobe Municipality and Nkonkobe Development Agency for <i>2006/07</i> financial year.....	<i>(not attached)</i>

CHAPTER 5

Functional Service Delivery Reporting.....	58-104
--	--------

CHAPTER 6

This Chapter could not be answered, as there is no Auditor General's Performance Management Support report as the information reflected in the Format is contained and should be extracted from this document.

CHAPTER 7

Annexure 1 = Municipal Score Card.....	105 - 112
Annexure 2 = Grants received.....	113 - 114

DEFINITIONS

ADM	- Amatole District Municipality
NHBRC	- National Home Builders
DLGH & TA	- Department of Local Government and Traditional Affairs
LCF	- Local Communicators Forum
SALGA	- South African Local Government
DPLG	- Department of Provincial and Local Government
GCIS	- Government Communications and Information Systems
CHW	- Community Health Workers
VCT	- Voluntary Counseling and Testing
PMTCT	- Prevention of Mother To Child Transmission
WSP	- water Service Provider
HIV	- Human Immune Virus
AIDS	- Acquired Immune Deficiency Syndrome
MFMA	- Municipal Finance Management Act
TRC	- Transitional Rural Council
TLC	- Transitional Local Council
C.F.O	- Chief Financial Officer
LGSETA	- Local Government Sector Training Association
MSU	- Municipal Support Unit
LED	- Local Economic Development
EAP	- Employee Assistance Programme
MIG	- Municipal Infrastructure Grant
IDP	- Integrated Development Plan
IT	- Information Technology
IGR	- Intergovernmental Relations Forum
CBP	- Community Based Planning
CDW's	- Community Development Workers
CANSA	- Cancer Association of South Africa
SAPS	- South African Police Service
CPF	- Community Police Forum
PHP	- People's Housing Process
YAC	- Youth Advisory Centre
UYF	- Umsobomvu Youth Fund
SPU	- Special Programmes Unit
ECYC	- Eastern Cape Youth Commission
SMME	- Small Medium Macro Enterprise
PMS	- Performance Management System
CAT	- Community Advisory Team
RSA	- Republic of South Africa

CHAPTER ONE

FOREWORD BY THE MAYOR

Chapter seven (7) of the constitution gives Local Government its status as a sphere of government and says that, within its financial and administrative capacity, it must strive to achieve the following:

- To provide democratic and accountable government for local communities
- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development
- To promote a safe and healthy environment, and
- To encourage the involvement of communities and community organizations in local government.... But, equally important, the constitution also outlines specific “developmental duties” for local government. It says that a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community and to promote the social and economic development of the community.

Tasked with a new developmental mandate, struggling with massive under development and faced with the expectations of hundreds of thousands of our people... Nkonkobe Municipality is under immense pressure to deliver services and improve quality of life. For it is at local level, in neighbourhood villages, townships and business areas, that ordinary citizens have the most contact with government. It is here where access to electricity, water, street- lightning, road and urban infrastructure and community facilities impacts directly on quality of life and the ability to do business.

Our primary focus therefore, is on areas requiring immediate and direct action. We need as councilors and officials, to remove fetters from legs of people quite able to walk, and walk tall without them.

We need to stop wading in the shallow waters of oblivion like little children who cannot swim but plunge into the deep with the firm conviction that together we shall succeed.

In the new year we will intensify our interaction with all our stakeholders to ensure that we move in unison towards the goal of improving and expediting service delivery for the betterment of all.

A high premium is placed on the municipality's Local Economic Development and Engineering Services and the creation of an entrepreneurial environment, with an emphasis on job creation.

Please allow me to express sincere thanks to the Acting Municipal Manager and his team for their dedication and hard work. My gratitude is extended to all councilors for unselfishly committing themselves to the challenges of the times in spite of meagre resources at hand.

Cllr Dumalisile Ngcuka

ASSESSMENT BY THE ACTING MUNICIPAL MANAGER

Local authorities are ongoing faced with legislation such as the Municipal Finance Management Act 56 of 2003, Municipal Systems Act 32 of 2002, Municipal Structures Act 117 of 1998, Municipal Property Rates Act and the Constitution of the Republic of South Africa. All these have one common purpose and that is to foster a culture of good governance and community participation.

Nkonkobe Municipality is one amongst the category B growing municipalities in the Amathole Region of the Eastern Cape and is becoming a tourist destination with its purely natural vibe. This is evidenced by the twinning partnership with Oxfordshire Council from England and tourist attractions like Hogsback's Christmas in July festival and many others that can be mentioned.

During the year under review the Nkonkobe municipality was faced with the number of challenges namely:

1. The continuous growth of unemployment throughout the Nkonkobe Municipal jurisdiction.
2. The Social effects of HIV/Aids on the Community at large.
3. The Community still being subject to the Bucket Sewer System.
4. The lack to attract lucrative investors to assist in Economic Growth.
5. The levels of service delivery that the community felt was not being adequate to serve there basic needs.
6. The final break away of the Water Function with the Amathole District Municipality setting up there own offices and therefore the Municipality forfeiting to receive a agency subsidy from the District Municipality.
7. Electricity outages due to an aged Electrical Reticulation system in Fort Beaufort Administrative unit in particular.
8. The levels of Revenue Collection that kept lowering despite the enforcement of strict credit control measures.
9. The ultimate bold step of the Nkonkobe Municipal Council of having the Accounting records cleansed from the unsupported documented amalgamating balances of the former disestablished municipalities of Fort Beaufort, Alice, Middledrift, Seymour and Hogsback TRC with the intention to have a more accurate balance sheet.

In responding to the above listed challenges the entire municipal staff and leadership has shown commitment in serving the community in honest and dignity.

The Nkonkobe Municipality excelled with the number of public participation meetings that were conducted through the year under review, when the leadership and management recognized the importance of Public participation in Municipal affairs.

The Nkonkobe Municipality also experienced a high turnover on staff and it became a challenge of which left certain departments with limited capacity and expertise to take charge over the unattended areas that did not enjoy proper Service Delivery.

Shortage of land for the erection of low cost housing, as well as housing for the middle to medium income groups is a challenge that the Municipality must try and address. In order to meet these challenges, a comprehensive and integrated housing strategy is required and will be a priority in the next financial year.

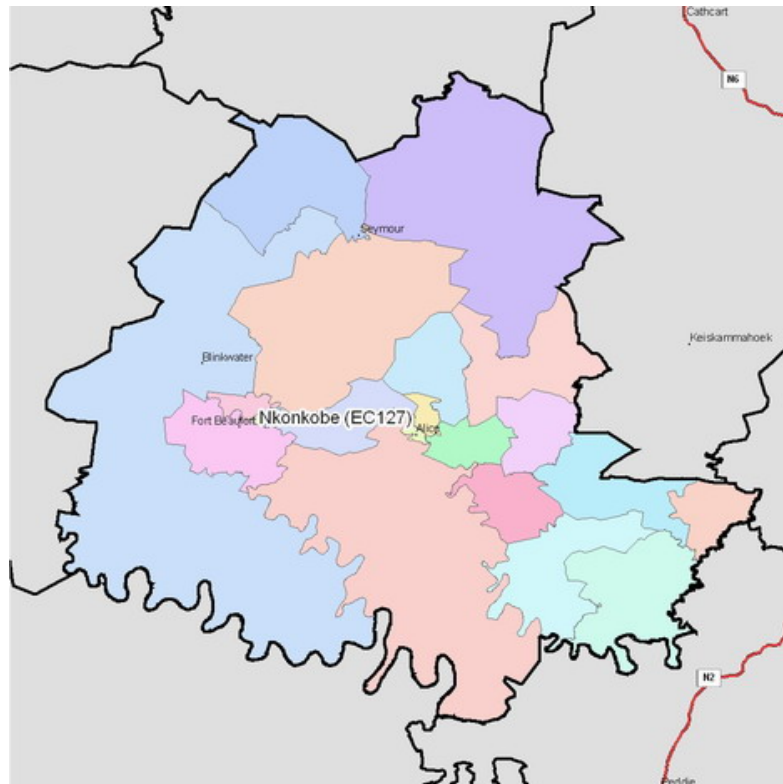
A solid institutional platform has been built on which to enhance service delivery priorities. We have improved the level of public participation in Municipal Governance and continue to strive to improve our customer service delivery standards.

As the Acting Municipal Manager, I have been alerted of the gaps in performance and performance management. I will, therefore, continue to develop and implement a culture of urgency and ensure that the Nkonkobe Municipality responds to the needs of citizens in an equitable, fair, just, sustainable and financially viable way.

Mr. Andre Marx
ACTING MUNICIPAL MANAGER

OVERVIEW OF THE MUNICIPALITY

Nkonkobe Local Municipality is a product of the amalgamation of the now disestablished Alice, Fort Beaufort, Middledrift, Hogsback and Seymour Transitional Local Councils and Victoria, Fort Beaufort, Balfour and Middledrift Transitional Rural Councils (TRCs). It is the second largest local municipality, covering 2725 km² and constituting 16% of the surface area of the Amathole District Municipality.



The total of 128 660 people living in the Nkonkobe Municipality represents 8.7% of the total population of Amathole District Municipality. Of this population, about 52.0% are children and elderly, implying that a greater percentage of the population depends on the economically active group, causing the need for a proper infrastructural planning, provision of services as well job creation. Poverty has been identified as the major concern in the area as unemployment rate stands at 82.0%. It is also estimated that 85.0% of the working population is earning less than R 1 500 per month and 16,0% do not earn any income at all.

Rapid economic development in the Nkonkobe Municipality area is restrained by inadequate infrastructural services as most roads in the municipality area are in poor conditions.

In 2006/2007 financial year, the Amathole District Municipality took over some of the functions such as water and sanitation from some of its Local Municipalities, including Nkonkobe. This move presented council with serious challenges, as a means to address such the ADM established satellite offices for proper management purposes.

Only 14.0% have access to municipal refuse disposal services but these are mostly households in urban centres. Therefore there is an urgent need for infrastructural provision and upgrading in the entire municipal area. Nkonkobe Municipality has an average population density of 43 p/km or 0.43 persons per ha. Notice no 22 of 2000 of the Municipal Demarcation Board which is submitted in terms of Section 21 of the Local Government Municipal Demarcation Act 1988, provides for the establishment of Nkonkobe Municipality.

The urban corners of Nkonkobe Municipality account for the biggest portion of our community. The Fort Beaufort area, which includes the central business district area and the surrounding township of Bhofolo, is the most densely populated area. It accounts for a population range of 3035-671 persons p/m²

The Alice town and immediate surrounding areas account for the second range of population density. Its category ranges between 127808 3034 persons p/m². The rural areas, which are closer to the urban nodes, are also relatively more densely populated than the hinterlands. They are however less populated than the urban nodes, which include Alice, Fort Beaufort, Seymour Balfour, Middledrift and Hogsback. They account for the population density range of 745-1277.

The town of Alice houses the historic academic institutions of the University of Fort Hare and Lovedale College.

In about 18 of the wards in the Nkonkobe Municipality area, the dominating group is Africans, which account 99.5% of the population of those respective areas. The other 3 wards have a completely different picture of the population dynamics of the communities. They are either dominated by other population groups that are showing a strong presence, particularly the coloured and white communist.

Nkonkobe Local Municipality is faced with massive problems of underdevelopment, which has resulted from historic consequences of the country's politics. Unemployment and poverty levels within Nkonkobe Municipality are high and are coupled with development and services backlogs.

SOCIO ECONOMIC STATUS

The Nkonkobe Municipality is committed to the provision of social facilities to meet the needs of the communities in its area of operation. The aim of this programme is to ensure that social needs are provided at appropriate locations to serve the communities in a sustainable manner through:

Safety and Security

- Community Policing Forum
- Neighborhood Watch

Health

- Clinics audit

- HIV/Aids centre
- HIV awareness campaign
- Home-based care centre
- Campaigns against alcohol and drug abuse
- HIV care center
- Kolomane Clinic

Community Halls

- Construction of community halls

Sports fields

- Launch Nkonkobe Sport, Arts and Culture Forum

Housing

The provision of adequate and affordable houses for the community will improve the condition of life of the people as well as enhancing their tenure rights. This will be achieved by promoting the following:

- Formation of housing support centres to facilitate People's Housing Process.
- Lobby with Department of Housing and Local Government to embark on the People Housing Process, CIMP, Rapid Land release Programme etc
- Rural Housing programme

Land

Preparation of a Land Reform Settlement Plan to ensure that land is transferred to individuals within the next 10 years.

- Planning and survey of rural settlements to promote People Housing and Rapid Land Release Programmes.
- Upgrading of tenure rights in entire municipal area
- Releasing of land to Municipality and Communities

INFRASTRUCTURE

Electricity supply

During the financial year under review the levels of electrification in Nkonkobe Municipal area have improved by more than 95%. This massive increase is coupled by an equally massive drop on the amount of people that are using paraffin for energy purposes. The electricity reticulation in the Fort Beaufort area requires major improvement for a sustainable service delivery.

As it can be seen that in terms of Census 2001 only 5000 people were using electricity for energy purposes in the year 1996 and in the year 2001 approximately 25 000 are reported to be using electricity.

Roads

According to Amathole District Municipality, Nkonkobe municipality has 192.82km of paved roads and 1424.63 unpaved roads. The main tarred routes run in a north-south direction through Seymour and Fort Beaufort, and an east-west direction through Fort Beaufort, Alice and Middeldrift. These routes are of strategic importance because they link places of economic activities. Most of the roads linking the rural settlements are generally in poor conditions.

Upon the re-determination of powers and functions, the roads function is being determined to be the responsibility of the Category B Municipalities which would include Nkonkobe Municipality. This categorization of roads by the Department of Public Works is the only matter which is causing some light delays on the implementation of the powers and functions re-determination with respect to roads.

There is a comprehensive proposal prepared by the Nkonkobe Municipality's Engineering Department and submitted to the Provincial Department of Public Works for roads operations and maintenance.

Solid Waste

Available data shows that the majority of the Nkonkobe population (67.0%) uses their own refuse dump owing to the rural nature of the area. About 13.0% of the households either have no refuse disposal services and therefore dump their refuse anywhere they choose and this poses health hazards. Only 14.0% depends on the municipality's weekly refuse disposal services but these are mostly households in Alice and Fort Beaufort.

The cleansing section of the municipality consists of refuse removal and solid waste management. No rural refuse removal is currently being done as refuse disposal sites are situated only in the urban areas. Rural residents are reportedly not in a position to pay for this service. Rural people also fear they will be taxed with the extension of services.

In Nkonkobe Municipality area, 5 towns have been clustered into two for refuse removal purposes. These are:

- Alice, Middeldrift and Hogsback
- Seymour and Fort Beaufort

There is a control center in Alice and Fort Beaufort. Solid waste sites are located in Middeldrift (with a permit), Alice (no permit, but a new site is being prepared for which a permit is being applied for), Fort Beaufort (site recently closed, temporary one in use, no permit but funds applied for from Amathole), Seymour (no permit), the Hogsback site was closed by DWAF and refuse is instead transported to the Alice site. Rural areas are not provided for except in Alice where nearby villages will be permitted to use the communal site.

With the Amathole District Municipality Solid Waste Management Plan underway, there are going to be major changes on the set up of the Solid Waste systems of the Nkonkobe Municipality.

Housing

Authority: Department of Housing, Local Government and Traditional Affairs
Provides: Nkonkobe Municipality

Major developments took place during 2006/2007 financial year with housing projects under PHP unblocked and implemented, with a few other new projects implemented.

LOCAL ECONOMIC DEVELOPEMENT

Nkonkobe Economic Development Agency (NEDA)

Nkonkobe Economic Development Agency is not functioning properly because of shortage of personnel. The post of CEO has been advertised and was filled .The Entity has appointed new board members so that NEDA can function properly under the chairmanship of prominent businessman, Mr. Mike Stofile.

The Nkonkobe Municipality's diversity allows for improved and more effective service delivery mechanisms that will provide a bright future for all its communities. Amid all the setbacks encountered during the 2006/07 financial year, the municipality endeavors to overcome.

EXECUTIVE SUMMARY

“The paradigm shift in local government occupies a centre stage as we define the role of local government in the current conjuncture. This shift is from regulatory local government into developmental local government. As the local government address social problems and challenges which vary from infrastructure development into community development it must do so in a manner that creates an enabling environment for local economic development. Their task together with national and provincial government is to eradicate poverty, boost local economic development and create jobs. These can effectively be achieved through the formulation of an Integrated Development Plan (IDP).”

Clearly from the above statement the value of integration in planning cannot be overemphasized. The limited resources at the municipality's possession requires Nkonkobe municipality to deeply engage in cooperative governance with all government departments and key stakeholders for a better life of communities. In 2006/2007 financial year, the demands and expectations of local communities continued to grow, while improper planning continues to affect service delivery at great length.

Although great strides have been made by the municipality in the past year to improve the condition of life the people, the status quo analysis still reveals unacceptable high level of poverty, unemployment, inadequate social services, etc.

Social and community services are not an exception. Health, HIV / AIDS, community halls, proper cemeteries and standard sports fields are either inadequate or completely lacking, especially the rural settlements.

It is worth noting that apart from shortage of personnel, inadequate IT infrastructure and office and workshop facilities, the municipality is also experiencing a weak financial base as about 97.8% of the municipality's revenue is raised from equitable share grant, which signifies the extent to which the municipality is dependent on government grants. There is therefore the need for the municipality to adopt income - generation strategies to help boost its economic base.

In summary the additional pressures that did impact on the municipality and were issues of concern during the 2006/07 financial year were:

HIV/AIDS

- Inadequate access to comprehensive package of HIV/AIDS prevention, treatment, care and support.
- Fragmented services provision and lack of information on the prevalence and impact of HIV/AIDS on the community.

Poverty and unemployment

- Wide spread poverty in Nkonkobe Local Municipality
- 67 % Unemployment throughout Nkonkobe Local Municipality
- 70% Have incomes below R1500.00 per month.

Youth, Gender and Disabled

- Youth and children are the most vulnerable and are usually greatly affected by the social ills regarding our society.
- Gender inequalities exist in the social, economic, physical and institutional environment.
- There is general lack of childcare facilities.

Environmental health

- Negative impact of adverse environmental conditions on the health status of communities.

Community facilities

- Insufficient community facilities and poor conditions of existing facilities.

Infrastructure and roads

- Backlogs in the provision of and access to basic services.
- 65% Households have access to basic services
- Poor conditions of our roads 1414.63 km unpaved, 192.82 km paved.

Finance

- Limited municipal income/ revenue
- Lack of checks and balance for legislative compliance
- Lack of user friendly systems for controlling and reporting mechanisms
- Lack of financial management systems

Institution

- Capacity to measure the performance of the municipality as an organization and when and where necessary be able to take corrective actions.

However, despite the scenario of huge challenges Nkonkobe Local Municipality faced, the municipality still continued to focus on its vision "To efficiently implement social and economic development and create a safe and healthy environment for communities in a sustainable and participatory manner".

This meant that no matter what the Council wanted to achieve with all programs and projects, it would firstly try to ensure that the basic needs of Nkonkobe local communities are a priority.

For Nkonkobe Local Municipality, the Integrated Development Plan (IDP) process plays a key role in aligning budgets to strategies and programs of departments in order of priority. This process assists the municipality to acknowledge the realities and deal with the priorities.

Various development strategies and programs have been advanced to address the identified key issues.

These key issues include:

- Local Economic Development program
- Integrated Spatial Development Plan
- 5 – Year Action Plan
- Capital Investment Plan
- Integrated poverty alleviation and gender equity program
- Financial plan
- HIV/AIDS program
- Disaster Management programme
- Environmental Management programme and Performance management system

CHAPTER TWO

BACKGROUND ON SERVICES PROVIDED BY THE MUNICIPALITY

Water

During the financial year, Nkonkobe Local Municipality only had the function as Water Service Provider (WSP) for two months before ADM took over the function. The above-mentioned enabled Council to only create an income of R151 159-00.

The public still sees Council as the service delivery body and during the financial year received a lot of complaints regarding broken water pipes, block sewer pipes and no water supply. Council doesn't have any power to give any instruction to ADM workers and that creates problems on addressing the complaints lodged to Council. Such complaints do not get attention immediately and some are left unattended for a long period resulting in a waste of pure water. Several meetings were held with ADM with no action from them.

Sanitation

The function was also taken over by ADM and they have established a satellite office in Fort Beaufort to enable them to manage both functions (water & sanitation).

Social Cluster meeting have taken place and the following are activities taken place

Housing

From July 2006 to June 2007, Nkonkobe Municipality started with the construction of the unblocked five (5) housing projects including three (3) rural housing projects. The five (5) unblocked projects are as follows:

- Fort Beaufort Golf Course consisting of 1177 units – 1159 units were completed during the year under review.
- Alice Golf Course consisting of 1233 units – 640 units were completed during the year under review.
- Alice KuNtselamanzi consisting of 228 units – 184 units were completed during the year under review.
- Seymour Ext. 6 consisting of 465 units – 378 units were completed during the year under review.
- Mpolweni at Fort Beaufort consisting of 500 units. This project was never started as it was allocated to NHBRC by the DLGH & TA.

In addition to the above projects, three (3) rural housing projects, which were also blocked were unblocked and implemented during the financial year under review. These projects were:

- Nkobonkobo at Alice consisting of 330 units – 299 units were completed.
- MacFalan at Alice consisting of 155 units – 103 units were completed.
- Roxeni at Alice consisting of 140 units – 88 units were completed.

The implementation of unblocked housing projects which were blocked during the former TLC's could not be started due to technical administrative problems between Thubelitsha Homes and the DLGH & TA, these were:-

- Middledrift Phase 2 – 311 units
- Alice Ext 1-5 - 283 units
- KuNtselamanzi/Hillcrest - 818 units
- Hillside Phase 3 - 638 units
- Newtown - 665 units
- Seymour Ext 1-4 - 461 units
- Seymour - 232 units

Electricity

The main concentration of this section is the supply of electricity as a source of energy throughout the Municipal jurisdiction. The former Fort Beaufort T.L.C. obtained a license as a supplier of electricity for Fort Beaufort town (central business district which is supplied by MUNC 1) and the Fort Beaufort townships of Newtown, Hillside and Bhofolo (supplied by MUNIC 2). The other towns and rural villages of Nkonkobe municipality are directly supplied by Eskom.

Performance during the year, Performance Targets against actual achieved and plans to improve performance

During the financial year under review Nkonkobe Municipality; high voltage switchgear was purchased to upgrade the network, which will be installed during 2007/2008. An electrification project for the **low cost houses** in these areas: Daweti and Kanana of Bhofolo was completed. This entailed 500 connections at a cost of R1, 550,000 funded by the Department of Minerals and Energy; a further project of 1,111 connections was commenced in Hillside at a cost of R4, 000,000 funded by the Department of Minerals and Energy. This project to be fully completed during the 2007/2008 financial year is approximately 60-70% completed. The department further repaired and serviced high voltage switchgear in Bhofolo main substation, replaced 80 metres of faulty high voltage cable at Katco and serviced and commissioned high voltage switchgear in grove substation. The former sought to improve the current condition of electricity supply in the Fort Beaufort area and seeks to ensure sustainable service delivery.

The following factors can be attributed as challenges:

- Upgrading of electricity network - This involves building new overhead lines on the munic1 and munic 2 electricity feeder lines in the network.
- Upgrading of transformer in grove substation to provide sufficient capacity for the development of the grove business complex.
- Upgrading of street light system in Fort Beaufort, Newtown and Hillside

Roads / Stormwater

During the 2006/2007 Financial Year, Nkonkobe Municipality had to do maintenance, building and link with province for their part of above-mentioned 1901,54 kilometers road length and 198,2kilometres of sealed road lengths.

These gravel roads are classified as follows:

1376,24 km as Provincial Roads
 84,6 km as Local Roads
 440,70 km as Access Roads

With only one grader the municipality has done only blading on rural roads in the whole area of Nkonkobe jurisdiction. In addressing the above challenge, the municipality has requested the Department of Roads and Transport to assist with the road rehabilitation plan and is awaiting approval thereof.

With MIG allocation the municipality has done the stormwater projects in Hogsback, Middeldrift, Alice, Seymour and Fort Beaufort. The progress report for the financial year on these projects is as tabled below:

	2006/07 Funds	06/07 Expenditure	06/07 Performance	06/07 Backlog
Hogsback	643,935.00	595,542.00	92%	48,393.00
Middeldrift Stormwater	843,935.00	593,518.89	100%	250,416.11
Alice Stormwater	1,043,935.00	185,530.52	18%	858,404.48
Fort Beaufort Stormwater	1,043,935.00	421,735.16	40%	255,060.21
Seymour Stormwater	643,935.00	245,044.83	38%	398,890.17
Middeldrift Blockyard	1,384,316.93	248,355.89	18%	1,135,961.04
Cemetries	300,000.00	282,893.35	94%	17,106.65
Parks	385,000.00	153,870.35	40%	231,129.65
Transfer of Site: Hogsback	40,000.00	5,600.00	14%	34,400.00
PMU	300,000.00	213,446.43	71%	86,553.57

Municipal Infrastructure Grant (MIG)

The department of Local Government and Housing had stopped the C-MIP Allocation to all the municipalities during their 2005/2006 Financial Year. Nkonkobe was one of the first municipalities in the Eastern Cape that had received their first MIG Allocation, with a total amount of R6628991, 90 during the 2006/2007 financial year.

Looking at the main aim of DPLG to improve the infrastructure standards that will lead to the improvement of the service delivery to the community, council have already started with the projects.

Provision of Free Basic Services

The RSA constitution is forthright to the issue of improving basic service delivery, explicitly stating that all municipalities must “ensure the provision of services to communities in a sustainable manner”. To put this into action, the municipality sought to define these as follows:

- Refuse and Removal
- Free Basic Electricity

This delivery of services remains the municipality's crucial responsibility and as such the municipality has worked consistently towards ensuring that all communities receive a quality service, provided in an efficient and sustainable manner.

The municipality has provided the above services in the following categories per towns:

Refuse Removal

This service is provided in the form of subsidy to every indigent customer registered with the municipality except the rural areas where the service is not rendered. The towns that are provided with the service are the following: Fort Beaufort, Alice, Middledrift and Seymour with a total number of 1740 customers.

Electricity

The service is provided by way of free coupons of 50kw per customer per month as stipulated in the Credit Control policy of the municipality and the qualifying customers are those classified by policy.

Nkonkobe Municipality has signed a Service Level Agreement with ESKOM to bill the municipality on the free 50kw units provided to the consumers outside the jurisdiction of the municipality as far as the electricity distribution is concerned. In Alice, Middledrift, Seymour and Hogsburg ESKOM provides the coupons on behalf of the municipality. A total number of 11740 customers receive the service.

In the Fort Beaufort area the municipality provides this service directly to Fort Beaufort Residents.

SOCIAL NEEDS

The key focus areas under social needs include Primary Health Care, Disaster Management, Cleansing, Solid Waste & Refuse Removal, Sport, Arts & Culture, and Parks & Gardens.

Primary Health Care

The Nkonkobe Municipality renders Primary Health care functions on an agency basis for the Provincial Department of Health at five (5) clinics located in the Fort Beaufort area. Over the past year currently under review, the following projects were implemented:

- A Service Level Agreement between the Department of Health and the Nkonkobe Municipality has been signed.

- Food parcels were distributed to HIV/AIDS affected people in the municipal jurisdiction.
- A clinic was built and completed at Kolomane.
- Awareness campaigns were done on HIV/AIDS in the area
- Food gardens at Middledrift, Melani and Debe-Nek were established.
- HIV/AIDS Council meeting, reports and workshops have been done.

In rendering the service, the municipality is faced with a number of challenges that hinders achievement of its key priorities as outlined in the IDP. Apart from the achievements cited above, there are several issues that affect the municipality, such as:

- Shortage of transport, in particular ambulances
- Staff turnover
- Lack of funds
- Lack of commitment on staff
- Lack of doctors
- Safety measures need to be put in place in clinics
- Devolution on Municipal Health Services to District Municipalities

Disaster Management

Disaster Management is a shared function between the Amathole District Municipality and the Nkonkobe Municipality. Listed below are the projects that the municipality embarked on in the financial year under review:

- Building material for disaster affected families were distributed, these only include families affected by disaster incidents between December 2006 to March 2007
- Assistance was provided in the reconstruction of disaster damaged homes by training communities on building skills
- Compensation of disaster affected families by means of vouchers was done
- Families affected by fire incidents received blankets and clothes.
- Disaster Management Risk and Vulnerability Assessment was done.
- Disaster Management Forums was revived.
- Disaster Management Advisory Forums were held
- Disaster management centre is operational
- Training of five (5) fire fighters conducted
- Basic Relief Training of three (3) volunteers on Disaster Damage Assessment was held.
- Disaster Management Workshop for Ward Committees was held.
- Disaster Awareness Campaign was held in Seymour.

The municipality has a challenge in addressing backlogs with regards to the distribution of material to disaster affected areas. The following also pose challenges to the delivery of the service

- Disaster risk reduction (prevention, emergency, preparedness, response and recovery)
- Employment of staff

Cleansing

As a means of creating a hygienic environment, the municipality has installed a total of two hundred (200) refuse bins in all its towns.

Cleaning campaigns were conducted involving Municipal Councillors, Municipal staff to promote cleanliness within its area. Other campaigns done in 2006/07 financial year were conducted by the Alice community, University of Fort Hare Students in partnership with Amathole District municipality and Nkonkobe Municipality (R600 000).

Generally the towns and townships of Nkonkobe municipality are provided with scheduled cleansing services. The rural villages are not provided with cleansing services and residents are disposing their own waste on site or by burning it. Per capita waste generation rates in these communities are very low. The settlement densities and stretches are generally such that the environmental impacts associated with on the site disposal are not yet considered significant.

Waste management efforts in these communities are focused on education and awareness in respect of minimization and proper control on site disposal practice.

The function is faced with these challenges:

- Upgrading and permitting of solid waste sites.
- Improve operation of all solid waste sites.
- Plan an implement coordinated and property structured waste minimization and education/awareness programmes
- Enforcement of By-laws.
- Insufficient management, technical capacity, vehicles and plant, staffing levels and operational budget.

Solid Waste & Refuse Removal

Challenges

- Shortage of staff / personnel
- Transport shortage
- Improvement on the removal and disposal of domestic and garden refuse
- Maintenance of disposal sites and transfer stations

Fencing ad Fences

The municipality undertook to do fencing of its rural cemeteries; currently there are seventeen (17) rural cemeteries that have been fenced (R300 000 form MIG)

- An amount of R40 000 was received from MIG for Hogsback solid waste transfer site, this project is complete.

Sport, Arts & Culture

- Sport Council was elected.
- A seventh Mayor's Cup tournament was hosted where seven (7) sporting codes participated. This is a rotating annual event that is aimed at enhancing the participation of youth in all municipal wards (R88 890). The Shortage of personnel and maintenance of sport facilities are at present affecting the achievement of the objectives as per the IDP.

Parks & Gardens

The municipality has managed to complete the following parks during the 06/07 financial year:

- Martello Park in Fort Beaufort and Alice Park have been established (R385 000, MIG).

Challenges:

- Shortage of personnel
- Shortage of transport and equipment

The table below gives a sketch overview of all the projects mentioned above.

NO.	PROJECT DESCRIPTION	BUDGET	BALANCE	SOURCE OF FUNDING	PROJECT STAGE
1	Clearing and fencing of 17 rural cemeteries	R300 000	Nil	MIG	Completed
2	Clearing and fencing of Hogsback Transfer Site	R40 000	Nil	MIG	Completed
3	Establishment of Martello Park (FB) and Alice Park	R385 000	Nil	MIG	Completed
4	Mayor's Cup	88 890	Nil	Nkonkobe Municipality	Done
5	Cleaning campaigns	R600 000	Nil	Nkonkobe & ADM	Done
6	HIV/AIDS campaigns	R26 500	Nil	Nkonkobe Municipality	Done

Please note: More than two hundred (200) jobs have been created on the above projects.

Challenges

Safety and Security

- Enforcement of By-laws
- Transport shortage
- Weakness of Community Policing Forum
- High level of crime
- Upgrading of the Municipal systems
- Ways of communication need to be improved

CHAPTER THREE

HUMAN RESOURCE AND OTHER ORGANIZATIONAL MANAGEMENT

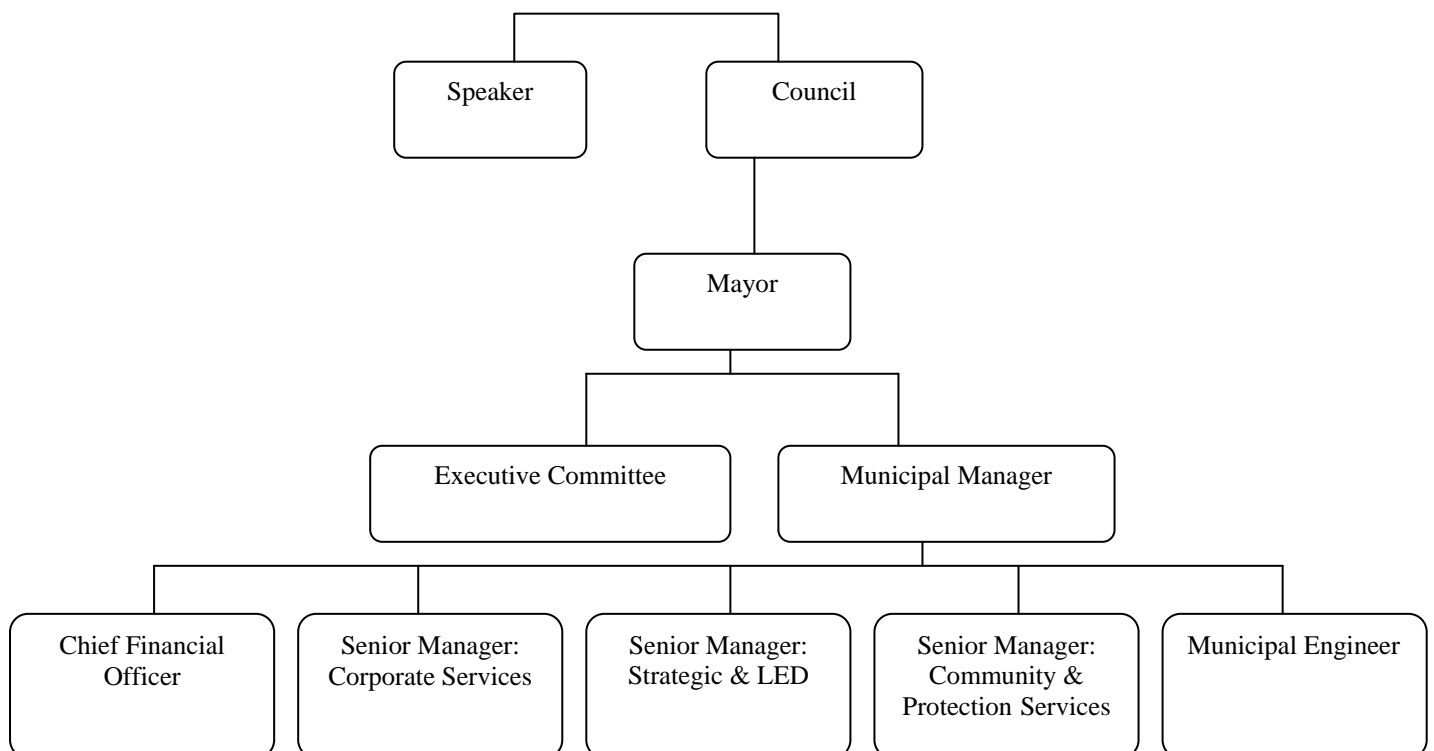
The institutional structure of the Municipality consist of two sections namely the political structure and an administrative structure with an administrative structure being accountable to the political structure.

The centre of the political structure is Council, which operates through a number of committees. The following committees and standing committees assist the Council in performing its responsibilities:

- HR and Administration
- Finance
- Engineering
- Community Services
- Economic Development & Tourism
- Sport, Arts & Culture
- Rules Committee
- Audit Committee

These committees are established in terms of Section 79 and 80 of the Local Government Municipal Structures Act 117 of 1998 [as amended]

There are five departments that are performing the various functions and assisting the committees in carrying out their mandate. The following is the compressed structure of the municipality



Staff Component

The Nkonkobe Municipality has reviewed its structure for the financial year 06/07. The review of the structure was faced with many challenges, ranging from ensuring that the structure meets its developmental objectives, is in line with its powers and functions and ensuring that all the employees that were inherited from the erstwhile TRC and TLC have been placed within the new structure.

The Municipality has an overall staff complement of 301 and funded posts broken down as follows:

1. First category

BREAKDOWN OF POSTS PER DEPARTMENT AND DIVISION			
DEPARTMENT	NUMBER OF POSTS PER DIVISION	TOTAL	FILLED
Office of the Mayor	Executive Support Services	2	2
Office of the Municipal Manager	Municipal Manager	1	1
	Personal Assistant	1	1
	TOTAL	4	4
Corporate Services / Human Resources & Administration	Senior Manager: Corporate Services	1	1
	Secretary to the Senior Manager	1	1
	Division: Human Resources	4	4
	Division: Committee Section	8	5
	Division: Fleet	8	8
	Division: Public Relations	2	1
	Division: Administration	27	26
	TOTAL	51	46
Budget & Treasury Office / Finance	Chief Financial Officer (C.F.O)	1	1
	Secretary to the C.F.O	1	1
	Division: Procurement	4	4
	Division: Revenue Collection	13	13
	Division: Expenditure	5	5
	TOTAL	24	24
Engineering Services	Municipal Engineer	1	1
	Secretary to the Municipal Engineer	1	1
	Division: Electricity	14	13
	Division: Roads	12	12
	Division: Land and Housing	13	9
	TOTAL	41	36
Community Services	Senior Manager: Community Services	1	1
	Secretary to the Senior Manager: Community Service	1	1
	Cleansing Manager		
	Auxiliary Manager	1	0
	Division: Primary Health	1	0

	Division: Environmental Health	19	19
	Division: Libraries	5	5
	Division: Protection	7	7
	Division: Cleansing	50	36
		81	81
	TOTAL	166	150
Strategic Planning	Strategic Manager		
	Senior Manager Strategic Planning	1	0
	Secretary to Senior Manager	1	1
	Division: Local Economic Development	2	2
	TOTAL	4	3
	GRAND TOTAL	290	263

2. Second category

	BREAKDOWN OF POSTS PER RACE								
	AFRICAN		COLOURED		INDIANS		WHITE		TOTAL
Employment Category	M	F	M	F	M	F	M	F	
Legislators	19	20	1	0	0	0	1	0	41
Directors and Corporate Managers	7	4	0	0	0	0	5	0	16
Professionals	6	10	0	0	0	0	2	0	18
Community and Personal Service Workers	27	7	1	3	0	0	0	0	38
Technicians and Trade Workers	9	0	3	0	0	0	0	0	12
Clerical & Admin	12	27	0	2	0	0	1	2	44
Machine Operators / Drivers	22	1	1	0	0	0	0	0	24
Elementary Occupations	36	30	25	17	0	0	0	0	108
TOTAL	138	99	31	22	0	0	9	2	301

Of the above staff complement the positions that have been filled are as follows:

	RACE								
	AFRICAN		COLOURED		INDIANS		WHITE		TOTAL
Employment Category	M	F	M	F	M	F	M	F	
Legislators									
Directors and Corporate Managers		2	0	0	0	0	0	0	2
Professionals	1	3	0	0	0	0	0	0	4
Community and Personal Service Workers	2	1	0	0	0	0	0	0	3
Technicians and Trade Workers	0	2	0	0	0	0	0	0	2
Clerical & Admin	2	1					1		4
Machine Operators / Drivers	0	0	0	0	0	0	0	0	0
Elementary Occupations	0	0	0	0	0	0	0	0	0
TOTAL	5	9	0	0	0	0	1	0	15

It is with great regret that the employees within the following occupational categories are no longer part of the institution due to deaths, resignation and also a joyful one to those employees who have dedicated their services for the institution up to retirement stage.

Employment Category	MEDICAL GROUND		RESIGNED		RETIRED		DEATH		TOTAL
	M	F	M	F	M	F	M	F	
Legislators									
Directors and Corporate Managers			2						2
Professionals			1	4					5
Community and Personal Service Workers							1		1
Technicians and Trade Workers			1						1
Clerical & Admin			1	1					2
Machine Operators / Drivers									
Elementary Occupations		1			2				3
TOTAL			5	5	2		1		14

Employment Equity

The employment equity plan intends to achieve equity at the workplace, making the municipal workforce more representative and ensuring fair and equitable employment practices for all employees. It is further intended to create an organizational culture that is non – discriminatory and to give effect to all labour legislation in particular Employment Equity Act and Skills Development Act. Council has adopted an Employment Equity Plan in 2003, which was not fully operational due to institutional processes and procedures.

As evident in the above report of recruitment, the Council has taken upon itself to ensure that the objectives of employment equity are implemented in ensuring that those under representation of disadvantaged groups are addressed. The process of reviewing Employment Equity Plan is being developed. Furthermore, the organizational audit has been undertaken to identify barriers in employment policies, practices and procedures and the working environment, which will enhance process of reviewing its current policies.

Skills Development Plan.

The Skills Development Act of 1998 required employers to plan and implement learning programmes that will enable employees to acquire skills that will enhance their performance. The type of training intervention that is needed is derived from the IDP Objectives so as to ensure that quality service is rendered to communities in a most effective manner.

The Municipality has compiled, adopted and implemented the Workplace Skills Plan for the Financial Year 06/07. The plan involves the following:

- To develop, implement and report on the Workplace Skills Plan of the organization.
- To equip employees and council with necessary skills and knowledge for effective and efficient service delivery.

To organize Adult Basic Education and Training for employees that want to improve their educational status

It has also complied with all the guidelines and regulations from the LGSETA.

The table below stipulates the beneficiaries or employees within occupational categories that have received training for the financial year 06/07:

Employment Category	DESCRIPTION BY RACE								TOTAL
	AFRICAN		COLOURED		INDIANS		WHITE		
	M	F	M	F	M	F	M	F	
Legislators	5	3							8
Directors and Corporate Managers	4	3					2		9
Professionals	2	2							4
Community and Personal Service Workers	1								1
Technicians and Trade Workers									
Clerical & Admin	7	19		1					27
Machine Operators / Drivers									
Elementary Occupations									
TOTAL									49

Breakdown of received training or workshops attended

DETAILED DESCRIPTION OF TRAINING INTERVENTIONS			
NO.	TRAINING COURSES	NO. OF CLLRS	NO. OF OFFICIALS
1.	Computer literacy	8	32
2.	Advanced Practical Labour Law	0	1
3.	Interpretation and Analysis of Financial Statement	0	1
4.	Municipal Administration	0	1
5.	Batho Pele Principles	7	11
6.	Policy Formulation	0	10

Learnership and Internships

The Municipality has not yet started to implement the learnerships, but has since received assistance from the Amathole District Municipality and Buffalo Municipality. The District Municipality has provided Local Economic Development Learnership at NQF Level wherein two learners [employed and unemployed] have enrolled for the programme. Also Buffalo City Municipality has implemented the Electrical Learnership wherein two employed persons are enrolled in the programme.

With regards to internship, the Municipality has employed two financial interns for the duration of two years.

Job Evaluation

The municipality completed the process of Job Description and is anticipating the results.

Employee Assistance Programme [EAP]

With the assistance of the District, the Municipality has one employee trained on Employee Assistance Programme. A workshop was held with Councillors and Managers on the significance of employee assistance within the workplace and on how can it increase productivity within the workplace. Also the peer educators were selected amongst departments wherein they were sent for training.

The programme has been faced with tremendous challenges ranging from lack of commitment from the institution and lack of knowledge from employees. The policy is being compiled that will assist smooth running the programme within the institution.

Disciplinary Information during 2006-2007 Financial Year

Occupational Category	Race	Gender	Offence	No. of offenders	Sanction
Professional	B	M	Corruption	1	Dismissal
Clerical & Administrative	B	F	Fraud	1	Demotion
Directors & Corporate Managers	B	M	Non-compliance with MFMA and Fraud	1	Dismissal
Community & Personal Service Workers	B	M	Theft	1	Dismissal
Directors Corporate Managers	B	M	Non-compliance with MFMA	1	Demotion

Disputes referred to the Bargaining Council

Conditions of service

Employees within the employment category of Community & Protection Services workers have declared a dispute with the Council pertaining to the performance of their duties. There was a settlement agreement that was signed wherein they were compensated and the issue of differentiation between their jobs has been put in abeyance until the job description process is finalized.

Termination of temporal employment

The Council on temporal basis employed the applicant until the Council took a resolution that all casual employees should be terminated and all positions be advertised. The post was advertised and the applicant was unsuccessful. The dispute was lodged with the Bargaining Council for conciliation and then arbitration. The award was then submitted to Council, which in turn has taken the matter for review.

Disclosure Concerning Councilors and Senior Officials

Description	Mayor	Speaker	EXCO	Municipal Manager	CFO	Other Senior Manager	TOTAL
Salaries and Wages							
Normal	R 354 413	R 279 649	R 1 347 101	R 74 667	R 218 845	R 524 848	R 2 779 523
Overtime	0	0	0	0	0	0	
Contribution							
Pensions	0	0	0	R 13 440	R 37 660	R 58 706	R 109 806
Medical Aid	0	0	0	0	5 388	7 754	13 142
Other	0	0	0	0	0	0	
Allowances							
Travel and Motor Car	R 126 816	R 103 332	R 481 002	R 31 611	R 138 403	R 219 966	R 1 101 130
Accommodation	0	0	0	29 455	0	0	29 455
Subsistence	0	215	2 110	840	5 645	1 220	10 030
Housing Benefits and Allowances	0	0	0	0	0	0	0
Loans and Advances	0	0	0	0	0	0	0
Other Benefits and Allowances Cell phone Allowance, Acting Allowance & Leave Granted	R 5 221	R 5 221	R 53 229	0	R 12 000	R 253 229	R 328 900
Arrears Owed to Municipality	R 9 908	0	R 18 176	0	0	R 762	R 28 084

ARREARS OWED TO THE MUNICIPALITY

No P/No Surname Account No As in June 2007

1.	333	Kganedi RA	10014185	R1 426.30
2.	336	Makeleni MJ		None
3.	339	Masala LN		None
4.	346	Ngwentle SL		None
5.	350	Penu SA		None
6.	352	Rara MV		None
7.	356	Ward WD	10007608	R16 072.80
8.	359	Zondi NM		None
9.	360	Zweni NC		None
10.	363	Kobe M		None
11.	406	Balangile NT	10012587	R 174.95
12.	407	Booi SN		None
13.	408	Dawson RE		None
14.	409	Ditshaba KP		None
15.	410	Kahlana ME	10000732/10010997	R 1 363.28
16.	411	Kilani MS		None
17.	412	Loki NC		None
18.	413	Lombo S J		None
19.	414	Makapela NM	10004224	R 47.50
20.	415	Matyila S P	10011941	R 190.76
21.	416	Mgengo ME	10004462	R 170.21
22.	417	Mhlambiso SL		None
23.	418	Mlamla NP		None
24.	419	Ngoro GN		None
25.	420	Ndevu SV		None
26.	421	Nghona K		None
27.	422	Nika WJ		None

28.	423	Nono (Daniels) SC	10004302	R4 011.30
29.	424	Nqana NL		None
30.	425	Rasmeni ZM		None
31.	426	Tena HL	10003373/10003374	R 940.59
32.	427	Tingo TS		None
33.	428	Zoki NR		None
34.	323	Nxawe NW	10011020/10000813	R 55.19
35.	324	Ndlebe JH	10001852/10011141	R 55.19
36.	331	Gqokro NV		None
37.	326	Ncume M		None
38.	429	Papu (Zondi) SJ	10014128	R18 176.82
39.	430	Fani LM		None
40.	325	Ngcuka DD	10007178/10012885	R 4 607.36
41.	347	Ntsangani AW		None

CHAPTER FOUR

AUDITED FINANCIAL STATEMENTS AND RELATED FINANCIAL INFORMATION

The Nkonkobe Municipality has since its amalgamation started the 2006/2007 financial year with no backlog of Annual Financial Statement as previously did. This is taken as huge improvements in the municipal community as the backlog of 2003, 2004 and 2005 financial year Annual Financial Statement were completed by year-end 2006.

Being low capacity municipality achieving the above mentioned has at least led even banking institutions to acknowledge this milestone the municipality has ever produced especially its record of not operating in the banking overdraft for more than 24 months.

Even though revenue collection is still a challenge the Nkonkobe Municipality has tried to collect see attached Debt Collected and Outstanding Balance per town.

Financial Overview

Financial and operating statistics

Year Ended 30 June 2007	2006	2007
Funds and Reserves	12,604,615	13,285,107
Long-term Liabilities	12,793,815	1,222,116
Investments	10,458,935	10,346,733
Net Current Assets	8,134,475	17,643,816
Debtors/Accounts Receivables	30,500,063	37,524,049
Bank and Short term Investments	5,588,832	1,597,499
Total Income	71,160,482	61,559,915
Operating Expenses	65,678,245	61,982,324
Operating Surplus/Deficit	(8,994,590)	2,108,849

The most contributor of income in the above schedule is Grant Income being 52,58% of the total income (2006/2007 financial year) and that is very serious concern that need to be addressed with urgent efforts.

The primary future revenue source is property rates now that the Property Rates Act allows the municipality to review its valuation roll at least in 2 years including the valuation of villages and farms. The trading service such as Electricity contributes at least 15,18 % of the total income as the distribution of this is only located in Fort Beaufort area and the remaining portion of the municipality being serviced by ESKOM.

In the financial year under review the Nkonkobe Municipality has received grants from national and provincial government as gazetted by Division of Revenue Act and as disclosed on the face of the Annual Financial Statement. The following is the total amount received per grant:

Grant Details	Amount Received and spent each quarter							
	Quarter: Sept 06		Quarter: Dec 06		Quarter: Mar 07		Quarter: Jun 07	
	Rec.	Exp	Rec.	Exp	Rec.	Exp	Rec.	Exp
Equitable Share	R11 065 962	R 7 399 488	R 7 398 007	R 7 399 488	R12 328 038	R 7 399 488	R 0	R 7 399 488
MIG	R 550 000		R 750 000	R 613 113	R 5 492 817	R 831 971	R 1 792 011	R 2 623 982
MSIG	R 150 000	R 37 500	R 0	R 37 500	R 0	R 37 500	R 0	R 37 500
FMG	R 0	R 0	R 750 000	R 0	R 0	R 86 000	R 0	
PHC Subsidy	R 1 400 550	R 518 465	R 0	R 474 240	R 928 650	R 487 372	R 661 810	R 333 941

(ADD PDF FILE SUPPLIED BY FINANCE
DEPARTMENT)

CHAPTER FIVE

FUNCTIONAL AREA SERVICE DELIVERY REPORTING

This section of the report deals with information on the financial and non-financial performance of the various functions performed by the Nkonkobe Municipality and the Nkonkobe Economic Development Agency. Each function is reported on in the following structure:

- Overview
- Description of the new activity
- Analysis of the function and
- Key performance area

Nkonkobe Municipality performs a certain number of functions within its area with other functions shared between the Municipality and the Amathole District Municipality. The Nkonkobe Municipality's projects for the past financial year are reported through the following clusters:

SOCIAL CLUSTER

The key focus areas for the social needs cluster include Primary health care, municipal health services, disaster management, fire services and community services.

Targets for 06/07 financial year:

- Staff provision has been made to make sure that these sites are manned.
- Upgrading of Alice solid waste site to be a Regional solid waste site.
- Legalize Fort Beaufort solid waste site to be transfer station.

The Municipality has embarked on clean up campaigns, installation of refuse bins, participating in cleanest municipality competition. This process is ongoing. The challenges encountered by this cluster include: financial resources to buy equipment and refuse bins and human resources but communities were approached to volunteer.

The maintenance estimates in respect of any other function including Municipal Health is R1 452 263 and the budgeted amount for 2004/05 is R1 636 000.

INFRASTRUCTURE CLUSTER

The priority areas under this cluster include roads, land, housing, and electricity.

Roads / Stormwater

During the 2006/2007 Financial Year, Nkonkobe Municipality had to do maintenance, building and link with province for their part of above-mentioned 1901,54 kilometers road length and 198,2kilometres of sealed road lengths.

These gravel roads are classified as follows:

1376,24 km as Provincial Roads
84,6 km as Local Roads

440,70 km as Access Roads

The conditions of these roads can generally be described as poor due to the fact that only blading was done. The upgrading in the form of opening of meter drains, cleaning of culvers repair of headwalls and rebuilding of low water bridges was not done due to the lack of equipment.

Electricity

During the Financial Year under review Nkonkobe Municipality have managed 10% of the following Administrative Units : Nkonkobe Municipality – Fort Beaufort, ESKOM – Alice, Middledrift, Seymour, Hogsback, and Eskom constitutes power to 40% of the population

Through National Electricity Regulations, Nkonkobe Municipality have received R400 000 00 for the electrification of Fort Beaufort and Golf Course Housing Projects. These are 97% complete and the electrification project in Bhofolo amounting to R25000-00 is 100% complete.

During 06/07 financial year the municipality received R6,3 million with a future allocation of R7,5 million expected.

Nkonkobe Municipality is one of the municipalities in the Eastern Cape under the Amathole District Municipality that receives grant for the implementation of some projects in the area. The funding received in 1st April 2006 will be utilized as follows:

• Alice Stormwater	R104394.50
• Fort Beaufort Stormwater	R104394.50
• Hogsback stormwater	R643935.00
• Seymour Stormwater	R643935.00
• Middledrift Stormwater	R843935.00
• Middledrift blockyard	R1387200.00
• Park & open spaces (establishment)	R385000.00
• Cemeteries (fencing)	R300 000.00
• Refuse stransfer site (Hogsback)	R40 000.00
• Project Management Unit (PMU)	R300000.00

INSTITUTION AND FINANCE CLUSTER

The key focus areas in this cluster include institutional issues such as administration, procurement, human resources, budget and treasury, communications and community participation.

Key issues for 06/07

Institution

- To enhance institutional capacity of Nkonkobe Municipality to deliver on its IDP targets by 2008

- To ensure that PMS framework, new scorecards & an audit performance is tabled before council by June 2006
- To ensure that all policies & by laws required for the smooth operation of the council are in place
- To ensure that the public, other govt. depts. and civil society are aware of all programs of the municipality
- To ensure participation of communities in Municipal planning

Finance

- To ensure municipality gets unqualified audit reports by 2009
- To have improved financial reporting by 06/07
- To improve council revenue collection
- Maximize & streamline IT functioning

Priority Areas & Objectives within Institution & Finance Cluster

- Capacity Building
- Performance Management System
- Policies & By Laws
- Annual Financial Statements (AFS)
- Financial Controls
- Information Technology
- Integrated Telephone System
- Fleet System

By-Laws

Fourteen By Law's were developed and they were workshopped in a two-day session with council as a first draft in the TRC Hall Alice, with input from the Managers and Council legal representative. The By laws were promulgated on the 20 February 2006 in the Provincial Gazette Eastern Cape.

The Objectives was to get 25% implementation of bylaws approved by the Council by 2008. The Strategy was to capacitate officials and Councilors dealing with bylaws. The shortfall was that Council had no peace officers to do the work, and a planning cycle was costed and engaged on for future project implementation. Council trained 27 Peace Officers to assist the Council to implement the By laws and make Nkonkobe Municipality one of the first Councils to enforce the By Laws that were promulgated.

The following is the list of By-laws that were promulgated:

- (i) By-law to Public Open Spaces: Gaz nr 1477/28/20060220
- (ii) By-law to Solid Waste Disposal: Gaz nr 1477/29/20060220
- (iii) By-law to Standing Rules for Council: Gaz nr 1477/31/20060220
- (iv) By-law to Street Trading By-law: Gaz nr 1477/21/20060220
- (v) By-law to the Use, of Municipal Buildings Gaz nr 1477/27/20060220
- (vi) By-law to Neglected Buildings and Premises Gaz nr 1477/23/20060220
- (vii) By-law to Ward Committees Gaz nr 1477/32/20060220

- (viii) By-law to Advertising Signs: Gaz nr 1477/26/20060220
- (ix) By-law to Cemeteries and Crematoria: Gaz nr 1477/30/20060220
- (x) By-law to Community Fire Safety: Gaz nr 1477/34/20060220
- (xi) By-law to Credit Control & Debt Collection Gaz nr 1477/25/20060220
- (xii) By-law to the Delegation of Powers: Gaz nr 1477/33/20060220
- (xiii) By-law Keeping of Dogs and Other Animals Gaz nr 1477/21/20060220
- (xiv) By-law to the Prevention of Nuisances Gaz nr 1477/24/20060220

Integrated Telephone System

The objective was to have a new telephone system for the Nkonkobe Municipality in place by 2008 .The strategy was to improve the telephone system in all the cluster areas with one operator for the total area. The indicator and planning session was to have a New PBXK Telephone system that links all towns to one operator in Fort Beaufort. The shortfall was technology and funds to link all cluster, a new project was put in place. Integrated telephone system link to one system at HQ (Fort Beaufort). R300 000.00 was put on this project. The Community Service Department was first on the project and will be link to the HQ Fort Beaufort.

Electronic Mun Admin System .

Council invited companies to tender for an electronic administration system to improve the correspondance system with council and make the report back of complaints more effective. The Company Sebata Muncomp System was selected as a service provider. The new system was installed and training was provided to all staff that works with Computers. The system made all incoming documents and post easily accessible to the relevant officials. The System is under utilised and the officials need to make use of the system, as it was purchased for an effective system documentation.

Institutional Reparations

The objective was to maintain the existing institution buildings in the Nkonkobe Municipality area. The strategy was to improve the buildings and houses as listed in the asset register. The indicator and planning session was to have a maintenance plan in place and start at Fort Beaufort and then Alice .The shortfall was funding and staff as only the amount of R400 000 as budgeted for maintaining all municipal buildings and houses in all the 5 units.

Institutional Fleet Management

The Fleet section plays a pivotal role in assisting the service delivery, as it has to provide and maintain technical equipment of the service departments, mainly Engineering, Refuse Removal & Fire Services.

The challenge is that Council has a Land Rover Fire engine 1962 model, a 1985 Dennis Imported vehicle, a 1985 model tip truck and a 1985 refuse vehicle for which parts are unobtainable. Two refuse trucks were stolen.

Council has only one (1) grader for road/maintenance. No tipper, water truck or loader or roller. In general the bakkies used by Council have all done R300 000 plus kilo's and needs replacement.

Vehicles are misused for private purposes like loading and delivering of goods for public. As most vehicles do not have working odometers Council cannot keep track of movements and this leads to aggravate the misuse of vehicles and even the possible theft of fuel as full consumption cannot be checked without working odometers hence Council is embarking on a programme to install tracking systems to all vehicles to prevent misuse and to provide security against theft.

The disposal of outdated and uneconomical vehicles is being arranged by the Council Procurement Section who will see to it that disposal is done in terms of the requirements of the Municipal Finance Management Act.

Institutional Clocking System

This priority was taken off and the project will not be on the list as from 2007/2008

Communication

Council endorsed the revival of its newsletter, UmhlaliNews. The frequency of the publication was per quarter, with its circulation across all Nkonkobe Municipal areas. The newsletter aimed to keep communities abreast of Nkonkobe Municipality projects and programmes around service delivery issues.

Three (3) newsletters were produced during 06/07 financial year. Council was mindful of language barriers and literacy levels within its area, this resulted to a Xhosa/ English publication to accommodate that.

A shortfall was the inconsistency of publications due to the lack of office support. Lack of staff compliment within the office posed grave challenges and delayed publications.

Land accessibility and disposal by project title

- a). **Balfour Ph 01** : The Planning and Surveying of (01 – 5000) ervens at Balfour for the amount of R 133 950 (DLGH&TA). The project was put under Administration in 2005 /2006 and the project was handle by housing department. This project will be shift to infrastructure cluster as from 2007/2008.
- b). **Lushington** : The Planning and Surveying of (500) ervens at lushington for the amount of R 133 950 (DLGH&TA). The project was put under Administration in 05 /06 financial year and the project was handle by housing department. This project will be shift to infrastructure cluster as from 2007/2008.
- c). **Kwa Nomadolo:** Ph 02 The Planning and Surveying of (500) ervens at Kwa Nomadolo for the amount of R 133 950 (DLGH&TA). The project was put under Administration in 2005 /2006 and the project was handle by housing department. This project will be shift to infrastructure cluster as from 2007/2008.

FUNCTION	EXECUTIVE AND COUNCIL
SUB FUNCTION	N/A
REPORTING LEVEL	DETAIL
Overview	<p>Nkonkobe Municipality is a category B municipality with a collective executive system combined with a ward participatory system. It comprises of the following five administrative units:</p> <ul style="list-style-type: none"> - Alice - Fort Beaufort - Seymour - Hogsback - Middeldrift
Description of the Activity	<p>The mandate of the municipality is to take decisions, which must seek to achieve the integrated, sustainable and equitable social and economic development of the Nkonkobe municipal area as a whole; promote infrastructure development and services for the whole municipality; equitable distribution of resources between communities to ensure appropriate levels of municipal services within the area and build internal capacity to enable it to perform its functions and exercise its powers.</p>
	<p><i>Council has the following standing Committees:</i></p> <p>Engineering Services Standing Committee</p> <p>The Committee shall have the power to consider and make recommendations to the Executive Committee on all the issues falling within the scope of the following functional area</p> <ul style="list-style-type: none"> • Housing • Land • Roads • Town Planning
	<p>Human Resource and Administration Standing Committee</p> <p>The Committee shall have the power to consider and make recommendations to the Executive Committee on all issues falling within the ambit of the following functional areas:</p> <ul style="list-style-type: none"> • Industrial Relations • Personnel Administration • Occupational Health and Safety • Conditions of Services and Staff benefits • Resource Management and Council Assets • Insurances
	<p>Economic Development and Tourism Standing Committee</p> <p>The Committee shall have the power to consider and make recommendations to the Executive Committee on all issues falling within ambit of the following functional areas:</p>

	<ul style="list-style-type: none"> • Tourism • Strategic Planning • Local Economic Development • Land reform and settlement plans
	<p>Community Services Standing Committee</p> <p>The Committee may, and must if instructed by Council and the executive Committee on all issues falling within the scope of the following functional areas:</p> <ul style="list-style-type: none"> • Emergency and Rescue Services • Nursing Services • Environmental Health • Traffic Control • Disaster Management • Nature Conversation • Solid Waste • Community Facilities, i.e. sports fields, halls, library services cemeteries • Safety and Security • Environmental Issues
	<p>Finance Standing Committee</p> <p>The Committee shall have the power to consider and make recommendations to the Executive Committee on all the issues falling within the scope of the following areas:</p> <ul style="list-style-type: none"> • Revenue and debt management, expenditure and budgetary control accounting, finance and financial administration • Considers the draft annual operational budget and capital budget of the Council and make recommendation to the Executive Committee for the alignment of the budget and the Integrated Development Plan • Recommends strategic approaches, guidelines and growth parameters for the draft budget including tariff structures • Investigates and recommends to the Executive Committee funding options for the prioritized projects identified in the Integrated Development Plan • Oversees the review of financial performance against approved budgets relating to prior and current years including reports from the Auditor General of Council as a whole and the finance portfolio in particular • Considers and submit to Council if required, recommendation/s by a Committee for the current year and not being able to meet by the way of virement

	Sport, Arts and Culture Standing Committee			
	<p>The Committee may, and must if instructed by Council and the Executive Committee on all issues falling within the scope of the following functional areas:</p> <ul style="list-style-type: none"> • Liaising with National and Provincial departments of Sport, art, Recreation and Culture • Coordinates cultural and sport activities with the municipality in collaboration with the Arts and Sport Councils • Monitor all municipal recreational and sport assets • Take charge of development programs falling within its terms of reference • Promote the involvement of youth in sporting and recreational activities 			
Analysis of the Function	Statistical Information	TARGET		
1.	Councillor Details:			
	Total Number of Councillors		41	
	Number of Councillors in EXCO		7	
	Ward Details:			
	2.	Total number of Wards		21
	Number and Type of Council and Committee meetings:			
	3.		NO. OF MEETINGS	
			Ordinary	Special
		Council	5	8
		Executive Committee	5	16
		Standing Committees:	4	3
		Community Services		
		Economic Development & Tourism	5	1
	Engineering Services	6	2	
	Finance	5	6	
	HR & Admin	6	3	
	Sport, Arts & Culture	5	2	

Schedule I Subsection 3 of the Municipal Systems Act, mandates Councillors to attend each meeting of the municipal council and of a committee of which the Councillor is a member, except when a Councillor comply with Section 3 (a) or 3(b). All councillors who did not comply with the above were fined an amount of R200.00 in terms of the Uniform Standard Procedures regarding the Code of Conduct, Section 4 per meeting where an apology was not submitted or was not accepted or leave of absence was not granted. The implementation of the Code of Conduct for Councillors has not yet cascaded down to other Committees of Council.

PUBLIC PARTICIPATION, LIAISON AND COMMUNITY DEVELOPMENT

As once noted by the Superintendent General of the Department of Housing, Local Government and Traditional Affairs, Sindisile Maclean at the Municipal Public Participation Conference in Coega Village, Port Elizabeth "the development of public participation is a very bold step and necessary step taken by government in developing the basis for a social contract with all its citizens. The South African Constitution presents an interesting and exciting challenge: the constitution declares that the hard won democracy is both a representative and a participatory one". In response to the fact stated above, the Nkonkobe Municipality made strides to enhance and embrace public participation.

The following are the structures or systems, which enhance public participation, good governance and foster relationship between the municipality and the local organs of civil society within the Nkonkobe municipal area:

- **Ward Committees** were re-elected to serve for a period of two and a half years.
- **Community Development Workers** introduced by the President during the year of reporting;
- **Community Based Planning programme**, which assist the communities in articulating their needs and priorities in a professional manner. The CBP also assist in enriching the IDP and making sure that the limited municipal resources are used effectively.
- **Local Communicator's Forum (LCF)** is an initiative and a resolution taken in June 2002, at the Communication Conference held in Tshwane.
- **Intergovernmental Forum** was formed to include all stakeholders / government institutions in the municipal planning

Ward Committees

The following are the functions of Ward Committees:

- a) Ensure active participation of the community in various wards;
- b) Serve as an official specialized participatory structure in the Municipality;
- c) Create formal unbiased communication channels as well as cooperative partnerships between the community and the Council.

This may be achieved as follows:

- (i) Serve as a mobilizing agent for community action.
- (ii) Conduct an annual satisfaction survey in order to assist the Committee in the execution of its functions and powers.

We have seen improvement in service delivery in some wards due to the existence of the ward committees. We have managed to get funding for the training of ward committees when the budget was adopted for implementation in 2007/08 financial year.

Challenges around Ward Committees are as follows:

- The level of education on appointed ward committees to effectively articulate the needs of the communities and negotiate on their behalf

- There is no office space within the wards where the information from every department could be centralized and easily accessed by the communities
- Vastness on the areas in which the ward committees serve due to the number of ward committees and the number of villages within the wards
- Lack of funding to effectively train ward committees to understand their roles and responsibilities, as a result the training was not done.
- Ward Committee members which were not functional in their wards as a result some of them were replaced.

Capacity building and support for Ward Committees

No training was done during the year under review as there was no funding to conduct it. The office only received R150 000 for training of ward committees from Municipal Support Infrastructure Grant (MSIG), which will be used to during the current financial year.

Performance targets for 2007/08 to improve current performance

- To ensure participation of communities in Municipal planning
- Inform the communities of any new developments regarding service delivery through bi-monthly reports on implementation of the projects and facilitates feedback meetings
- Ensure the quality of agendas, minutes and resolutions of council
- Arrange an Open Day.

Community-based planning

The review of ward plans was conducted as per the following process plan:

WARD	DATE	STARTING TIME	VENUE
1	21 - 23.08.06	10h00 on the 1 st day & 08h30 on other days	Qamdobowa Com. Hall
19	21 - 23.08.06	10h00 on the 1 st day & 08h30 on other days	Mayipase Com. Hall
18	23 - 25.08.06	10h00 on the 1 st day & 08h30 on other days	Trust No. 2 Com. Hall
16	28 - 30.08.06	10h00 on the 1 st day & 08h30 on other days	Middledrift Town Hall
11	28 - 30.08.06	10h00 on the 1 st day & 08h30 on other days	Mqhayise Com. Hall
14	28 - 30.08.06	10h00 on the 1 st day & 08h30 on other days	Pewuleni Com. Hall
17	04 - 06.09.06	10h00 on the 1 st day & 08h30 on other days	Ngwenya Com. Hall
10	04 - 06.09.06	10h00 on the 1 st day & 08h30 on other days	Makhuzeni Com. Hall
12	04 - 06.09.06	10h00 on the 1 st day & 08h30 on other days	Bergplaas Com. Hall
15	12 - 14.09.06	10h00 on the 1 st day & 08h30 on other days	Dyamala Com. Hall
6	12 - 14.09.06	10h00 on the 1 st day & 08h30 on other	KuNtselamanzi Com. Hall

		days	
5	12 - 14.09.06	10h00 on the 1 st day & 08h30 on other days	Alice Town Hall
13	12 - 14.09.06	10h00 on the 1 st day & 08h30 on other days	Khayamnandi Com. Hall
20	19 - 21.09.06	10h00 on the 1 st day & 08h30 on other days	Mgquba/Gaga Com. Hall
2	19 - 21.09.06	10h00 on the 1 st day & 08h30 on other days	Newtown Com. Hall
3	19 - 21.09.06	10h00 on the 1 st day & 08h30 on other days	Bhofolo Community Hall
4	19 - 21.09.06	10h00 on the 1 st day & 08h30 on other days	Mlalandle Com. Hall
21	26 - 28.09.06	10h00 on the 1 st day & 08h30 on other days	Bhofolo Community Hall
7	26 - 28.09.06	10h00 on the 1 st day & 08h30 on other days	Lushington Com. Hall
8	26 - 28.09.06	10h00 on the 1 st day & 08h30 on other days	Lower Blinkwater Com. Hall
9	26 - 28.09.06	10h00 on the 1 st day & 08h30 on other days	Seymour Town Hall

The following stakeholders assisted in the programme:

Committee Section Officials, Public Relations Office, Community Based Planning Task Team members, Community Development Workers, Ward Committees and some members from the community. A presentation to cluster meetings was done in October 2006 and the linkage to the IDP was done during the IDP review for 2007/08 financial year. The amount spent was R168 000.

Achievements on the Projects that were linked to the IDP

- Fencing of cemeteries in some of the villages as per available budget.
- Some of the government departments were able to redirect their services as per the contents of the ward plans.
- R2, 1m was approved from municipal funding in June 2006 for implementation on projects linked to the IDP from CBP in 2006/07 financial year.

Listed below are the challenges encountered in the implementation of the project:

- Although R2,1m was budgeted during the year for CBP projects, implementation did not take place. The implementation will only start in 2007/08 financial year.
- The R2,1m will not be enough to cover all the capital projects identified by the communities
- Lack of human capital to implement or monitor implementation of projects within the municipality even if funding is available
- Lack of commitment from the senior officials to adequately implement the prioritized CBP projects, whereas the municipal funds are wasted in reviewing the ward plans but the impact of such reviews is minimal.

- Lack of involvement of senior managers of the municipality and the government departments in the community planning stage in order to guide the communities on the feasibility of projects identified.
- Lack of communication strategy to ensure that feedback is communicated to the communities on municipal project progress after the planning phase and approval of budget by the municipality and bimonthly reports to ward committees for monitoring purposes.

Community Development Workers (CDWs)

The State President Thabo Mbeki introduced CDWs during the same year of reporting. The municipality nominated five candidates for this project, of which names were submitted to the Provincial Department of Housing, Local Government and Traditional Affairs (DHLG & TA), and the Amathole District Municipality (ADM) for final selection. Three candidates were selected and only two that managed to attend the training. These candidates have since graduated.

The following progress has been made since the introduction of CDWs:

- Identification of people needing grants,
- Engage government departments in community outreach programmes, i.e. ID drive, Child Support Grant applications, dissemination of information
- Students / learners who were chased out of school due to non-payment of fees,
- Assist communities who have applied for land and in sourcing funding for purchasing such land.
- Assist the municipality and Eskom in the filling of application forms for electricity
- Assist government departments with their community projects by advising the communities on services provided and how to access such services
- Assisted in the Community Based Planning review project
- Network with other stakeholders to effect service delivery
- Facilitate the formation of institutional forums and strengthening existing ones
- Assist in the training for enforcement of ADM by-laws in various units.

The programme was met with the following challenges:

- Geographic spread of the wards and villages
- Lack of transport within the municipality to assist them in reaching to the far-reached corners of the municipal area.
- Staffing of the office of the Speaker where CDWs are allocated for proper mentorship, guidance and follow-ups on submitted reports and/or complaints.

Councilor training

Councilors were constantly sent to workshops, either arranged by the municipality or other government departments and Amathole District Municipality.

Local Communicators Forum

The Local Communicators Forum (LCF) is an initiative and a resolution taken in June 2002, at the Communication Conference held in Tshwane. The Conference was hosted by South African Local Government (SALGA) and supported by the Department of Provincial and Local Government (DPLG) and Government Communications and Information Systems (GCIS). Three preparatory meetings towards the establishment of the Nkonkobe Local Communicators Forum were held and the forum was launched on the 02nd of April 2007 at Alice Town Hall. The main purpose for the establishment of the LCF was to close the information gap between the municipality and its communities and to ensure the co-ordination of a local level information management system advising the council and government on issues affecting the communication environment at local level.

The structure was established months after council endorsed its budget. This meant that after its launch the LCF had to convene its meetings and communication programme after budget inputs were made for 07/08 financial year.

Inter Governmental Relations Forum

During 06/07 financial year the Intergovernmental Relations Forum held four (4) meetings. These were scheduled at quarterly intervals, and attended by Heads of Departments within the public and private sector, parastatals and government departments. The structure exists to ensure coordination of government programmes and cooperative governance. Only departments within the municipal jurisdiction form part of the forum.

In the last financial year the IGR registered a tremendous response from various government departments and parastatals, whose cooperation and commitment brought about a progressive move. The Department of Public Works came on board whilst ESKOM promised to join the team but failed to honour the promise.

The Amathole District Municipality IGR Municipal Support Unit acknowledged that Nkonkobe Municipality is one of the leading municipalities who's IGR Forum is recognized as fully functional within the district.

Notwithstanding the commitment and support of some government departments, a few other departments are still not represented in the Forum. This pose difficulty to the municipality as a result programmes are not entirely well coordinated to avoid duplication of government resources. Another common factor that the forum is confronted with is inconsistency of members in the attendance of meetings; different representatives on a regular basis represent some departments. Lastly, in some instances, junior officials who are not decision-making bodies represent departments.

Below is a table indicating the attendance of meetings over the last financial year

ATTENDANCE OF IGR MEETINGS BY DEPARTMENTS		
DEPARTMENT	NO. OF FORUMS HELD	NO.OF FORUMS ATTENDED
Public Works	4	3
Health	4	3
Home Affairs	4	4

Agriculture	4	4
Justice	4	2
Amathole District Municipality	4	2
Social Development	4	4
SASSA	4	4
Roads & Transport	4	2
CDW's	4	3
SAPS	4	3
Correctional services	4	1
GCIS	4	3
Office of the Premier	4	2
ESKOM	4	0
TELKOM	4	0
University of Fort Hare	4	2
Labour	4	3
Land Affairs	4	1

Function: Finance and Administration			
Sub Function: Finance			
Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the finance function of the municipality. Note: grants information appear in Chapter 4 on Financial Statements and Related Financial Information of the Annual Report		
Description of the Activity:	<p>The function of finance within the municipality is administered as follows and includes: Strategic financial management and reporting internally and externally for all stakeholders. These services extend to include accounting for all funds received, but do not take account of legislative decision making within the jurisdiction of national government.</p> <p>The municipality has a mandate to: Collect all revenue due to the municipality.</p>		

	<p>The strategic objectives of this function are to: Ensure maximum collection of debt on municipal services Ensure all gazetted funds are received Assist in identifying any other possible sources of revenue Facilitate applications for additional funding Report on movement on all funds received Manage the entire revenue process & reporting thereof Compile and have approved budget 1month before the start of the new financial year, with all funding pockets available clearly identified to guide budgeting expenditure processes Ensure strategic alignment of funding with the challenges of the organization Ensure all expenditure is in line with the approved procurement processes Adherence to all legislative requirements Provide monthly-reconciled cash book to bank statement to assist with cash flow forecasts Provide ongoing detailed expenditure and income analysis of all projects identified for current year as well as for work in progress on old projects. Prepare financial statements within 2 months of the financial year-end. Facilitate the annual external audit</p>		
<p>Analysis of the Function:</p>	<p><i>Statistical Information</i></p> <p>Debtor billings: number and value of monthly billings:</p> <p>1 Electricity</p> <p>July August September October November December January February March April May June</p>	<p>Total</p>	<p>546,130.78 599,702.05 435,028.98 386,485.68 632,237.98 305,921.90 380,813.90 807,933.29 20,142.92 618,117.61 376,714.05 472,938.66 5,582,167.80</p>

	Refuse		
	July		144,169.48
	August		274,330.22
	September		145,114.68
	October		146,470.61
	November		147,399.09
	December		147,964.33
	January		148,973.84
	February		148,107.65
	March		162,032.57
	April		137,118.03
	May		150,426.12
	June		157,385.45
			1,752,106.62
2	Debtor collections: value of amount received and interest:	<i>R (000s)</i>	<i>R (000s)</i>
	Electricity		
	July		270,332.34
	August		222,761.49
	September		313,158.78
	October		400,756.60
	November		346,790.21
	December		433,839.22
	January		210,462.85
	February		400,032.00
	March		191,133.39
	April		247,748.61
	May		205,371.04
	June		393,655.12
			3,636,041.65
	Refuse		
	July		151,880.61
	August		103,565.73
	September		89,537.50
	October		102,551.99
	November		101,513.53
	December		91,956.34
	January		83,830.89
	February		103,410.84
	March		109,878.84
	April		117,161.16
	May		105,649.66
	June		114,634.14
			1,275,571.23

	<p>3 Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days:</p> <p>Function: Refuse, Electricity, and Property Rates</p> <p>0 - 30 Days 30 - 60 Days 60 - 90 Days 90 - 120</p>	R (000s)	<p>1,280,297.63 419,342.91 849,820.27 49,208,844.97</p>
	<p>4 Write off of debts: number and value of debts written off: - Total debts written off each month across debtors by function (e.g.: electricity, refuse, etc)</p>	R (000s)	1,944,319.22
	<p>5 Property rates (Residential): - Number and value of properties rated - Number and value of properties not rated - Number and value of rate exemptions - Rates collectible for the current year</p>	R (000s)	9,759,644.97
Reporting Level	Detail		9,759,644.97
	<p>6 Property rates (Commercial): INCLUDED ABOVE - Number and value of properties rated - Number and value of properties not rated - Number and value of rate exemptions - Rates collectible for the current year</p>		
	<p>7 Regional Service Council (RSC) levies: - Number and value of returns - Total Establishment levy - Total Services levy - Levies collected for the current year</p>		<p>N/A N/A N/A N/A</p>
	<p>8 Property valuation: - Year of last valuation - Regularity of valuation</p>		1994
	<p>9 Indigent Policy: - Quantity (number of households affected) - Quantum (total value across municipality)</p>		<p>11740 1217490.29</p>
	<p>10 Creditor Payments:</p>		19 263 711
	<p>11 Credit Rating: Not applied for as yet</p>		N/A
	<p>12 External Loans: - Total loans received and paid during the year See table below</p>	R (000s)	R (000s)

Nkonkobe Municipality				
External Loans Schedule				
Year Ended 30 June 2007				
Description		Pastel Account Number	2007	2006
Development Bank of Southern Africa - Capital				
- Account No: 8237/204	11%pa	9730/007	-	4,087,387.86
- Account No: 10545/103	16%pa	9730/007	-	-
Development Bank of Southern Africa - Arrears				
- Account No: 8237/204	11%pa	9730/006	-	4,594,440.25
- Account No: 10545/103	16%pa	9730/006	2,655,470.18	2,276,637.76
			2,655,470.18	10,958,465.87
INCA (Bond Rehabilitation Company)	17.5%pa	9730/003	-	1,250,000.00
Wesbank				
- Account No: GMH042 - 0001B	9.5%pa	9730/010	76,358.25	99,587.99
- Account No: GMH042 - 0002A	9.5%pa	9730/011	76,358.25	99,587.99
- Account No: GMH042 - 0003T	9.5%pa	9730/012	76,358.25	99,587.99
- Account No: GMH042 - 0004S	9.5%pa	9730/013	76,358.25	99,587.99
- Account No: GMH042 - 0005L	9.5%pa	9730/014	76,358.25	99,587.99
- Account No: GMH042 - 0006K	9.887%pa	9730/015	76,646.07	99,794.46
- Account No: GMH042 - 0007J	9.5%pa	9730/016	76,358.25	99,587.99
- Account No: GMH042 - 0008H	9.5%pa	9730/017	96,636.66	126,035.39
- Account No: GMH042 - 0009E	9.5%pa	9730/018	268,695.38	350,437.78
- Account No: GMH042 - 0010A	9.5%pa	9730/019	174,077.66	227,035.57
- Account No: GMH042 - 0011T	9.5%pa	9730/020	53,827.24	69,627.82
- Account No: GMH042 - 0012S	9.5%pa	9730/021	688,868.93	891,081.88
- Account No: GMH042 - 0013L	9.5%pa	9730/022	14,382.49	17,849.80
- Account No: GMH042 - 0014K	9.5%pa	9730/023	-	26,700.23
			1,831,283.93	2,406,090.87
TOTAL Loans Due			4,486,754.11	14,614,556.74
Less: current portion of Long Term Loans			3,264,637.81	1,820,741.93
			1,222,116.30	12,793,814.81

13 **Delayed and Default Payments:**

List here whether Council has delayed payment on any loan, statutory payments or any other default of a material nature Delete comment

None

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Financial Statements and Financial Statements	To produce Annual Financial Statement on time and to have qualified Audit Report. To install a user Friendly Intergrated Financial System.	1	2
Financial Controls	To have efficient and effective system for improved financial reporting and budget control	50%	65%
Information Technology	To meet legal standards	0%	100%
Revenue Management	To have improved Revenue Management of council by and debt collection rate	50%	70%

Function: Finance and Administration
Sub Function: Other Administration (Procurement)

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to overall procurement functions of the municipality including costs associated with orders, tenders, contract management etc		
Description of the Activity:	The function of procurement within the municipality is administered as follows and includes:		
	The procurement function is situated within Budget and Treasury Office. The Procurement Section deals with all the activities related to procuring goods and services within the municipality. The municipality adopted its procurement policy in November 2005 as per the guidelines of National Treasury setting out empowerment goals to support Historically Disadvantaged Individuals and to fulfill the primary objective of section 217 of the Constitution of the Republic of South Africa.		
	The strategic objectives of this function are to:		
	Provide support to HDI-owned companies		
	Ensure compliance with Nkonkobe Municipality's SCM Policy		
	Advantage HDI-owned companies when awarding contracts		

	Report deviations / irregularities when goods / services are procured incorrectly		
Analysis of the Function:	<p><i>The key issues for 2006/2007</i></p> <p>The review of old Procurement Policy to be in line with the provisions of the Municipal Finance Management Act.</p>		
	<p>1 Details of tender / procurement activities:</p> <ul style="list-style-type: none"> - Total number of times that tender committee met during year - Total number of tenders considered - Total number of tenders approved - Average time taken from tender advertisement to award of tender 	<p>6</p> <p>6</p> <p>6</p> <p>2 Months</p>	
	<p>2 Details of tender committee:</p> <p>The tender bid committees is categorized in terms of section 27, 28 and 29 of the Nkonkobe Municipal Supply Chain Management Policy being:</p> <p>(a) Bid Specification Committee</p> <p style="padding-left: 40px;">Mr A Botha - Chairperson Mr F De Lange and Mrs X Majiza</p> <p>(b) Bid Evaluation Committee</p> <p style="padding-left: 40px;">Mrs N Foji - Chairperson Mr A Marx Mr L D Hanabe</p> <p>© Bid Adjudication Committee</p> <p style="padding-left: 40px;">Mr M Sigabi - Chairperson Mr E Britz Mr XC Badi Mr E N Makana</p>		

FUNCTION : COMMUNITY AND PROTECTION SERVICES
SUB-FUNCTION : PRIMARY HEALTH CARE

Reporting level	Details	Total	
Overview	<ul style="list-style-type: none"> To facilitate provision of health services including primitive, preventative and primary level (minor ailment) To provide material and reproductive health services, including family planning and termination of pregnancy counseling Provide HIV/AIDS control programmes and sexually transmitted diseases. Provide tuberculosis control. 	2656974	2218468
Description of activities	<ul style="list-style-type: none"> Treatment of minor ailments; physical examination and screening of pregnant mothers Productive health Post natal Well baby clinic Integrated management Management on prevention of sexually transmitted infections Prevention of HIV/AIDS Issuing of chronic and mental illness medication Prevention of mother to child transmission 		
	<p>Strategic objective of this function</p> <ul style="list-style-type: none"> To render primary health care services To support HIV/AIDS victims To strengthen outreach programmes to areas, which are far from the clinic through community health workers, NGO's and volunteers. 		
	<p>KEY ISSUES 2006/2007</p> <ul style="list-style-type: none"> Staff recruitment Enter into Service Level Agreement Staff training Support HIV/AIDS victims HIV/AIDS awareness campaigns Promote voluntary counselling and testing 		
Analysis of the function	Statistical Information	No. of staff and facilities	No. of users
Personnel	<ul style="list-style-type: none"> Part-time Doctor Chief Professional Nurse Professional Nurses Community Health Workers Driver Cleaners <p>Total</p>	<p>1</p> <p>1</p> <p>7</p> <p>3</p> <p>1</p> <p>5</p> <p>18</p>	
Infrastructure	<ul style="list-style-type: none"> Clinics 	<p>5</p> <p>0</p>	

	<ul style="list-style-type: none"> Health centres 		
Total annual patient head count for service provided	<ul style="list-style-type: none"> 5 years and older Younger than 5 years 	5 5	76 616 10 135
	Total	5	86 751
Key Successes	Service deliverables or output	Beneficiaries	Amount
Infrastructure	Kolomane clinic has been built	1 500 households	4m
Staffing	Vacant posts has been filled		
Service Level Agreement signed	Subsidy received		3.7m
Polio and Measles Campaign	From the 10 th July 2006 – 21 st July 2006 the above campaign was conducted to immunize children below 5 years against a disease called Poliomyelitis. Clinics, crèches and community halls were identified as immunization points whereby nurses gave immunizations at those identified posts. +_ 13.000 babies from Fort Beaufort communities and surrounding farms were immunized.		
Training of CHW on VCT and PMTCT	The Department of Health allocated 5 CHW to the clinics and they are on stipend. These CHW were then sent for training to do voluntary counseling and testing, and prevention of mother to child transmission. This exercise really assisted the clinics to advertise the services and prevent misconception from clients. CHW are now able to do mass counseling to encourage people to utilize these services		
Wheelchairs from rehabilitation programme	About 20 disabled clients who were identified by the CHW in the clinics managed to receive devices like wheelchairs, walking aids, specialized shoes etc through an outreach programme.		
HIV/AIDS Awareness Day	The above – mentioned Nkonkobe and Nxuba Municipality held event jointly on the 29/11/2006. The aim of the event was to educate communities in all the aspects of HIV/AIDS. Nkonkobe Municipality contributed with the transportation of Nkonkobe communities to the event, which costed R11. 900.		
Breast Feeding Awareness Day	The purpose of this event is to encourage and educate mothers on the importance and advantages of breast-feeding. Breast-feeding Awareness Day was held at Thozamile Madakana clinic on the 02/02/2007.		
Condom Awareness Day	February month is the month, which is set aside by the National Department of Health to educate communities about condom usage. Nkonkobe Municipality together with the Department of Health conducted this event at Mdeni Location in Fort Beaufort on the 22/02/2007.		
Candle Light Memorial Service	This service is conducted yearly during May month to remember the victims of HIV/AIDS who have passed away and also give hope to those living with HIV/AIDS. The above		

	event was held at Hillside community hall on the 31/05/2007. It was well attended and was an emotional event.		
Cervical Screening	This is a test done to women for early detection of cancer. On the 27/02/2007 about 80 clients were offered this service with the help of staff from CANSA Association in E.L. The venue was Thozamile Madakana clinic because it's spacious.		

Clinic Statistics breakdown

Data element	Cc Lloyd	Hillside	Lulama Kama	Newtown	T. Madakana	Grand Total
PHC headcount under 5 years	1150	2245	2661	1602	2477	10135
TB patient under treatment	97	421	495	234	549	1796
TB patient on DOTS facility	26	148	315	40	389	918
TB patient on DOTS community	71	263	180	194	160	868
STI treated new episode	257	144	162	138	293	994
Mental health visit	98	331	360	307	576	1672
Chronic care visit	2212	3260	4137	3267	5433	18309
HIV positive test-male	6	11	7	5	8	37
HIV positive test-female	9	7	30	21	39	106
Minor ailment	5221	7722.5	11001.75	5021.5	15353	44319.75

Immunization

Data element	Cc Lloyd	Hillside	Lulama Kama	Newtown	T. Madakana	Grand Total
BCG dose under 1 year	0	0	0	0	0	0
Vitamin A supplement to woman within	0	0	0	0	53	53
DTP-Hib 1 st dose	78	120	129	98	206	631
DTP-Hib 3 rd dose	56	102	120	104	159	541
DTP-Hib total doses	201	333	373.5	303	547.5	1758
OPV 1 st dose	78	108	129	98	206	619
OPV 3 rd dose	56	102	120	104	159	541
OPV total doses	201	315	373.5	103	547.5	1740
HepB 1 st dose	78	120	129	98	206	631
HepB 3 rd dose	56	102	120	104	159	541
HepB total doses	201	333	373.5	303	547.5	1758
Vitamin A supplement to 6-11 months	80	117	125	92	157	571
Measles 1 st dose under 1 year	48	110	103	100	115	476
Immunised fully under 1 year new	48	110	109	100	112	479
Vitamin A supplement to 12-59 months	140	130	79	112	141	602
Measles 2 nd dose	59	83	76	59	77	354
Measles total doses	107	193	179	159	192	830

FUNCTION : COMMUNITY AND PROTECTION SERVICES
SUB FUNCTION : WASTE MANAGEMENT / REFUSE REMOVAL

Reporting level	Details	Allocation	Amount spent
Overview	Includes refuse removal, solid waste disposal and street cleaning	1 361 629	5 210 049
Description of the activity	<p>Function</p> <ul style="list-style-type: none"> • Domestic refuse removal • Commercial refuse removal • Garden refuse removal • Street cleaning • Waste transfer • Fleet management • Purchase of refuse vehicle to improve service delivery • Dealing with illegal waste 		
	<p>The strategic objective</p> <ul style="list-style-type: none"> • To ensure that all eligible residents have access to safe, clean and legal waste services 		
	<p>Key issues 2006/07</p> <ul style="list-style-type: none"> • Clean up campaigns • Installation of refuse bins • Participate in the cleanest Municipality competition by ADM • Draft by-laws 		
Analysis of the function	<p>Statistical information</p> <p>Personnel</p> <ul style="list-style-type: none"> • Supervisors • General Assistants • Volunteers <p>- <i>Number of households regular refuse removal services</i></p> <p>- Removed by Municipality at least once a week</p>	<p>No</p> <p>5</p> <p>75</p> <p>100</p>	<p>Cost</p> <p>5000</p>
Key successes	<ul style="list-style-type: none"> • Cleaning campaigns were held in all our towns and townships • 100 Volunteers were recruited for cleaning campaign • 200 refuse bins have been installed 	100	500 000

	<ul style="list-style-type: none"> • By-law adopted by Council 		
Key challenges	<ul style="list-style-type: none"> • Shortage of staff • Lack of funds • Shortage of tools and equipment • Co-operation of directorates giving support • Lack of proper management of solid waste sites • Lack of commitment by workers • Illegal dumping of waste 		

FUNCTION : COMMUNITY AND PROTECTION SERVICES
SUB FUNCTION : PARKS AND GARDEN

Reporting level	Details	Allocation	Amount spent
Overview	Includes entertainment and tourists attraction		
Description of the activity	<ul style="list-style-type: none"> • Identify and establish parks, recreation and garden facilities • Improve land scaping • Beautify our towns • Promote clean, green and health environment • Grass cutting 	R385 000	R385 000
	Strategic objectives <ul style="list-style-type: none"> • To improve and increase the number of parks, garden and recreation facilities 		
	Key issues for 2006/07 <ul style="list-style-type: none"> • Grass cutting • Identify parks and garden 		
Analysis of the function	Statistical Information	No. of facilities & staff	No. of users
Personnel	<ul style="list-style-type: none"> • Supervisor • Lawn Mower Operators 	1 9	
Equipment	<ul style="list-style-type: none"> • Weed Eaters • Tractors • Mowers • Kudus • Bush cutters 	15 2 2 2 2	

Facilities	<ul style="list-style-type: none"> • Parks • Gardens • Sport fields 	4 2 5	
Progress made	Service	Allocation	Amount spent
	<ul style="list-style-type: none"> • One sport field have been refurbished • Grass cutting has been done 		15 000
Challenges	<ul style="list-style-type: none"> • Maintenance of sport fields • Rural areas sport facilities • Applying for funding 		
Key successes	<ul style="list-style-type: none"> • Business plan for funding has been done and submitted to DPLG for approval • Parks have been identified in Alice and Fort Beaufort • Park in Alice already fenced • 20 weed eaters have been bought 		
Key problems and challenges	<ul style="list-style-type: none"> • Shortage of staff • Shortage of tools and equipment • Lack of funds 		

FUNCTION : COMMUNITY AND PROTECTION SERVICES			
SUB FUNCTION : SPORT, ARTS & CULTURE			
Reporting level	Details	Total	
Overview	<ul style="list-style-type: none"> • To encourage and co-ordinate the participation in sport, arts & culture activities 		
Description of the activity	<ul style="list-style-type: none"> • Mayor's Cup tournament • Festivals • Paintings • Competitions • Workshops 		
	Strategic objectives <ul style="list-style-type: none"> • To enhance participation of all Nkonkobe residents in sport, arts and culture 		
	Key issues for 2006/07 <ul style="list-style-type: none"> • Mayor's Cup Tournament • Culture 		
Progress made	<ul style="list-style-type: none"> • Mayor's Cup held, the following sporting codes took part in the tournament: 		

	<ul style="list-style-type: none"> - Rugby - Soccer - Netball - Cricket - Boxing - Marathon 10 km - Baseball 	7 sport codes	88 890
Key challenges for 2006/07	<ul style="list-style-type: none"> • Lack of funds • More participation by sporting codes • Weak sport council • Shortage of sport facilities • Support from elderly people 		

FUNCTION : COMMUNITY AND PROTECTION SERVICES SUB FUNCTION : DISASTER MANAGEMENT			
Reporting level	Details	Total	
Overview	Co-ordination and management of local disasters.		
	•		
	•		
Priorities for 2006/07	<ul style="list-style-type: none"> • Conduct risk and vulnerability assessments on <ul style="list-style-type: none"> - Tornados - Floods - Veld fires - Road accidents 		
	Strategic objective		
	<ul style="list-style-type: none"> • To co-ordinate and manage local disasters that occur/might occur within the municipality 		
	Key issues for 2006/07		
	<ul style="list-style-type: none"> • Disaster assessment • Distribution of building material 		
Analysis of the function	Statistical Information	No. of staff/facilities	No. of users
Personnel	<ul style="list-style-type: none"> • Volunteers • Manager 	1 1	
Facilities	<ul style="list-style-type: none"> • Disaster management centre • Furniture 	1	
Key successes for 2006/07	Service deliverables or output	Beneficiaries	Amount
Distribution of building material	During the months June and July 2007 Disaster Management distributed building materials to families that were affected by the disaster incidents from December 2006 to 03 March 2007. Distribution of material was done with the presence of the Ward		

	<p>Councillors, Ward Committees and the Chairpersons of the villages affected.</p> <p>Middledrift villages:</p> <p>Qamdobowa, Outubeni, Zihlahleni, Mgxotyeni, Qanda, Qawukeni, Thafeni, Trust No. 2, Trust No. 1, Dikidikana, James, Xhukwana, Perksdale Farm B, Mayipase, Mxumbu, Ngqolowa, Qhomfo, Nonaliti, Saki, Ngwenya</p> <p>Alice villages</p> <p>Mxhelo-Lalini, Phumlani, Joji, Golf Course</p>	<p>53 families</p> <p>8 families</p>	
Relief supplied to victims of domestic fires and disaster Incidents	<p>During the months February and June 2007, domestic fires and disaster incidents in different villages of the Municipality have damaged a number of houses. Disaster management responded in terms of relief working jointly with Social Development, with food parcels, clothing and blankets to assist the victims of these incidents, as follows:</p> <p>Middledrift – Mazotshweni - 5 blankets and clothing Balfour – Platform - 24 blankets and clothing Fort Beaufort - Lowerblink Water - 24 blankets and clothing Alice – Kuntselamanzi - 7 blankets and clothing Seymour – Hermest - 6 blankets and clothing</p>	<p>15 families</p>	
Key problems and challenges	<ul style="list-style-type: none"> • Lack of funds • Shortage of staff • Lack of equipment 		

FUNCTION : COMMUNITY AND PROTECTION SERVICES			
SUBFUNCTION : EMERGENCY SERVICES			
Reporting level	Details	Total	
Overview	To co-ordinate and manage any fires that may occur		
Description of Activity			
Analysis of Function			
Strategies and objectives	<ul style="list-style-type: none"> • To specialize in fire fighting services for incidents, veld and forest fires • Recruit volunteers for fire fighting • Prepare and maintain fire breaks • Develop and apply veld and forest fire management • Conduct fire awareness to 		

	communities		
Key successes for 2006/07	<ul style="list-style-type: none"> • Training of volunteers done • Workshops on fire held • Fire incidents have attended to 		
Key problems and challenges	<ul style="list-style-type: none"> • No permanent staff for this function • Lack of funds • Lack of equipment • Law enforcement • Lack of infrastructure 		

FUNCTION : COMMUNITY AND PROTECTION SERVICES			
SUB FUNCTION : TRAFFIC AND LAW ENFORCEMENT			
Reporting level	Details	Total	
Overview	Enforcement of Traffic Act Laws		
Analysis of the function	<ul style="list-style-type: none"> • Testing centres • Chief Traffic Officers • Traffic Officer • Natis Clerk • Casual worker 	1 1 1 4 0	
Priorities 2006/07	<ul style="list-style-type: none"> • Law enforcement • Testing learners licences • Testing drivers licences • Educational programmes on road safety • Upgrading Alice testing centre 		
Key successes 2006/07	<ul style="list-style-type: none"> • Pound establishment • Alice centre refurbished • Applicants for learners licences tested • Applicants for drivers licences tested • Registration and licensing of vehicle • Meting of transport forums held • Canopy of Fort Beaufort rank done 		
Key problems and challenges	<ul style="list-style-type: none"> • Shortage of staff • Establishment of roadworthy centre • Corruption • Upgrading of testing centres • Suspension of traffic officers • Provision of an effective law enforcement program and traffic 		

	<p>safety campaigns as a means to reduce traffic accidents and crime within Nkonkobe municipality</p> <ul style="list-style-type: none"> • Stray animals 		
--	---	--	--

FUNCTION : COMMUNITY AND PROTECTION SERVICES			
SUB-FUNCTION : SAFETY AND SECURITY			
Reporting level	Details	Total	
Overview	Looking after the Municipal assets		
Analysis of the function	Statistical Information	No. of facilities	No. of users
		All municipal properties	All the communities within the Nkonkobe area
Priorities 2006/07	<ul style="list-style-type: none"> • Protect custodian of the municipal assets • Investigate practices of corruption • Secure and ensure proper flow of the municipal operating assets such as petrol filling station, fleet and proper service provision • Guard against theft and vandalism on municipal property • Secure municipal personnel when need arise 		
	<p>Strategic objective</p> <ul style="list-style-type: none"> • To ensure that a peaceful and stable environment prevails where upon a sustainable delivery of basic services within the Nkonkobe Municipal area shall be obtained 		
Key successes 2006/07	<ul style="list-style-type: none"> • Co-operation with SAPS and CPF structures • Co-operation with Provincial VIP units during official functions • Assist the emergency units during road accidents • Successful dispatching of municipal cash for banking within the municipal administrative units 		
Key problems and challenges	<ul style="list-style-type: none"> • Shortage of staff • Shortage of equipment • Empowerment of the security 		

	personnel with skills <ul style="list-style-type: none"> • Establishment of CPF's and community safety Forum • Lack of funds 		
--	--	--	--

FUNCTION: ENGINEERING SERVICES			
SUB-FUNCTION – ELECTRICITY DISTRIBUTION			
Reporting level	Details	Total	
Overview	The main concentration of this section is the supply of electricity as a source of energy throughout the Municipal jurisdiction. The former Fort Beaufort T.L.C. obtained a license as a supplier of electricity for Fort Beaufort town and the Fort Beaufort townships of Newtown, Hillside and Bhofolo. The other towns and rural villages of Nkonkobe are supplied by Eskom.		
Description of activities	Function <ul style="list-style-type: none"> - Operation and maintenance of electrical network in council licence area - Provision of Free Basic Electricity - Installation of electricity in key areas 		
	Strategic objective <ul style="list-style-type: none"> - To ensure that the existing backlog of 73% outside of Fort Beaufort is reduced by 50% in 2010 		
	Key Issues for 2007/2008 Sufficient staff to handle maintenance program and upgrading of network.		
Analysis of the function	Statistical information	No. of facilities	No. of users
1	Personnel in section Professional (Engineers/Consultant) Field (Supervisors/Foreman) Office (Clerical/Administration) Non-Professional (Blue collar, outside workforce) Temporary Contract	14 1 4 1 8 - 4	
2	Total quantity and cost of bulk electricity purchased in kilowatt-hours and rand. <ul style="list-style-type: none"> - Residential - Commercial - Industrial - Mining - Agriculture 	R2, 411,756	28,146,397kwh

	- Other		
3	Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer: - Household - Commercial - Industrial - Mining - Agriculture - Other		
4	Total year-to-date electricity losses in kilowatt hours and rand.		
5	Number of households with electricity access, and type and cost of service. - Electrified areas - Eskom - Alternate energy source - Gas - Paraffin - Solar - Wood - Non electrified		
6	Number of new connections:		
7	Number and cost of disconnections and reconnections		
8	Number and total value of electrification projects planned and current: - Current - Planned		
9	Anticipated expansion of electricity service		
10	Estimated backlog in number (and cost to provide) water connection		
11	Free Basic Service Provision - Quantity (number of households affected) - Quantum (value to each household)		
12	Type and number of grants and subsidies received		
13	Total operating cost of electricity distribution function		
Key Performance Area	<p>Performance During the year, Performance Targets against actual achieved and plans to improve performance</p> <p>During the financial year review Nkonkobe Municipality; high voltage switchgear was purchased to upgrade the network, which will be installed during 2007/2008.</p> <p>During the financial year under review Nkonkobe Municipality completed an</p>		

	<p>electrification project in the Daweti and Kanana areas of Bhofolo. This entailed 500 connections at a cost of R1, 550,000 funded by the Department of Minerals and Energy; a further project of 1,111 connections was commenced in Hillside at a cost of R4, 000,000 funded by the Department of Minerals and Energy. This project to be completed during the 2007/2008 financial year approximately 60-70% completed. Repaired and serviced high voltage switchgear in Bhofolo main substation. Replaced 80 metres of faulty high voltage cable at Katco, serviced and commissioned high voltage switchgear in grove substation.</p>		
Challenges	<p>Upgrading of electricity network. This involves building new overhead lines on the munic1 and munic 2 feeder lines in the network. Upgrading of transformer in grove substation to provide sufficient capacity for the development of the grove business complex. Upgrading of street light system in Fort Beaufort, Newtown and Hillside.</p>		

FUNCTION: ENGINEERING SERVICES

SUB FUNCTION: STREET LIGHTING

Reporting Level	Detail	Total	Cost
Overview:	<p>Street lighting is provided in Fort Beaufort Town, and the townships of Newtown and Hillside. The township of Bhofolo has high mast lighting.</p>		
Description of the Activity:	<p>Street lighting responsibilities of the municipality are administered as follows and include:</p>		

	<p>The Municipality street lighting responsibility entails the maintenance of the street lighting network and the replacement of faulty street light fittings. Another responsibility is the replacement of old type fittings with modern energy saving fittings. These services are only rendered in Fort Beaufort Town and the Fort Beaufort Townships of Newtown, Hillside and Bhofolo. These services are provided by a National Electricity Supplier in the other areas of Nkonkobe Municipality.</p> <p>The strategic objectives of this function are to: Provide sufficient and efficient street lighting for the community. The key issues for 2007/08 are: The upgrading of the street lighting network where necessary.</p>		
<p>Analysis of the Function:</p>	<p>1 Number and total operating cost of streetlights servicing population:</p> <p>2 Total bulk kilowatt hours consumed for street lighting:</p> <p>Note: total number of kilowatt hours consumed by all street lighting for year</p>	<p><i>720</i></p> <p><i>444,060</i></p>	<p><i>R 242,703</i></p>
<p>Key Performance Area</p>	<p>Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance</p>	<p>Current</p>	<p>Target</p>

	<p>Installed new street lightings along the main road through Fort Beaufort Town. No variance here as job was completed. Improvements planned for the next year are the installation of streetlights in the new housing areas of Newtown and Hillside Townships.</p>		
--	--	--	--

FUNCTION:	ENGINEERING SERVICES
SUB FUNCTION:	HOUSING

Reporting Level	Detail	Total	
<p>Overview:</p>	<p>In 2006 eight (8) blocked housing projects were unblocked. This consists of five (5) PHP housing projects and three (3) rural housing projects. In addition to these projects, eight housing projects which were blocked during the former TLC's were also unblocked. Under PHP projects 1159 units were completed at Fort Beaufort Golf Course, 640 at Alice Golf Course, 184 units at KuNtselamanzi, 378 units at Seymour ext. 6, 299 at Nkobonkobo, 103 at Roxeni and 88 units at Macfalan. The implementation details of these projects is tabulated below:</p>		
<p>Description of the Activity:</p>	<p>The function of provision of housing within the municipality is administered as follows and includes:</p> <p><i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i></p> <p>Land identification</p> <p>Link the identified land with Municipal Spatial Dev. Framework. Conduct Deed search and apply for the transfer of land by Provincial Government through Provincial Land Reform office. Ensure close proximity to employment opportunities, education health care etc.</p>		

	<p>Compile beneficiary list</p>		
	<p>Supply application forms to be filled by prospective beneficiaries for their personal details.</p> <p>Submit forms to Provincial office for data capturing and verification.</p> <p>Keep a list of the approved beneficiaries for housing development.</p> <p>Settlement Planning</p> <p>After project approval, advertise for tendering.</p> <p>Apply simply chain management and appoint suitable developer.</p> <p>Submit a final draft of the Layout Plan to the Council for approval.</p> <p>Monitor the construction of infrastructure and top structure and submit invoices for payment.</p> <p>Handover of happy letters to the beneficiaries on completion of each housing unit after ensuring that all connections are properly functioning.</p> <p>The municipality has a mandate to; ensure that right to have access to adequate housing is realised on a progressive basis, set housing delivery goals for the municipality.</p> <p>The strategic objectives of this function are to:</p> <p>Set housing delivery goals for municipal area in annual housing plan.</p> <p>Initiate plan, co-ordinate, facilitate, promote and enable appropriate housing development.</p> <p>Identify and designate land for housing development, maintain a safe and healthy environment</p> <p>The key issues for 2006/7 are:</p> <p>Adoption and revision of SDF which will ensure identification of suitable available land for housing development purposes.</p>		

Analysis of the Function:			
1	Number and cost of all personnel associated with provision of municipal housing: Housing Officers Manager: Land & Housing Building Inspectors Liedon Consultant (Donovan Dart) Accounts Administrator (I. Liebenburg)		
		3	264 000
		1	132 00
		2	235 000
		1	256 000
		1	74 000
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package. Professional includes project design, Field includes all tradespersons.		
2	Number and total value of housing projects planned and current:	15	117 710 969
	- Current (financial year after year reported on)	8	14 871 177
	- Planned (future years)	7	102 839 792
	Note: provide total project and project value as per initial or revised budget		
3	Total type, number and value of housing provided:	2851	14 871 177
	<i><list details by type of dwelling, see below></i>		
	Note: total number and total value of housing provided during financial year		
4	Total number and value of rent received from municipal owned rental units	N/A	N/A
	<i><list details, including number of units handed over to residents></i>		
5	Estimated backlog in number of (and costs to build) housing: Top Structure	877	2017 1000
	<i><list details by type of dwelling, see below></i>		
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
6	Type of habitat breakdown:	N/A	N/A
	- number of people living in a house or brick structure		
	- number of people living in a traditional dwelling		
	- number of people living in a flat in a block of flats		
	- number of people living in a town/cluster/semi-detached group dwelling		

	- number of people living in an informal dwelling or shack	
	- number of people living in a room/ flat	

Reporting Level	Detail	Total	
7	Type and number of grants and subsidies received:		
	<i>Peoples Housing Process</i>	2851	14 871 177
	Note: total value of specific housing grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
8	Total operating cost of housing function		961 000
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Housing delivery goals	2851 houses constructed and completed and handed to beneficiaries.	2851 houses completed.	
Identification and access to land.	Additional parcels of land identified and accessed for Nkobonkobo and Macfalan projects.	2 additional parcels of land were accessed for Nkonkobe and Mc Farlan.	
Compilation of beneficiary list.	Beneficiary lists were compiled and submitted to DLGA & TA for planned projects.	7 applications for planned projects were submitted to DLGH & TA for approval	
Submission of applications for new housing projects	Applications for new housing projects were submitted to DLGH & TA		

FUNCTION: ENGINEERING SERVICES
SUB FUNCTION: ROADS & STORM WATER

Reporting Level	Detail	Total	Cost
Overview:	Construction and maintenance of roads within the municipality's jurisdiction		

<p>Description of the Activity:</p>	<p>The road maintenance and construction responsibilities of the municipality are administered as follows and include: <i>The Manager Civil Works is the one responsible for allocating resources managing the road maintenance team and plant. This therefore implies that allocation of duties to the foremen and through identification and reports from the public, and maintenance and construction is executed. The main operations of the section are road grading, stormwater drainage maintenance and clearing.</i></p>		
	<p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to: <i>The Provincial Department of Roads and Transport has taken a venture to rehabilitate its roads by creating a Public, Private Partnership that will administer this venture which is to the value of R40 million, Nkonkobe Municipality being the facilitator of the project with no significant role to play or well defined maintenance of the roads thereafter.</i></p> <p>The strategic objectives of this function are to: <i>To have gravel roads within the Nkonkobe area of jurisdiction in a acceptable level of services for communities and business thereby supporting LED and Tourism</i></p> <p>The key issues for 2006/07 are: <i>The effective construction of all stormwater projects within the MIG budget/funding and continued maintenance thereof. Grading of existing roads and opening of meter drains. Cleaning of existing stormwater drains and patching of potholes thereafter.</i></p>	<p>1</p>	<p>40 000 000</p>
<p>Analysis of the Function:</p>	<p>1 Number and cost to employer of all personnel associated with road maintenance and construction:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>2 Total number, kilometres and total value of road projects planned and current:</p>	<p>7 1 0 9 35 1</p>	<p>590754.5 121080 0 405039 378678.08 151344</p> <p>R (000s)</p>

	- New bitumenised (number)	0	0
	- Existing re-tarred (number) and stormwater rehabilitation	17km	2765016.88
	- New gravel (number)	0	0
	- Existing re-sheeted (number)	0	0
	Regravelled and stormwater rehabilitation	3km	64395
3	Total kilometres and maintenance cost associated with existing roads provided		R (000s)
	- Tar	0	0
	- Gravel	0	0
	Note: if other types of road provided, please provide details		

4	Average frequency and cost of re-tarring, re-sheeting roads		R (000s)
	- Tar	60 km	500 000
	- Gravel	150 km	70 000
	Note: based on maintenance records		
5	Estimated backlog in number of roads, showing kilometres and capital cost		R (000s)
	- Tar	48.39km	50 000 000
	- Gravel	525.3km	75 000 000
Reporting Level	Detail	Total	Cost
	Note: total number should appear in IDP, and cost in future budgeted road construction programme		
6	Type and number of grants and subsidies received:		
	<i>Municipal Infrastructure Grant</i>	5	42119675
	Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
7	Total operating cost of road construction and maintenance function		6286528

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i>Rehabilitation of stormwater drainage, Tar patching, Gravel road grading, Erection of road signs, resurfacing of roads</i>	<i>The variance is within the MIG projects as the grading of roads is due to incompetent contractors who did not have the financial capacity to execute the projects. In terms of road grading Contractors will therefore have to be employed to finish up the remaining works.</i>	86%	100%

FUNCTION : SRATEGIC PLANNING DEPARTMENT

SUB- FUNCTION : SPECIAL PROGRAMMES

Reporting Levels	Details	Total
-------------------------	----------------	--------------

Overview	<p>The SPU is the concept adopted by SALGA, the Cabinet and other decision making structures of the country to be meaning the focus of youth, gender, disable people, the age and children</p> <p>The Special Programmes Unit Policy seeks to unearth the talent of the designated groups to realize their potential.</p>	
Description of activities	<p>Functions</p> <ul style="list-style-type: none"> • Women's Month (August 2006)) • 16 Days of Activism against women violence and child abuse(November 2006) • Disabled Month (international day for disable people) 2006 • Ward Youth Forums 2006 • Projects (Europhonic project in Balfour and Nomzamo Disable Centre project) 2006 • Mayors Cup Tournament 2006 • Learnership & Internship programmes 	
	<p>Strategic objective</p> <ul style="list-style-type: none"> - Strong and effective Special Programmes Unit - Economic growth, development and reduced unemployment - Developmental, inclusive policies and Plans - Integrated and Mainstreamed plans - Integrated Budget - Support and Capacity Building - Mobilization and political support - Unit through sport activities 	
Analysis of the Functions	Statistical Information	No. of personnel
	Personnel in section	01
	Education & Training for skills development	100
Key Success From 01 July 2006 – 01 June 2007	<ul style="list-style-type: none"> - Education & Training for skills development - 16 Days of Activism against women violence and child abuse - International Day for Disable people - Establishment of Ward Youth Forum - Bakery Project (Nomzamo Disabled Centre, not yet completed) - Europhonic project in Balfour - Mayors Cup Tournament 	
Challenges	Budget constraint	

--	--	--

FUNCTION : STRATEGIC PLANNING
SUB FUNCTION : YOUTH ADVISORY CENTER POINT

The Youth Advisory Center Point was established on the 01 August 2006 under the partnership the municipality has with Umsobomvu Youth Fund (UYF) one of the government initiatives of creating opportunities for young people to acquire skills, access job opportunities and pursue meaningful self – employment opportunities through various enterprise initiatives. UYF is also the funder of this project (YAC Point).

Youth Advisory Center Point is a walk-in center for information provision, counseling support, referral services, providing outreach services to communities that are unable to access the center, providing entrepreneurial related information to youth in the community and skills development. The office also provides bursaries for young people.

Progress towards 2006/2007

The office started to operate within the Municipal offices in Fort Beaufort due to the fact that there was no appropriate space in Alice. During the first few months after the establishment of the YAC, meetings and workshops were held purposed on introducing the office to the community so as to market the products and services of UYF. During this process the YAC worked jointly with the Special Programmes Unit (SPU) to also formulate ward forums that will form up a full structure of Nkonkobe Youth Council. The purpose of establishing this structure was to work hand in hand with young people and also to encourage youth participation so as to be aware of their burning issues. The process of establishing these ward youth forums was not smooth due to the lack of cooperation from young people and councilors, as it is still the problem until to date.

In the beginning of the year 2007, January YAC –Point together with SPU as the two offices in the previous year 2006 embarked on formulating Ward Youth Forums within the municipal wards (21), changed the strategy of formulating these ward forums due to the problems encountered by working together with CDW's. The new-implemented strategy was to conduct outreach programmes to reach young people in all area especially the remote, rather than inviting them over to the meeting as some of young people were complaining about the transport. Certain interventions were undertaken to fast track the establishment of these ward youth forums. However the process is still delaying.

Various attempts were made to bring about development on young people in the Nkonkobe Municipal area, it was then by that time that there was a need of a helping hand as the office was suppose to constitute of 4 staff members: Career Counselor, Outreach officer and 2 volunteers assisting in the office and the other on outreach activities. Two volunteers were then appointed.

The tables below indicate the achievements and the developments the office has made.

Annual target 725 walk-ins (August 06-June 07)

Activity	Attending young people with problems.
Outcome	Business & Career guidance Provide assistance and support across a wide range of issues young people are faced with.
Achieved to date	150
Deviation	575
Reason for deviations	Lack of determination Lack of required resources and

	Lack of accessibility
Action required	Instill sense of purpose and encourage the spirit of responsibility. Making available the required resources and the office more accessible.

Annual target 1775(August 06-June 07)

Activity	Outreach programme
Outcome	Marketing of UYF product & service and Youth Advisory Center Point service Encourage young people about businesses and their careers
Achieved to date	1150
Deviation	725
Reason for deviations	Lack of trust on the products & services Lack of commitment Lack of responsibility and to take initiative
Action required	New strategy and engage with other funders Instil sense of purpose and encourage the spirit of responsibility

March 2007

Activity	Career Guidance Nzululwazi High and Elukhanyisweni High School
Outcome	To provide young people with relevant information that will assist them when preparing for the examinations and also that will enable them to be able to choose which career path to take.

April 2007

Activity	Lifeskills workshop The targeted group was grade12 from Imingcangathelo High School in Alice. The reason for electing this high is because of the low passing rate of learners. The subject matter was 'Who Am I'
Outcome	To empower young people and instill the sense of self worth, purpose so as to enable them to be aware of themselves.

June 2007

Activity	June 16 Celebration Message for the day was addressed by Mr Walaza
Outcome	To educate young people about the history of June 16,1976.

Though this is a new national project, however the office has managed to establish various strategic partnership and linkages with many institutions such as:

- Department of Health
- Department of Labour
- Department Roads and Transport
- Department of Education

- Department of Agriculture
- Social Development
- Government Communications and Information System (GCIS)
- Office of The Premier
- Eastern Cape Youth Commission (ECYC)
- National Youth Service (Eastern Cape)
- University Of Fort Hare
- Lovedale FET College
- MSC-College
- First National Bank
- Love Life
- Eskom
- SMME Solutions
- The Business Place

- Local High schools

FUNCTION : STRATEGIC PLANNING
SUB FUNCTION : INTERGRATED DEVELOPMENT PLAN

Section 28 of the Municipal Systems Act 32 of 2000 provides for the preparation and the adoption of a Process Plan. The Process Plan is an organized activity plan that outlines the process of the development of the Integrated Development Plan (IDP). The process of the development of the IDP is due to:

- IDP Steering Committee
- IDP Representative Forum
- IDP Cluster Meeting
- IDP/Budget Public Hearings

IDP Action Plan

ACTIVITY	TIME REQD	DATES
1. Preparation Phase		
1.1 IDP steering committee meeting Review Implementation Prepare full IDP Process	1 hr	5 Sept. 06
1.2 Presentation to the Economic Development Standing Committee	1 hr	14 Sept. 06
1.3 Presentation to the Executive Committee	1 hr	18 Sept. 06
1.4 Adoption by Council	1 hr	22 Sept. 06
1.5 Submission to Amatole District Municipality	1 hr	29 Sept. 06
1.6 Advertising for resuscitation of the stakeholder forum	1 hr	2 Oct. 06
1.7 IDP Steering Committee Meeting Process Plan and the role of the SC Review progress: IDP implementation Systems for monitoring implementation	1hr	3 Oct. 06

Cluster Task Teams re-update "analysis" Develop agenda for the Rep Forum		
1.8 Presentation of the process plan to the IDP Representative Forum	1 day	18 Oct.06
2. Monitoring & Evaluation – Updated Analysis		
2.1 Cluster Task Team Meetings To be arranged by Cluster Champs	2 days	30-31Oct. 06
2.2IDP Steering Committee Meeting Review Performance Management System Budget Assumptions & Strategies Presentation on Community Based Plan Develop agenda for the Rep Forum		14 Nov. 06
2.3 Representative Forum Meeting	1 days	30 Nov 06
2.3 Cluster & Steering Committee work – 'Monitoring & Review – update analysis'	25 days	14 Oct – 30 Nov 06
2.4 Community Based Ward Plans	42 days	21 Aug – 28 Sept.06
2.5 IDP Steering Committee Meeting Report on CBP Update on progress sector plans development Focus on spatial development framework Briefing for cluster workshops Budget update & tasks	1 day	15 Jan. 06
3. Refined Objectives, Strategies, Projects and Scorecards		
3.1 Strategic Planning Session; Executive Committee, Management & Intergovernmental Forum	2 days	18-19 Jan 06
3.2 Cluster Team Workshop	1 day	30-31 Jan. 06
3.3 Steering Committee Meeting Strategic Session Report Cluster Team Reports	1 day	01 Feb. 07

Agenda for the Rep Forum		
3.4 IDP Rep Forum Draft Revised Analysis Draft Revised Objectives and Strategies Draft Projects and Programmes linked to budget	1 day	08 Feb. 07
4. Consolidate Reviewed IDP and Budget		
Steering Committee to confirm contents of the IDP, Budget and consider inputs from the Rep Forum	10 days	22 Feb. 07
IDP Steering Committee Meeting Draft IDP & Budget programme for public consultation	1 day	28 Feb. 07
Representative Forum Meeting Present draft IDP and Budget	1 day	24 Mar. 07
4.4 Advertise for public comments and public meetings Public hearings IDP and Budget documents.	21 days 21 days	09 Apr. 07 – 27 Apr. 07
5. Approval		
Review progress – Steering Committee Public participation programme & comments received Present final draft to the Council	1 day	2 May 07
5.2 Council adopts IDP 07/08 & Budget 07/08 Submit copy of IDP to ADM and to MEC for Local Government	1 day	30 May 07

Scorecards

The Nkonkobe Municipality Strategic Planning Department, together with Amatole District Municipality's Municipal Support Unit felt the need to organize a workshop:

- To afford understanding of the customized balanced scorecard model and its application;
- To facilitate sufficient understanding of cascading of municipal scorecard to departmental scorecard
- To facilitate understanding of monitoring and evaluation of the PMS by internal audit and audit committee;
- To assist in the refinement of Nkonkobe scorecard and departmental scorecards.

Performance Management System is a strategic approach for managers to equip council, managers, workers, stakeholders to continuously plan. It entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players.

The municipality is in the process of cascading the scorecards to each and every level of the organization through weekly action plans.

ANNEXURE 01

MUNICIPAL SCORECARD 2006/07

	Priority Area	Objectives	Strategies	Indicator	Measurement Source & Frequency	Baseline	Sept 30	Dec 31	March 31	June 30	Accountable Officer
Service Delivery	Water	To ensure that at least 70% of households access to portable water by 2009	Facilitate with ADM the provision of adequate water	% Household with access to clean water	Quarterly Reports	75%	75%	76%	76%	77%	Municipal Engineer
			Ensure maintenance of proper process controls in consultation with ADM	Compliance to SABS standards	Quarterly Reports	Class 2	Class 1	Class 0	Class 0	Class 0	Municipal Engineer
	Sanitation	To ensure that at least 45% of households have access to proper sanitation by 2008	Facilitation of basic sanitation needs to RDP standards	% of households with access to RDP standard sanitation facilities	Quarterly Reports	12%	14%	16%	18%	20%	Municipal Engineer
	Electricity	To ensure that the existing backlog of 80% be reduced by 15% in 2008	Facilitate with ESKOM for upgrading/ installation plan	% of households with access to electricity both urban & rural	Annual Report	20%	21%	22%	23%	25%	Municipal Engineer
			Forge relations with relevant electricity suppliers and other non-grid suppliers to deliver on targets	No. of partnerships created	Annual Report	02	-	-	-	03	Municipal Engineer
			Maintenance of current electricity system in Fort Beaufort	% of improved electricity systems	Annual Report	38%	39%	40%	41%	42%	Municipal Engineer
			Implement free basic electricity policy	% of households with access to FBE	Bi Annual Report	38%	39%	40%	41%	-	Municipal Engineer
	Telecommunication	To facilitate access of households to telephone services by 15% in 2008	Identify needy areas	Developed database	Bi Annual Report	0	01	01	01	01	Municipal Engineer
			Facilitate with Telkom for upgrading/installation plan	% of households with access to Telkom services	Annual Report	60%	63%	65?%^	70%	71%	Municipal Engineer
	Roads	To ensure extension, improvement & maintenance of road networks	Review maintenance plan	Reviewed maintenance plan	Monthly	Existing plan	1	1	1	1	Municipal Engineer
Implementation of reviewed maintenance plan			No. of KM maintained	Quarterly	0km	5km	7km	9km	12km	Municipal Engineer	

Perspecti	Priority Area	Objectives	Strategies	Indicators	Measurement Source	Baseline	Sept 30	Dec 31	March 31	June 30	Accountable Officer	
	Housing		Source funding to extend municipal road networks	No. of applications submitted	Annual Report	01	02	03	-	-	Municipal Engineer	
			Purchase of heavy roads construction equipment	No. of equipment purchased	Bi Annual	01	02	03	04	05	Municipal Engineer	
			To extend & improve stormwater drainage in all areas	% of improved systems	Bi Annual	30%	35%	36%	40%	45%	Municipal Engineer	
			To plan & survey sites to facilitate the rural housing processes	No. of planned & surveyed villages	Quarterly Reports	15	18	21	24	27	Municipal Engineer	
	Community Amenities	To ensure that community amenities are located within required distanced by 2008	Source funding for new community amenities	No. of applications submitted	Bi Annual	0	-	03	05	07	Municipal Engineer	
	Refusal Removal	To ensure that at least 30% have access to proper refuse disposal service by 2008	Source funding to develop additional transfer stations	No. of developed transfer stations	Quarterly reports	0	-	-	1	-	Municipal Engineer	
			Raise awareness of waste disposal issues	No. of awareness campaigns	Quarterly Report	06	07	08	09	10	Community Services Manager	
			Link to LED Recycling & tourism plans	No. of LED projects linked to recycling	Quarterly Report	0	-	1	2	3	HR & Admin Manager	
	Resource Management	Capacity Building	To enhance institutional capacity of Nkonkobe Municipality to deliver on its IDP targets by 2008	Undertake skills audit	No. of employees	Skills Development Report	10%	12%	15%	16%	20%	HR & Admin Manager
				Fill vacant posts	No. of positions filled	HR Report	0	-	5	8	10	HR & Admin Manager
Performance Management System		To ensure that PMS framework, new scorecards & an audit performance is tabled before council by June 2006	Assess & Review performance as per scorecard targets framework	Quarterly assessment reports	Quarterly Reports	1 assessment report per quarter	-	-	-	-	HR & Admin Manager	
			Develop monthly performance accountability agreements on Section 57 employees		Monthly Reports	0	3 reports per quarter	3 reports per quarter	3 reports per quarter	3 reports per quarter	HR & Admin Manager	

	Policies & By Laws	To ensure that all policies & by laws required for the smooth operation of the council are in place	Implementation of policies & by laws	No. of polices & by laws implemented	HR Quarterly Reports	14 promulgated	4	9	11	14	HR & Admin Manager	
	Financial Statements	To ensure municipality gets unqualified audit reports by 2009	Prepare and submit financial statements to the Auditor General	Auditor General 's Report	Quarterly Reports	01/02 audit reports	02/03, 03/04 audit reports	04/05	05/06	06/07	Chief Financial Officer	
	Financial Controls	To have improved financial reporting by 06/07	Installation of a new financial system	Installation of new financial system	Quarterly Reports	0	20%	20%	-	-	Chief Financial Officer	
	Revenue Collection	To improve council revenue collection	Data-base cleansing	Amount of debtor accounts corrected	Quarterly Reports	60	65%	70%	75%	80%	Chief Financial Officer	
	Information Technology	To maximize & streamline IT functioning	To develop IT strategy	Developed strategy	Quarterly Reports	0	-	-	Adopted strategy	-	Chief Financial Officer	
	Land	To facilitate access to land for agriculture, settlement and commercial farming	To speed up land release to municipalities	To establish forum with Land Claim	Quarterly Report	0	1 Forum meeting	1	1	1	Municipal Engineer	
			To develop a land use management plan for the area and link to GIS	Adopted LUMP	Quarterly Report	0	-	01	-	-	Municipal Engineer	
	Communication	Ensure that the public, other govt. depts and civil society are aware of all programs of the municipality	Develop a communication strategy	Adopted communication strategy	Quarterly Reports	0	-	-	-	-	HR & Admin Manager	
			Put system in place for dissemination of information	Develop newsletter	Quarterly reports	0	01	01	01	01	01	HR & Admin Manager
			Revive IGR forums	No. of forum meetings held	Quarterly Reports	0	01	01	01	01	01	HR & Admin Manager
			Develop a website	Developed website	Quarterly Reports	0	-	-	-	-	01	HR & Admin Manager
		To ensure participation of communities in Municipal planning	Community base review & implementation	Reviewed plans	Adopted community based plans	21 adopted plans	05	12	17	21	HR & Admin Manager	
			Training of ward committees	No. of training sessions conducted	Quarterly Reports	01	02	03	-	-	HR & Admin Manager	

Perspective	Priority	Objectives	Strategies	Indicator	Measurement Source &	Baseline	Sept 30	Dec 31	March 31	June 30	Accountable Officer
Development	Agriculture	To achieve greater agricultural output by 10% in 2007	Review old irrigation schemes	No. of revived irrigation schemes	Quarterly reports on LED Section	11	12	12	13	14	Strategic Planning Manager
			Establish new irrigation schemes	No. of newly established irrigation schemes	Quarterly reports on LED Section	0	01	-	-	-	Strategic Planning Manager
			Re-establish commercial agricultural projects in the area	No. of commercialized agricultural projects	Quarterly reports on LED Section	0	01	02	03	04	Strategic Planning Manager
			Promote purchase of local produce	No. of local farmers supplying the vegetable market	Market Master Report	05	10	25	35	50	Strategic Planning Manager
			Investigate opportunities for processing of local produce	Develop a comprehensive analysis report for local produce	Study report for processing of local produce	0	-	-	01	-	Strategic Planning Manager
			Link with relevant departments & agricultural institutions in the area to assist in skills development	No. of projects assisted with training	Quarterly reports by the LED Section	50	51	53	54	55	Strategic Planning Manager
			Facilitate the formation of formal agricultural entities	No. of established agricultural entities	Quarterly reports by the LED Section	0	-	01	-	02	Strategic Planning Manager
			Encourage livestock farming	No. of established livestock farms	Quarterly reports by the LED Section	0	-	01	-	02	Strategic Planning Manager
	Tourism	To increase the number of visitors in the area by 10% in 2007	Audit number of tourists visiting the area	Audit report or database	Quarterly reports by the LED Section	0	-	01	-	-	Strategic Planning Manager
			Develop existing tourist nodes	No. of nodes established	Quarterly reports by the LED Section	0	01	02	-	03	Strategic Planning Manager

			Establish local & community tourism organization to drive tourism projects	No. of CTO's established	Quarterly reports by the LED Section	1	-	02	03	04	Strategic Planning Manager
			Facilitate the establishment of Bed & Breakfasts in rural areas	No. of B&B's established	Quarterly reports by the LED Section	0	-	01	-	02	Strategic Planning Manager
Perspective	Priority Area	Objectives	Strategies	Indicator	Measurement Source & Frequency	Baseline	Sept 30	Dec 31	March 31	June 30	Accountable Officer
Development	SMME Development	To reduce percentage household living in poverty line by establishing & encouraging formation of macro economic entities by 10% in 2007	Design projects to create local employment	No. of jobs created	Quarterly reports by the LED Section	50	51	52	53	55	Strategic Planning Manager
			Review Council policies & by laws to promote local business	No. of reviewed policies & by laws	Quarterly reports by Human Resource Department	1	1	1	2	2	Strategic Planning Manager
			Form linkages with funding agencies & government departments to assist in developing community projects	Partnerships developed		0	0	1	1	1	Strategic Planning Manager
	Environment	To protect, manage & unlock greater potential of the Nkonkobe natural environment by increasing the no. of awareness campaign to 100% by 2007	Promote Eco-Tourism	Awareness Campaign	No. of awareness campaigns undertaken	01	01	02	02	03	Strategic Planning Manager
Primary Health	To facilitate the provision of adequate access to quality health services	Improve access to primary health care	No. of new health centres	Quarterly reports from health department	34 clinics	-	-	-	35	Community Services Manager	
		Training of communities on home based care	No. of people trained	Quarterly training report by health department	35	-	-	-	35	Community Services Manager	

			Identify high risk areas, disease surveillance programmes, embark on awareness campaigns	No. of patients diagnosed for communicable disease	Hospital and Clinics Report	900	910	920	930	940	Community Services Manager
Perspective	Priority Area	Objectives	Strategies	Indicator	Measurement Source & Frequency	Baseline	Sept 30	Dec 31	March 31	June 30	Accountable Officer
	Safety & Security	To facilitate the drop of crime rate	To facilitate the establishment of CPF at ward level	No. of CPF established	Quarterly Reports from CPF & SAPS	11	-	-	-	21	Community Services Manager
			Ensure visibility & work of safety & security officials by installing a new culture of good work ethics	No. of visible safety & security officials	Quarterly reports	28	-	-	-	30	Community Services Manager
			Facilitate community safety forums	Community safety forums established	Quarterly reports	1	-	-	15	21	Community Services Manager
			Facilitate provision of satellite police stations in remote areas	Deployment of satellite units & managing units	Quarterly reports	0	-	01	-	02	Community Services Manager
	Parks & Recreation	To increase and improve the number of parks and recreation centres.	Identify and establish parks, recreation and gardens.	Total no. of parks identified	Quarterly Reports	2	-	3	-	-	Community Services Manager
			Beautify our Towns	No. of gardens established	Quarterly Reports	3	-	-	-	4	Community Services Manager
			Promote Clean, green and healthy environment	No. of trees planted	Annual Reports	300	340	380	390	395	Community Services Manager
Cleansing	To promote & manage cleanliness of the Municipality	Engage communities in cleaning campaigns	No. of cleaning campaigns held & volunteers engaged	Quarterly Reports	03	04	-	-	05	Community Services Manager	
		Installing refuse bins	No. of refuse bins installed	Monthly Reports	200	220	260	280	300	Community Services Manager	

	Refuse Removal & Solid Waste Disposal	To ensure that refuse are removed to create clean and healthy environment for inhabitants of the Municipality	Ensure that refuse & waste are removed and disposed on all Nkonkobe Municipal urban households	No. of refuse loads that are collected and dumped	Monthly Reports	500	750	900	1000	1300	Community Services Manager	
Perspective	Priority Area	Objectives	Strategies	Indicator	Measurement Source & Frequency	Baseline	Sept 30	Dec 31	March 31	June 30	Accountable Officer	
	Sport, Arts & Culture	To enhance participation of all Nkonkobe Residents in Sport, Culture and Learning by 40% in 2007	To maintain sport facilities	No. of sports facilities established and maintained	Quarterly Reports	01	02	03	-	04	Community Services Manager	
			Facilitate establishment of libraries	No. of libraries established	Quarterly Reports	04	-	-	-	-	Community Services Manager	
			To encourage participation of all sporting codes through Mayor's Cup competition	No. of sporting codes participated	Annual Report	05	-	-	-	06	Community Services Manager	
	Disaster Management & Fire Fighting	To co-ordinate and manage local disaster that occur or might occur within the Nkonkobe Municipal Area	Conduct awareness programmes	No. of awareness campaigns conducted	Quarterly Reports	01	-	02	-	03	Community Services Manager	
			To facilitate risk and vulnerability assessment	No. of risk and vulnerability assessment done	Monthly Report	01	-	-	-	-	Community Services Manager	
			Reconstruct and repair damaged houses with available funds (backlog damaged houses)	% of available funds utilized	Quarterly Report	50%	55%	60%	60%	70%	Community Services Manager	
			Facilitate Disaster Management Forum meetings	No. of meeting held	Quarterly Report	0	01	02	03	04	Community Services Manager	
				Recruit, train volunteers on disaster management	No. of volunteers recruited and trained	Quarterly Report	20	-	-	-	-	Community Services Manager
				Recruit, train volunteers on Fire Fighting	No. of volunteers recruited and trained	Quarterly Reports	20	-	-	-	-	Community Services Manager
				Facilitate the establishment of veld and forest fire association	No. of associations established	Quarterly Reports	0	01	0	0	0	Community Services Manager

ANNEXURE 02

Nkonkobe Municipality			
Schedule of Grant Income			
Year Ended 30 June 2007			
Date	Details	Purpose	Amount
Income Statement			32,368,959.29
Equitable Share			29,592,027.00
2006/07/07	July - September		9,865,982.00
2006/11/06	October - December		7,398,007.00
2006/02/13	January - March		12,328,038.00
Grant Received: Finance Manager			192,498.00
2006/07/27	BASDPG NAT:LOCAL000019672		150,000.00
2007/05/18	UMSOBOMVU		42,498.00
Grant Received: Health & Environment			2,043,030.00
2006/09/06	BASBHW EC:HEALTH000166043		650,055.00
2007/01/10	BASBHW EC:HEALTH000190844		464,325.00
2007/02/07	BASBHW EC:HEALTH000193925		464,325.00
2007/04/18	BASBHW EC:HEALTH000208563		464,325.00
Grant Received - ADM			541,404.29
2006/07/05	CASHFOCUS AMATOLE DISTRIC		5,200.00
2006/07/11	CASHFOCUS AMATOLE DISTRIC		35,200.00
2006/08/28	CASHFOCUS AMATOLE DISTRIC		2,548.00
2006/11/10	CASHFOCUS AMATOLE DISTRIC		47,780.00
2006/12/04	CASHFOCUS AMATOLE DISTRIC		20,700.00
2006/12/20	CASHFOCUS AMATOLE DISTRIC		20,800.00
2007/01/25	CASHFOCUS AMATOLE DISTRIC		20,000.00
2007/01/26	CASHFOCUS AMATOLE DISTRIC		18,700.00
2007/02/26	CASHFOCUS AMATOLE DISTRIC		18,000.00
2007/03/02	CASHFOCUS AMATOLE DISTRIC		700.00
2007/03/06	CASHFOCUS AMATOLE DISTRIC		30,703.00
2007/03/06	CASHFOCUS AMATOLE DISTRIC		592,447.50
2007/03/29	CASHFOCUS AMATOLE DISTRIC		18,400.00
2007/04/02	CASHFOCUS AMATOLE DISTRIC		700.00
2007/04/10	CASHFOCUS AMATOLE DISTRIC		17,600.00
2007/04/10	CASHFOCUS AMATOLE DISTRIC		197,485.50
2007/05/02	CASHFOCUS AMATOLE DISTRIC		700.00
2007/05/28	CASHFOCUS AMATOLE DISTRIC		15,840.00
2007/05/28	CASHFOCUS AMATOLE DISTRIC		19,360.00
2007/06/01	CASHFOCUS AMATOLE DISTRIC		700.00
2007/06/11	CASHFOCUS AMATOLE DISTRIC		8,000.00
2007/06/30	Reallocation of recoverable expenditure		(546,804.68)
2007/06/30	Reallocation of ADM salary bridging		(3,355.03)

Date	Project	Received from	Amount
Housing Projects			19,178,204.31
2006/07/26	Alice Golf Area 1111	EC Depart. Of Housing	2,114,568.90
2006/07/10	Erhoxeni Peoples Housing Project	Internet Transfer Housing	536,301.00
2006/07/01	Fort Beaufort Golf Area - 1177	EC Depart. Of Housing	2,227,830.00
2006/10/06	Fort Beaufort Golf Area - 1177	EC Depart. Of Housing	2,068,243.00
2006/11/30	Fort Beaufort Golf Area - 1177	EC Depart. Of Housing	101,578.69
			4,397,651.69
2006/07/10	Kwankobonkobo Peoples Housing Project	Internet Transfer Housing	3,289,901.68
2006/07/28	MIG Funding	Int Trf Basdg MIG 21/07/06	670,000.00
2006/07/28	MIG Funding	Int Trf Basdg MIG 26/06/06	560,780.00
2007/03/26	MIG Funding	Int Trf Basdg MIG March 07 - Fnt03	5,492,816.72
			6,723,596.72
2006/11/30	Mpolweni Housing Development (2)	EC Depart. Of Housing	351,594.00
2006/11/30	Seymour Ext 6 - 465	EC Depart. Of Housing	12,300.52
2007/03/01	Development - Money Market 62085681594	Magtape Credit - Dev 101165	102,289.80
2007/10/25	Umsobomvu & FMG Trust Fund/M Market New	TRF Umsobomvu	150,000.00
2007/11/15	Umsobomvu & FMG Trust Fund/M Market New	BASDNT - TRF FMG (Interns)	750,000.00
2007/11/15	Umsobomvu & FMG Trust Fund/M Market New	BASBHA EC House MSIG (AFS,IT,PMU)	750,000.00
			1,650,000.00