



**O.R. TAMBO
DISTRICT MUNICIPALITY**

2006/2007 ANNUAL REPORT

FOREWORD BY THE EXECUTIVE MAYOR



Thirteen years into our new democracy, into the second term of democratic local government, the people of O.R Tambo pride themselves with the increasing level of understanding of participatory development and their fundamental rights to better life and dignity as enshrined in the Constitution of the Republic of South Africa. The O.R Tambo District Municipality together with its development agency has indeed, *(through the active participation of organised structures representing the greater civil society in this region, the provincial and national government sector departments as well as the private sector)*, taken significant strides in the 2006/2007 financial year towards achieving its mandate as outlined in the various pieces of legislation governing the local sphere of government as well as the integrated development plan (IDP).

This report is therefore an account of the joint, concerted efforts by O.R Tambo district municipality together with its stakeholders, the community and the local municipalities. During the financial year in question, the O.R Tambo District Municipality facilitated, participated and or hosted a number of events that were all significant in achieving the development agenda for this region. To mention just a few will be the following:

- ❖ The district wide IDP alignment session that included all the seven local

municipalities in the O.R Tambo district. The session was meant to craft strategies and processes to be followed by all towards practically aligning processes, programmes and projects in the district. It was in this session that the municipalities of O.R Tambo unanimously agreed amongst others, on the need to develop a long term strategic development framework for growth as well as facilitation of multi-stakeholder partnerships for growth and development.

- ❖ The O.R Tambo District Municipality Water Summit that was held with a theme “Partnership towards a sustainable and qualitative provision of water services for socio-economic development”. The summit focused on at least for areas that included:

1. ***Strengthening cooperative governance, community participation and stakeholder involvement in the delivery of water services.*** To this a number of resolutions were reached at including that of developing a strategy to strengthen IGR policy and community participation to improve communication in the implementation of water services.
2. ***Developing a district strategic framework for the delivery of quality and sustainable water services.*** That led to resolutions including the implementation of the water service master plan and ensuring that councillors play a key role in terms of communication, evaluation of

performance and community needs particularly for rural schemes.

3. ***Developing a WSA/WSP arrangement model for the provision of sustainable water services.***

Resolutions taken included that of undertaking a new section 78 assessment for water service provision and developing a phased plan to transfer water services provision back to the local municipalities.

4. ***Accelerating water services delivery as a vehicle for local economic development.***

To this a resolution was taken to develop a plan to empower women via commercial activities, linked to water provision and also crafting a plan to optimise the role of the district municipality in the planned Umzimvubu catchment project.

❖ The District Growth and Development Summit (DGDS), which was held with a theme “ Strengthening development partnerships for local economic growth and sustainable job creation towards 2014” The objectives of which were as follows:

- To reach broad agreement on a growth and development plan for the District, including identification of areas of priority and areas of potential in the short- medium- and long term.
- Ensure that there is sustainable and shared growth, reduction of poverty and job creation and retention in the District.
- To obtain commitments from development partners on their contribution to this growth and development plan.
- Strengthen the strategic direction of the district IDP to ensure implementation of the district growth and development plan.
- Ensure alignment with the National Industrial Development Plan, the

Regional Industrial Development Strategy, the LED guidelines, the PGDP and the emerging provincial industrial framework.

- To develop a common platform from which to lobby for investment and support from provincial and national government, their agencies, and the private sector.

Participation in this summit included the national, provincial and local government and related agencies, traditional leaders, civil society, organised business, trade unions, institutions of higher learning, etc, who all committed to the realisation of targets set for sustainable job creation and economic growth in this region by the year 2014. Clear targets were set and commitments made with regards to the following areas:

Housing, water, sanitation, electricity, roads and transport provision, sport infrastructure towards 2010 world cup, EPWP, land and spatial planning, environmental management, Kei development corridor, business processing and outsourcing (BPO), unlocking tourism potential in the region, Umzimvubu catchment, forestry and timber industries, agrarian transformation, agri-business, marine and aqua resources, investment and economic development, entrepreneurship development, sustainable villages programme, cooperatives development, business development, local procurement, universal education and skills upgrading, integrating and mainstreaming HIV/AIDS, safety and security, research, M&E, strengthening IDP and public participation and addressing human resource challenges in the public service



The post summit commitments by the signatories included that of integrating the vision, principles and commitment contained in this agreement into strategic and operational planning and practice at all levels.

- ❖ During this year the ORTDM also hosted a very successful Women's Summit, which led to the drafting of a gender policy, the crafting of a plan of action for women and elderly as well as the launch of the Rural Women's Movement. The DM has also facilitated and assisted the registration of the Rural women's movement as a cooperative. At least 25 rural women were equipped with business skills and more equipped with farming and sowing skills.
- ❖ Another intervention was made on street children, where we managed to mobilize for their location at places of safety and even re-united some with their families. A process of establishing a drop-in centre at Mbizana is underway with the support of UNICEF.
- ❖ A back-to-school outreach was implemented to reach out to orphans and

vulnerable children and assist them with school uniforms and learning aids.

- ❖ With regards to destitute families and child headed homes, the ORTDM jointly with the departments of social development and home affairs, have assisted a significant number of these to access government pension and foster care grants.
- ❖ The Soup kitchen implemented at Ngangelizwe is currently benefiting not less than 500 people
- ❖ The ORTDM is providing at least 5 students per Local municipality with financial assistance for tertiary education
- ❖ The council of O.R.TDM resolved to convert the Ntinga O.R Tambo Development Agency from being a section 21 company into service utility as guided by the Local Government Municipal Systems Act 32 of 2000. To this effect the Eastern Cape provincial gazette of 22/09/2006 promulgated the O.R Tambo District municipal by-law. We are also in a process of ensuring that the purpose of establishing this entity is maximised, the report of which is also contained in this document.

My sincere gratitude for the opportunity to serve you.

Mrs. Zoleka Capa
Executive Mayor



EXECUTIVE SUMMARY

The vision and mission statements of O.R Tambo in consideration of the pressing needs within the organization and the community at large clearly directed the council to establish a number of development priorities. To ensure appropriate management and implementation, the district priorities are further clustered into at least five (5) district priority clusters (in line with the key performance areas of local government and credible IDP framework) as follows:-

❖ Service Delivery And Infrastructure

The O.R Tambo district municipality has taken massive strides in advancing the delivery of basic services to its communities; however the challenge is still huge when considering the huge backlogs as against the targets that are set nationally for addressing them. There are also huge maintenance challenges that need to be addressed within the municipal area. Most of the current water and sanitation infrastructure is not adequately maintained, which is why at times they do not function properly, hence refurbishment and maintenance is yet another priority in this regard.

The cluster is mainly focused on ensuring that the backlogs are addressed timeously and also that all issues of planning and compliance with relevant legislation are addressed. The strategic manager for Infrastructure and Services is the administration/ technical driver for the cluster and the political oversight rests with the standing committee for Human Settlement and Infrastructure.

Water and Sanitation

The District Municipality as a Water Services Authority, according to the Water Services Act (Section 13) i required to prepare a Water Services Development Plan (WSDP). The first (WSDP) for the O.R Tambo DM was approved June 2003 with the assistance of Department of Water Affairs and Forestry (DWAF), and has been reviewed every year, even this year the council approved the reviewed WSDP as planned.

Out of the 10 urban areas within the seven municipalities only 4 are either fully or partially served by waterborne sanitation systems. The rural areas generally depend on informal pit latrine toilets where at least 91.4% of the population has no formal sanitation services. This constitutes approximately 262 450 households in the district. The DM targeted to provide 20 000 households with potable water and 15000



households with sanitation. These targets have been achieved with great success at least more than 22 000 h/h were supplied with water and more than 30 000 with sanitation.

On the eradication of bucket system, a target to eradicate at least 80% of the 656 buckets by June 2007 was achieved and the remaining 69 buckets to be completed by December.

The O.RTDM targeted to refurbish at least 50% of DWAF schemes, of which the actual performance exceeded the target by at least 10% more than planned. Although the refurbishment funding was only paid in May 2007, O.R Tambo DM budget including Drought relief funding were utilized to refurbish some of the DWAF schemes. And therefore 60% of all the transferred schemes were functional by end of the financial year. The DM did not have a registered professional person in evaluation and approval of design reports submitted and DBSA has seconded 2 professionals in assisting the municipality in evaluation of designs in the Siyenzamanje project

Free Basic Water

The O.R Tambo District Municipality has a free basic water services policy that was approved by Council 15 December 2005 and is currently compiling an indigent register and as such at least 250 households have been registered at KSD and 80 from Nyandeni, Ntabankulu and Port St Johns. Since the indigent register is not yet complete, we are providing free basic water to all communities that have access. The situations in ten towns differ from one town to another, where there are meters communities are getting 6kl per month for free and in towns that do not have meters communities are paying for the services not consumption. In the rural areas, communities are now getting free water. Currently, 175 195 household are receiving portable water and 23 799 are billed for water consumption, meaning that 151 396 households are receiving free water.

Free Basic Energy Provision

Regarding free basic energy, consultations with the stakeholders are underway in municipalities towards the development of policies thereof. Various sources of electricity have been identified to be the grid, solar energy and gel. So far the public participation processes conducted in this regard indicated that communities are not interested in the alternative sources of energy, they are only interested in the Eskom grid.

ROADS

According to the Demarcation board with regards to roads, the powers and functions are not clear especially with the responsibilities. So far the Minister or the MEC has not devolved the powers down to the municipality. However, that has not hindered the delivery of this service to the communities. Previously 23% of CMIP was allocated to roads construction, but after the DM becomes water services authority (WSA), only 10% of MIG was allocated to this function. At the end of 04/05 financial year, the DM has constructed 2 076.17km. In the 05/06 the DM targeted to construct 500km of access road, however, due to migration to MIG, some of the LM becomes a receiving municipality. This has affected the km's that were targeted by the DM and only 368.70km was constructed in that financial year.

During the District Growth and Development Summit (DGDS) the stakeholders have agreed that the DM should concentrate on the construction and maintenance of access roads that are lead to strategic (nodal areas). In this current financial year the DM targeted to construct 150km, at least 57km were constructed due to late approval of business plans.

HOUSING, LAND AND SPATIAL PLANNING

❖ Land and Spatial Planning

The district recognizes that to unlock value in forestry, agriculture, housing, and ensure social cohesion requires that land and spatial planning is improved. Critical land related issues that require attention include the following:

- Resolution of land claims
- Improvement in land use planning
- Ensuring security of land tenure
- Availing land for development

To achieve this requires the commitment of all stakeholders (government, municipalities, traditional leaders and communities) in ensuring that any resolution of land related issues contributes to sustainable development.

Coordinating and improving the quality of spatial planning in line with the national guidelines is one of the challenges that the district faces has committed to ensuring that such are solved and as such a workshop was conducted on the national and provincial legislation relevant to land use planning, development and management. To this at least 10 general plans and layout plans were developed as against the 12 targeted. Delays have



been experienced due to clarity issues relating to specifically survey processes to be followed in terms of rural housing policy, non payment of SPs and terrain of the said areas.

Regarding housing development, a target of 800 rural housing units was exceeded by more than 300 more units built. The following success stories are the highlight of the efforts put together by this municipality to better the lives of the communities:

- Innovation by the District to build a bigger house acceptable to communities (40 ²m – Policy Requirement).
- Innovation by the District to have different building plan (e.g. six cornered house).
- Used our limited resources to capacitate and train builders.
- Capacitated emerging material suppliers – through their involvement in the projects they have managed to increase their capacity through staff, equipment and production by 50% and more.
- Approach of providing a home rather than a house – material suppliers have donated with vegetable seeds to the projects and Department of Water affairs and Forestry is engaged in planting of trees in one of the projects.

❖ Environment and management

The responsibility for sound Environmental Management is increasingly resting on Municipalities, hence the responsibility for ensuring compliance of its own operations and other developments within their areas of jurisdiction. However concern is arises with lack of capacity, policies and systems to exercise these responsibilities. The DM committed to build its internal capacity to perform this function effectively.

❖ Health and Social Development

There is a positive relationship between the health of a community and productivity of the economy. Building on the successes achieved in ensuring that the majority of people continue to enjoy access to health is one of the areas of focus. The scourge of HIV/AIDS and other opportunistic diseases which continue to engulf all communities, in particular the poor and women is a challenge that the district seeks to confront. Poverty remains one of the major challenges confronting the DM and addressing it requires a holistic and integrated approach that involves all government departments, municipalities and development agencies. Through deliberate social department programmes the district will ensure that the plight of the poor and most vulnerable is addressed.



Local Economic Development

This cluster mainly focuses on ensuring that the district vision and mission with regards to economic development, financial viability and sustainability becomes a reality. The issues of sustainable job creation, revenue generation and enhancement become central in this regard. Coupled to such are sound financial management systems and adherence to controls and ensuring that the supply chain management enhances the development of local entrepreneurship and local economy.

- ❖ The local economic and financial viability clusters are both administratively driven by the strategic manager for planning and socio-economic affairs. The standing committee for finance and economic development is responsible for the political oversight.
- ❖ The Ntinga O.R Tambo development agency has been established with a sole mandate to spearhead the implementation of sustainable economic development and a such most of the economic development programmes of the DM are implemented through the agency. The council resolved to converting the agency from a section 21 company to a municipal service utility/ entity. To this effect the Eastern Cape provincial gazette of 22/09/2006 promulgated the O.R Tambo District municipal by-law.

The economy of the O.R Tambo district hinges around the following four key economic drivers: -

- ❖ **Agriculture**

The agricultural potential in the ORTD area remains largely untapped. Although subsistence farming - essentially maize and stock – is fairly general throughout the area, practices remain less than effective in relation to the potential. With plans for new dams and associated water supply systems, there may be opportunities for commercial scale irrigated agriculture projects. The communal tenure system results in issues that require creative management approaches and in this respect fencing of arable land may represent improvement. Access to rural areas and capacity of agricultural support systems to reach these areas remains an issue requiring special effort. Other challenges include access to R&D in technology, business support and markets. A more structured approach to agricultural support through collaboration of role players is required.

- ❖ **Tourism**

The unspoilt natural resources along the Wild Coast, culture and historic heritage that puts the district in the international map are some of the strategic assets that the district possesses. Creating a competitive advantage in tourism is the challenge that



the district faces and as such the ORTDM committed to addressing bottlenecks to tourism development such as branding, infrastructure and institutional capacity. In the current financial year the council approved tourism planning framework and marketing strategy.

Forestry

Existing forestry plantations in the Eastern Cape cover 176 000 ha, a large proportion of which is located in the ORTDM. Of the 100 000 ha considered possible for new Afforestation in the Province, around half of this is within the ORTDM area. The ORTDM committed to supporting forestry development initiatives. These include awareness creation and acceptability of forestry as a legitimate land use, facilitating and supporting downstream participation by local SMMEs, facilitating collaboration of key stakeholders for mutual benefit and for the benefit of the sector and economy as a whole.

- The district Municipality, together with DTI, the provincial government, ECSECC and ECDC is currently facilitating the establishment of a Furniture Incubator in Mthatha to take advantage of the abundant timber and forests that is there in the district.
- The Timber processing industry has a potential of providing more that 1000 jobs during new afforestation and saw milling. This is an area that we have not even begun to exploit and the district through the Langeni Development node programme is seriously engaged in processes that are aimed at exploiting the potential that afforestation has in the district.

Marine and Aquaculture

With the Wild Coast presenting extensive opportunities for people to participate in marine harvesting activities, it is the challenge of all spheres of government to ensure that local people are able to participate equitably and to ensure that harvesting is carried out at levels that are sustainable. In this respect there is a need for improved data, greater awareness amongst stakeholders and roleplayers, and improved controls.

Trade, Manufacturing and Investment Promotion

Trade is the second largest contributor to the district's Gross Value Added (GVA) and has over the past 10 years experienced positive growth rates which have been accompanied by positive net job gains. Informal trade has also played a very significant role over the same period, growing by more than 100% in size. Manufacturing on the other hand has experienced significant declines and stagnation and has contributed to the general decline in the ability of the district to create and



absorb jobs. Both sectors are of strategic importance to the district and will be supported in a manner that ensures sustainable jobs are created.

To achieve this, the district committed to facilitating efforts aimed at mobilising investments with a particular focus on value adding investment opportunities. To this end the district will ensure that constraints to investments such as infrastructure, land availability and incentives are addressed by amongst others, ensuring strong alignment and integration with the emerging Regional Industrial Development Strategy.

SMME Support and Cooperatives Development

The ORTDM committed to creating awareness and providing assistance to co-operatives and as such at least 18 staff members received training on SMME development and also a draft SMME master plan was completed. With regard to cooperatives development, the focus has been on awareness creation and conducting a baseline study that will inform a strategy thereof.

Anglo Platinum in partnership with the District Municipality is establishing a Businesses Linkages and Advice Centre to support small business development in the district. This is in line with the resolutions of the District Growth and Development Summit held earlier this year.

LIVESTOCK IMPROVEMENT

Livestock farming within the OR Tambo District Municipality is by far the biggest livestock farming practice in communal farming in the whole country, 631 674 cattle, 732 478 goats and 1 225 244 sheep.

- The livestock improvement programme seeks to address the fact that livestock in the district is of poor quality and also that rural communities (subsistence farmers) are reluctant to market their livestock. In this programme 30 Bulls and 25 Rams and Bucks of various breeds have been purchased as part of the livestock development programme. Farmers also get assistance in training in animal husbandry, animal health and livestock marketing. Wool growers are also assisted in transporting their wool to the market in Port Elizabeth.
- The “Heifer Exchange” programme, enables farmers to exchange their older stock for young heifers and it also co-operates with Umzikantu Abattoir. The District Municipality has purchased more than 68 heifers and through breeding has produced an additional 50 heifers as part of the heifer exchange programme.
- The livestock branding programme in partnership with the stock theft unit of SAPS and the Department of Agriculture serves to combat stock theft, as well as making



livestock marketable. The ORTDM made a fund available and equipment of all types of livestock marking/ branding has been purchased.

GRAIN CROP PRODUCTION(Maize, beans and sorghum)

This has been an effective method to revive farming activity through Primary Agriculture Resuscitation Programme (PARP). The programme succeeded through assisting rural communities with the provision of production inputs and soil preparation. There has been a considerable success to the extent that maize was marketed outside the district. The programme has now improved to a situation where the farmers contribute 50% towards production costs.

VEGETABLE PRODUCTION

The “Green Valleys” programme whose aim is to ensure use of natural resources along the rivers of OR Tambo District. At present, 11 irrigation schemes are operating, ranging between 10 and 50 hectares. The projects have been assisted with the installation of irrigation equipment, fencing, provision of inputs, soil preparation and technical support.

HIGH VALUE CROPS

- ❖ The ORTDM also piloted cotton production on two sites (Mqhume and Maliwa) in the Qaukeni Local Municipality. The trials were very successful. It is estimated that the 40 Hactares planted for the trial will yield more than 85 tons of cotton. As a result cotton production will be on a large scale in the next season, and will be in partnership with *DaGama*, Cotton SA and Monsanto.
- ❖ The Department of Agriculture initiated canola production in the district and the District Municipality through Ntinga committed to be part of the programme.

SUSTAINABLE VILLAGES PROJECT

The District Municipality committed to improving the lives of the majority of the people of O.R Tambo, the majority of whom reside in sprawling villages across the District. The sustainable villages project is aimed at the following:

- Improving the economic structure in the villages
- Provide employment opportunities for the youth in the villages
- Initiate programmes that are aimed at preserving the local culture and heritage
- Initiate programmes that are aimed at promoting tourism



Financial Viability and Management

The mission of the O.R Tambo District Municipality is to create an economically viable municipality; hence the aspect of financial viability becomes a central point of focus and as such has sustained its support to the LMs is this area as well.

➤ Revenue and Expenditure

A district wide expenditure pattern covering all municipalities within O.R Tambo DM is summarized as follows: -

- Personnel costs to total operating expenditure are at 49%. These are very high considering that National Treasury has put a limit of between 30% to 35% on average;
 - Only 4% is allocated to operations and maintenance costs. Considering that 52% of total expenditure is spent on Capital Expenditure (Housing; Water and Sanitation Projects
- Revenue from grants constitutes 72% of our total revenue whereas our own revenue streams constitute only 22%. The entire District relies heavily on Grants from the National and Provincial Spheres of Government.
- Approximately 70% of households from the district are indigent and cannot afford to pay for their services (Rates; Refuse; Electricity; Water and Sanitation) which makes it difficult to maximize revenue collections.

➤ Revenue Enhancement

In the light of the fact that about 70% of households in this district is indigent, municipalities have a challenge of identifying other innovative strategies to enhance revenue additional to their normal services. The district growth and development strategy and summit agreements contributed a lot in ensuring that partners commit to concrete strategies and programmes in this regard.

Good Governance and Public Participation

The demand for sound and accountable leadership as well as transparent governance and effective public participation has always been expressed more especially in the local government sphere. This cluster will mainly focus on such issues across municipality and ensure that their internal regulatory framework and by-laws and anti-corruption strategies are in place as required and more importantly compliance with chapter 4 of the Municipal Systems Act 22 of 2000 regarding the participation of a broader O.R Tambo community into the affairs of the municipality. The cluster is driven by the strategic director for corporate affairs and politically championed by the standing committee responsible for Community liaison, research and Heritage. Focus is mainly on ensuring the following:-



- Transparency and accountability
- Effective functioning of the IGR forum
- Community based planning
- Promotion of consultative and sound relations with organised labour
- Promotion of batho pele principles

Institutional Transformation and Development

Mainly focuses on ensuring that the institution is not lagging behind in terms of transformation issues and compliance particularly with relevant legislation. This cluster is administratively driven by the strategic manager for corporate affairs and the political oversight role is through the standing committee for Human Resources and Social Development. The focus on this priority is on improving on the following:-

- Workplace and Community Skills Development
 - Institutional Systems And Structures
 - Performance Management System
 - Employment Equity Planning
 - Sound Labour Relations & COS
 - Organisational Development & Transformation/Change Management
-
- ❖ The ORTDM approved its reviewed workplace skills plan and trained staff on a number of relevant skills including project management, HR management systems, etc.
 - ❖ The job evaluation process is also implemented and towards completion
 - ❖ The council also approved its policy on performance management system.

IMPROVING LITERACY IN THE DISTRICT

The District Municipality in its efforts to reduce the levels of illiteracy, has partnered with the National Skills Fund and the Mining Qualifications Authority (MQA) to fund a ABET programme for adult members of the community in Mbizana, Ingquza Hill and Ntabankulu in the past two years. So far 1010 (One Thousand and Ten) community members have been trained and have passed examination. More members of the community are going to be trained in following financial year.



VISION, MISSION AND GOALS

VISION: Attaining a developmental Municipality, responsive to social aspirations for an economically vibrant, healthy and sustainable community.

MISSION: To create an economically viable municipality through optimum utilisation of available resources, to provide efficient and effective service delivery, adequate access to land, security of tenure, housing, social well-being and effective skills development aimed at promoting a self sustaining healthy community.

DEVELOPMENT GOALS:

1. Providing adequate and accessible infrastructure
2. Promoting economic growth and creating sustainable economic activity through rationalized programmes, within the limits of available natural resource base.
3. Promoting sustainable community livelihoods
4. Improving the institutional systems and overall capacity.

District Priority Clusters

1. Municipal Transformation and organisational development
2. Good governance and public participation
3. Financial Viability and Management
4. Local Economic Development
5. Basic Services and Infrastructure



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CHAPTER 1: OVERVIEW OF THE MUNICIPALITY

1. Demographics and Baseline information

1.1 Location

The O R Tambo District Municipality (ORTDM) is situated in the north eastern part of the Eastern Cape Province. The district incorporates large portions of the former Transkei homeland, and covering both inland and coastal areas.

1.2 Population

The ORTDM has a population of 1.7 million and covers an area of 16,617 square km². There are seven local municipalities (King Sabata Dalindyebo (KSD), Mhlontlo, Qaukeni, Mbizana, Ntabankulu, Port St Johns, and Nyandeni) within the district's boundary. KSD looks after the urban area of Mthatha while the other six municipalities are located in rural areas.

1.3 Socio-Economic Characteristics

The district contains 24% of the Eastern Cape's population and has a population density of 91 persons per square kilometre. This varies widely across municipalities, from 48 in Ntabankulu to 208 in Nyandeni.

In ORTDM over 75% of the people live below the minimum poverty level. The highest concentrations of people living in poverty are found in Flagstaff 85.3%, Mqanduli 84.5%, Port St Johns 83.6%, and Ntabankulu 83.2%.

The Human Development Index (HDI) is a reliable indicator of development. It is measured by life expectancy, literacy, and income.

The HDI for the district indicates huge levels of underdevelopment, and nowhere does the HDI exceed, or even meet, the average of 0.56 for the Eastern Cape Province. Mthatha, as the main urban centre, has the most favourable HDI of 0.54, followed by Tsolo and Qumbu with 0.46. The HDI for some towns is very low: Mqanduli scores 0.36, Flagstaff 0.38, and Lusikisiki 0.39.

Household incomes are low with 67% of households having an income level in the lowest category of R0 - R6,000 per annum; only 5% of households have an income above R42,000 per annum.

The household income distribution is as follows:

R0 – 6,000	67%
R6001 – 18,000	21%
R18,001 – 42,000	6.4%
R42,001 – 72,000	2.8%
Above R72,000	2.5%

Education levels are generally low. Only 13% of the district's population have matriculated or have above matriculation qualifications. At least 8% have no formal schooling. A comparison of the levels of education across the municipalities points to strong links between low household incomes, high unemployment and low human development index.

Unemployment in the district is 77% and this increases in certain rural areas to almost 90%. The following provides an analysis of unemployment in the district.

Municipality	Unemployment Percentage	Rate	Unemployed Persons
Mbizana	75.6		23,786
Ntabankulu	88.9		18,327
Qaukeni – Flagstaff	89.0		16,058
Qaukeni – Lusikisiki	79.5		36,951
Port St Johns	78.6		9,570
Nyandeni – Libode	75.6		18,447
Nyandeni – Ngqeleni	76.9		17,739
Mhlontlo – Tsolo	72.0		13,749
Mhlontlo – Qumbu	73.4		12,902
KSD – Mquanduli	87.7		16,260
KSD – Mthatha	46.7		34,687

The key sectors in the district as defined by their contribution to GDP include the public service sector 59.6%, business 7%, retail 6%, wholesale 18%, financial 3%, tourism 2%, and insurance 1.6%.

Approximately 18% of the economically active population is employed informally with wholesale providing 57% of these informal jobs.

The dominance of the public sector in the region's economy reveals the limited production base of the area. Mthatha represents the most significant economic development and employment node within the district.

1.4 Spatial and Land Use

There are distinctive differences in the spatial patterns of development (i.e. settlement patterns) in the district.

The urban area of Mthatha dominates the district urban settlement pattern. Apart from this dominant urban centre, the district is characterised by a number of smaller towns (some of which function as sub-regional service centres), small coastal resort towns, communal land areas where dispersed rural settlements are the dominant pattern, and areas where agriculture and livestock farming are the main activities.

1.5 Infrastructure

Massive backlogs in infrastructure have been inherited and constitute a significant service delivery challenge within the O R Tambo District Municipality. These include but are not limited to:

1.6 Water

Approximately 57% of people living within the district do not have access to an RDP level of service (25 litres per person per day, within a maximum of 200m walking distance). Of the 57% mentioned above, 152,822 households (approximately 809,000 people) are located in the rural areas of the district.

1.7 Sanitation

Approximately 62% of the population do not have an adequate level of sanitation (at least a VIP or equivalent). Of the 62% mentioned above, 172,582 households (approximately 914,000 people) are located in the rural areas of the district.

1.8 Electricity

The electricity function lies with Eskom, however there are two local municipalities, King Sabata Dalindyebo and Mbizana, who are responsible for the supply of electricity in their towns. Only 9% of the district's households receive electricity from their local authorities, for example 21% in KSD. More than 60% of the population use candles, and more so in Ntabankulu (90%), Ingquza (82%), Mbizana (79%), Mhlontlo (74%), and Port St Johns (62%). Some 27% of people in the district use paraffin.

1.9 Roads

Since the formation of the district municipality in 2000 the municipality has constructed 472 roads totalling 2076 km at a cost of approximately R290 million. A budget of R166 million is required to bring these roads up to TRH standards.

1.10 Telecommunications

Only 2% of households in the district have telephones in their homes, and the figure rises to a mere 7% in KSD. Some 12% of the population has access to public telephones, but the majority (76%) have no access to phones at all. This lack of communications takes its toll by isolating the district's population and limiting their economic interaction with others. In view of the above stated backlogs, it is imperative that the provision of basic services to disadvantaged communities is accelerated.

1.11 HUMAN RESOURCES AND OTHER INSTITUTIONAL MATTERS

Structurally, the O.R Tambo District Municipality is an executive mayoral type, consisted of the Political and administrative structure.

1.11.1 Political Structure

Councillors in the O.R Tambo district Municipality

	TOTAL NO. OF CLLRS	PARTIME CLLRS	FULL TIME CLLRS	NUMBER OF FEMALE CLLRS	Number of indirectly elected councillors
	59	49	9	22	KSD 9
ANC members	52		9	22	Nyandeni 5
UDM members	6	0		0	Port St Johns 3
PAC members					Qaukeni 6
					Mbizana 5
					Ntabankulu 3
					Mhlontlo 4

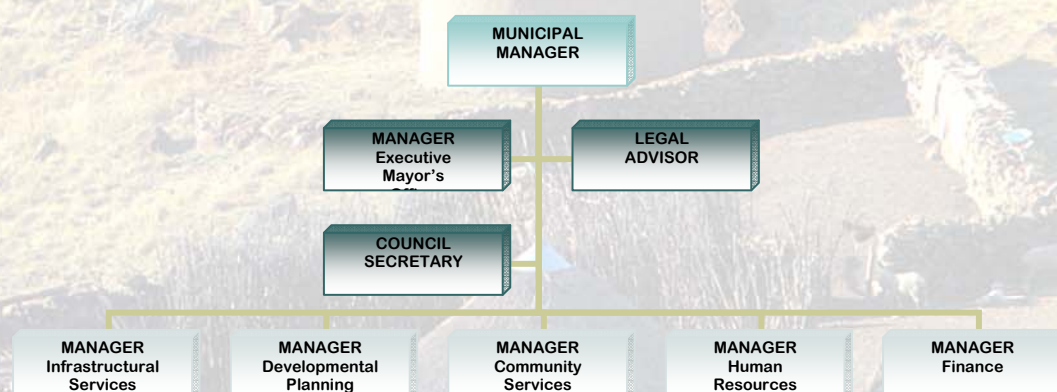
The council is headed by the Madam Speaker, Councillor N. Madalane. The Chief Whip being Cllr Z. Mzamane. As an executive mayoral type the mayoral committee is structured as follows:-

PORTFOLIO	MMC Member Responsible
1. Executive Mayor	Ms RZ Capa
2. Planning Infrastructure and Services	Mr. LS Nduku
3. Finance Budgeting and Auditing	Mr. Z. Ndlumbini
4. Roads and Transport	Mr. Makhedama
5. Human Resources and Corporate Services	Ms. E. Diko
6. Health and Community Services	Ms. N. Mabandla
7. Economic Development, Tourism and Agriculture	Ms. N. Tobo
8. Policy Development, Research, IGR and Community Liaison	Mr. P. Mdingi
9. Land, Housing and Human Settlement	Mr. P. Ndamase
10. Sports, Arts, Recreation, Culture, Heritage and Amenities	Ms N. Malunga

STANDING COMMITTEE/MAYORAL SUB COMMITTEES/ Section 80 committees

Section 80 Committee	Finance and Economic Development	Human Settlement and Infrastructure	Human Resources and Social Development	Community Liaison, Research and Heritage
Chairperson	Cllr. LS Nduku	Cllr. E. Diko	Cllr. P. Mdingi	Cllr. BN Tobo
Committee Secretary	Ms Z. Tutshana	Ms. A. Mvovo	Ms. N. Nokhwele	Mr. S. Mgwili
Members	<ul style="list-style-type: none"> ❖ MMC for Finance, Budget and Auditing ❖ MMC for Economic Development, Tourism & Agriculture ❖ Ordinary Councillors 	<ul style="list-style-type: none"> ❖ MMC for Roads and Transport ❖ MMC for Land, Housing and Human Settlement ❖ MMC for Planning, Infrastructure & Services ❖ Ordinary Councillors 	<ul style="list-style-type: none"> ❖ MMC for Health & Community Safety ❖ MMC for Human Resources & Corporate Services ❖ Ordinary Councillors 	<ul style="list-style-type: none"> ❖ MMC for Policy Development, Research, IGR & Community Liaison ❖ MMC for Sport, Arts, Recreation, Culture, Heritage & Amenities ❖ Ordinary Councillors

1.11.2 Administration Structure



STAFF PROFILE

Vacancy rate

Total approved posts	825
Total filled posts	511
Vacancy rate	38
Approved heads of department posts	8
Filled heads of department posts	4
Acting heads of department posts	4

Staff distribution

	Senior Management (PL0-3)	Middle management (PL 4-6)	Junior management (PL 7-9)	General staff (PL10-13)	General staff (PL14-17)	TOTAL
Male	28	44	48	28	173	321
Females	14	49	43	37	47	190
People with disabilities – Males	0	1	1	0	0	2
People with disabilities – Females	1	0	1	1	0	3

Summary of staff distribution

Males	62.8%
Females	37.1%
People with disabilities	0.9%

The background of the page is a faded, artistic illustration of a rural landscape. It features rolling hills in the distance, a body of water, and several traditional huts with conical thatched roofs in the foreground. The overall tone is light and scenic.

CHAPTER 2: PERFORMANCE REPORT

2.1 INFRASTRUCTURE AND SERVICES

PURPOSE OF THE DEPARTMENT

The priority issue for infrastructural development, as contained in the IDP is to provide basic and sustainable infrastructure. Development of basic infrastructure acts as the main driver for local economic development.

KEY PERFORMANCE AREAS

- ❖ Construct and maintain district access road
- ❖ Transport planning (in the next financial year the function will be transferred to Community Services)
- ❖ Water and sanitation services
- ❖ Co-ordination of electricity and telecommunication function
- ❖ Social amenities infrastructure

OBJECTIVE	WEIGHT	ANNUAL TARGET 06/07	INDICATOR	ACHIEVEMENT	VARIATION
Construct gravel access roads	10	Construct 150 km of gravel access roads per annum.	Annual extension and improvement of district road network	Partially achieved since 56.6 km have been constructed.	External factors beyond the Municipality's control. Delays in project registration by MIG
Implement projects identified in the integrated transport plan (ITP)	5	Improved access to public transport	Conduct an audit and needs assessment of public transport facilities. Traffic counting. Develop guidelines for provision of sidewalks and cycle path in rural areas.	Achieved	The draft documents are available and were to the standing committee.
Revision of the water services development plan (WSDP)	5	Have an approved WSDP by 31 March 2007. Review three year water infrastructure services plan and compile the road services three year plan by August 2006.	Inclusion of the WSDP and the three year plan in the IDP	Achieved	The WSDP was approved on the 31 May 2007 together with the IDP and budget.
Implementation of Water Services Development Plan	15	Provide 20 000 households with clean portable water annually and access to on site sanitation to 15 000 households annually.	A decline in the number of people suffering from water related diseases and illness. Access to water and sanitation	Achieved 22 349 households served with potable basic water and 31 917 households have access to sanitation facility	The target were met through utilization of drought relief grant, free basic services grand and MIG funding
Bucket eradication	10	Eradicate 80% of the bucket system by June 2007	80% of households who had bucket system should have approved sanitation system.	Achieved Only 69 out of 656 households still use bucket system in Mhlontlo.	The Department managed to eradicate 90% of buckets by end of end June.

OBJECTIVE	WEIGHT	ANNUAL TARGET 06/07	INDICATOR	ACHIEVEMENT	VARIATION
Operations and maintenance of Water and Sewerage works and gravel access roads.	12	Reduce down time to 48hrs on fixing emergencies related to water services. Implement the maintenance plan for gravel access roads. Maintain 100km of access roads. Implement water balancing exercise for KSD.	70% water services availability and Improvement in functioning of the established infrastructure.	Partially Achieved. 95% of emergencies were attended within 48hours. 72.8km of gravel access road has been maintained Partially Achieved 13 out of 35 bulk meters were installed	The target could not be met due to external factors, suppliers could not meet the demand and other material had to be sourced outside the region and delivery time had been delayed Target could not been achieved due to budget shortfalls The target could not be achieved due to external factors in registration of business pan by MIG for water conservation and demand management.
Implement EPWP(Emphasis on implementation of labor based construction)	8	Implement the EPWP programme	Improved skill levels of emerging contractors. Extend the EPWP to one more municipality.	Achieved	The learners under EPWP learnership have completed the second classroom training and are now going for their second on site training.
Electricity Installation(Eskom driven)	5	Ensure there is synergy of planning between Eskom and the DM.	Established working relationship with Eskom.	Achieved	Meetings were held with Eskom and they have submitted their plan until 2014.
Umzimvubu Dam feasibility studies	5	Ensure the DMs participation in the initiation and planning of the dam.	Obtain detailed feasibility study from DWAF for inclusion in the DMs IDP.	Achieved	The project has been included in the GDS resolution and its part of the IDP.
Refurbish transferred DWAF schemes.	8	Refurbish 50% of the transferred schemes	Functional schemes	Achieved 60% of DWAF Schemes had been refurbished	The BP has to be revised and DWAF only transferred the funds at the end of May 2007.
Policies and bye laws	5	Ensure the remaining 4 technical policies are in place.	Approved technical policies by June 2007.	Achieved	All water services policies and by laws have been approved by the council
Regulation of policies and bye-laws	2	Monitor and evaluate effectiveness of the implementation of the policies and bye-laws	Ensure total compliance by acquiring all the necessary resources.(i.e. capital, human, logistics etc)	Partially Achieved	BP for capacity building has been prepared with the assistants of DWAF and the BP was approved with WSDP on the 31 May 2007

OBJECTIVE	WEIGHT	ANNUAL TARGET 06/07	INDICATOR	ACHIEVEMENT	VARIATION
Provide socio-economic infrastructure	10	Source funding from Lotto for upgrade of stadiums. Construct 2 community centers in each LM	Increase in number of communities with functional socio-economic infrastructure	The target could not be fully achieved due to delays in registration of projects by MIG. Also funding from Lotto could not be secured.	

CHALLENGES EXPERIENCED AND SUGGESTIVE MEASURES

Technical reports evaluation were delayed by department of water affairs and that led into delay in Business Plan registration and DPLG also delayed the approval registration as a results the DM could not implement projects as planned. The DM did not have a registered professional person in evaluation and approval of design reports submitted. DBSA has seconded 2 professionals in assisting the municipality in evaluation of designs.

Although the refurbishment funding was only paid in May 2007, O.R Tambo DM budget including Drought relief funding were utilized to refurbishment some of the DWAF schemes. And therefore 60% of all the transferred schemes were functional by end of the financial year.

Another challenge experienced by the Department was the fact that the Supplementary services manager held two positions as she acted on the vacant post of the HOD. This will be addressed by the reviewal of the organogram.

SUMMARY OF PLANS FOR THE NEXT REVIEW

Hold bilateral with DWAF in order to access funds for the refurbishment of the non functional water schemes that have been transferred to the DM by DWAF.

Accelerate MIG expenditure in order to increase the number of households with access to basic water and sanitation in order to be able to meet the national targets dates.

Complete phase 1 of the Section 78 study and have a water services authority business plan be approved by Council.

2.2 DEVELOPMENTAL PLANNING

PURPOSE OF THE DEPARTMENT

1. Promote the development of sustainable human settlements
2. Ensure sustainable and orderly land utilization and development
3. Ensure effective planning of service delivery and Organisational performance
4. Ensure integrated and comprehensive information and knowledge management
5. Ensure effective and meaningful community participation in all development programmes implemented by the O.R Tambo District Municipality
6. Promote Local Economic Development through sustainable utilization of natural resources
7. Ensure integrated and sustainable environmental management practices

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET 2006/2007	ACTUAL PERFORMANCE	PERFORMANCE VARIANCE
1. Promote the development of sustainable human settlement.	Implement approved 18 housing projects (5104 units)	❖ % Increase in number of H/H with access to safe housing	800 housing units completed	1160 units completed	Smooth delivery by suppliers an added advantage to high productivity. Conducive weather conditions also assisted.
		❖ Number of housing support centers built ❖ Number of jobs created	1200 temporal jobs created	736 temporal jobs created.	Non-availability of cement affecting progress, breaks of up to 3 months. Difficulty in attracting labour to site after the breaks, resulting in low turnover.

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET 2006/2007	ACTUAL PERFORMANCE	PERFORMANCE VARIANCE
	Enrolment with NHBRC I	Registration of DM with NHBRC	Enrolment of the DM with NHBRC	Not done	Acting Municipal Manager refused to sign on behalf of DM on application forms.
		Fully fledged housing unit/ department	-	Housing Practitioner appointed, serving as Project Manager at Mbizana. Project Manager-QS appointed, to assume duties in August.	
	Housing Consumer Education.	Awareness campaigns on Housing Policies and education on maintaining habitable homes	Awareness campaigns and training of beneficiaries	2500 trained beneficiaries	Communities showed interest in the programme and attended in large numbers.
2. Sustainable and orderly land distribution, utilization and development	Ensure adequate land use planning, development and management	Spatial Development Frameworks in place	Council approved Spatial Development Framework	Not achieved	Draft SDF in place and submitted to Portfolio Councillor for submission to Standing Committee for Council approval
		Land use management framework developed	Draft Land Use Management Framework developed	Funding application developed and submitted to DHLG & TA	❖ Lack of Funds
		Awareness creation on relevant Provincial and National legislation	Awareness on relevant Provincial and National legislation created	Land and Housing Workshop held	❖ None

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET 2006/2007	ACTUAL PERFORMANCE	PERFORMANCE VARIANCE
		Layout and general plans developed	-12 General Plans and Layout Plans for rural housing projects submitted for MEC approval	10 – Layout plans drafted	Delays have been experienced due to clarity issues relating to specifically survey processes to be followed in terms of rural housing policy, non payment of SPs and terrain of the said areas.
	Facilitate appropriate administration of the planning function within DM	Well functioning planning unit	Recruit one planner and one technician	One technician employed. Post for a planner (Land Use Management advertised	❖ None
		Approved Township establishment plans in place	Assist with development of township layouts for Langeni and Tsolo Junction Development Node3	Township Layout and Concept Document for Tsolo Junction developed . Draft SDF for Langeni in place	❖ None
3. Effective Service Delivery Planning and Organisational Performance Management	Ensure Development and annual review of IDP.	Council approved IDP documents available	❖ IDP Process and Framework plans developed and adopted ❖ IDP submitted for council approval	❖ IDP Process and Framework plans developed and adopted ❖ IDP approved by council	❖ None
	Ensure Development of Corporate PMS	Council approved PMS policy	Annual review of Institutional PMS	PMS policy reviewed and approved by council	None
4. Integrated and comprehensive information and knowledge management	Develop GIS policy	Council approved GIS Master Plan	Table GIS Master Plan to council for approval	80 % -GIS Master plan draft available – awaiting stakeholder comment before submission to Standing Committee	Delays due late appointment of Service Providers and lack of feedback from stakeholders

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET 2006/2007	ACTUAL PERFORMANCE	PERFORMANCE VARIANCE
	Installation and implementation of District information management system	<ul style="list-style-type: none"> ❖ DIMS approved by council ❖ DIMS installed and functional 	<ul style="list-style-type: none"> ❖ Rollout DIMS to all Departments ❖ 120 relevant staff members trained to use DIMS 	Relevant staff members trained to use DIMS	
	Data acquisition, processing and maintenance	Cadastral and non cadastral data sets available and up to date for the District in the GIS database	<ul style="list-style-type: none"> ❖ Process raw cadastral data for 60 % the District (to be spatially linked) available electronically ❖ Process and update 3000 non cadastral (water related Infrastructure) data fields 	<ul style="list-style-type: none"> ❖ 30 % of the cadastral data sets captured 	
5. Effective and meaningful community participation in all development programmes	Ensure that Communities are capacitated on basic project planning, implementation and sustainability	Project Steering Committees (PSC) functional in all DM projects	Facilitate and establish 250 new PSC's	105% -	
		Number of training courses attended by community members	Facilitate for two (2) accredited and (30) non-accredited training	<ul style="list-style-type: none"> ❖ 50% - 1 accredited training provided ❖ 133% - 40 non-accredited training 	<ul style="list-style-type: none"> ❖ ISD gets to know late about projects where as the Department of Labour takes time to process training applications. ❖ Both Social Consultants and Social Facilitators are obliged to train PSCs.

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET 2006/2007	ACTUAL PERFORMANCE	PERFORMANCE VARIANCE
	Assist in facilitating for the participation of communities in Municipal affairs e.g. planning, IDP, budgeting, awareness campaigns etc	Good attendance by communities to launches, Imbizos, roadshows etc	Mobilize 60% of planned launches, Imbizos and roadshows to ensure attendance by targeted audiences.		❖ IDP roadshows were facilitated by the Speakers Office
		Relevant Policies and policy frameworks and by-laws available	Procedure manual on implementation of public participation policy		❖ Moved to a newly created Public Participation office.
		Gather baseline information on community livelihoods to inform Municipal planning	Socio- economic research report tabled to council for approval.	Not Achieved	❖ The survey process was not completed in time
6. Ensure sustainable environmental management practices	Promote sustainable coastal zone management and development	All development initiatives around the coast comply with sustainable environmental management standards and principles. (as reflected by no degradation in the state of environmental reporting), environmental assessment	Approved environmental management framework plan	❖ Not done	❖ The plan could not be developed due to lack of funds to commission a SP
			Approved environmental management policy	❖ Policy submitted to Standing Committee for Council approval	
			Approved environmental management guidelines	❖ Not Done	❖ Lack of Funds
		Compliance with the national regulatory framework	Develop plans for landfill sites, transfer stations and recycling facilities	❖ Not Done	❖ Lack of Funds

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET 2006/2007	ACTUAL PERFORMANCE	PERFORMANCE VARIANCE
	Promote protection of biodiversity	Established nature reserves			
		Implementation of environmental management plans			
		Alien vegetation control plan			
	Promote protection of renewable and non-renewable natural resources	Compliance with national regulatory framework			
		Implementation of mining control plan			
	Coordination of waste management in the District	Functional land fill sites and reduction in volume of waste disposal			
		Compliance with national regulatory framework			
7. Promote Agricultural Development through utilization of natural resources	Develop Agricultural Policy Framework for the O R Tambo District Municipality	Agricultural Policy Framework developed	Council approved agricultural Policy framework	Not achieved	Has been recommended by the Standing Committee

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET 2006/2007	ACTUAL PERFORMANCE	PERFORMANCE VARIANCE
	Develop 3 Agricultural policies:- <ul style="list-style-type: none"> Livestock Farming Crop Production Irrigation Scheme 	Draft agricultural policies developed (Doc. Attached)	Development of 3 agricultural policies :- Livestock farming	Draft agricultural policy document developed	-
	Review LED Funding policy	Reviewed LED Funding policy adopted by Council	Reviewed LED Funding policy submitted to Standing Committee	Document approved by Council	None
	Develop Agricultural Development Plan(ADP)	Agricultural Development Plan developed	Agricultural Development Plan adopted by Council	Cancellation of contract with Ntinga O R Tambo Development Agency due to poor progress	Incorporation of Agricultural Development Plan in the development of Marketing Plan
	Develop Agricultural Development and Marketing Plan	1 st and 2 nd Phase of Agricultural Development Plan and Marketing Plan developed (Doc. Attached)	Commission for development of an Agricultural Development Plan and Marketing Plan	Document developed but awaiting stakeholders inputs and comments	Slow pace of movement on the side of the service provider. NB. The ADP has been subsequently incorporated into the Marketing Plan which will be finalized by November 2007
Tourism Promotion, Development and Marketing	Ensure development and promotion of sustainable and responsible Tourism	All relevant policy framework, policies and plans in place	Tourism planning framework tabled for council approval	Tourism planning framework approved by council	
			Tourism marketing strategy tabled for council approval	Tourism marketing strategy approved by council	
			Tourism development plan tabled for council approval	Not achieved	Only draft available

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGET 2006/2007	ACTUAL PERFORMANCE	PERFORMANCE VARIANCE
		Increased participation and representation of communities and stakeholders in tourism development	Establish three LTO's	Not achieved	Poor participation by the Local Municipalities involved
			Facilitate the establishment of RTO	Not achieved	A number of institutional matters need to be in place
		Promotion of tourism and environmental awareness	Implement Mhlontlo tourism and environmental project	50% achievement : Phase 1 implemented at Mhlontlo	Funding not sufficient
8. Co-operatives and SMME Development	Implementation of ORTDM Co-operatives programme and implementation of SMME programme	Development of framework for SMME development	Table SMME District Masterplan for Council Approval	SMME District Masterplan tabled to Standing Committee in second quarter	None
		Capacity building in SMME development	Training of 18 Municipal official in SMME development	Training of 18 Municipal officials completed in second quarter	None
		Disbursement of DEAET funds to projects	Implementation of DEAET funded projects of Masikhuphuke Essential Oils, Zanolkhanyo Brick project, Wild Coast Fishing Co-operative and Siyakhanyisa Project	Siyakhanyisa Project and Zanolkhanyo Project fully implemented. Wild Coast Fishing Co-operative's. Commissioning service provider for essential oils project	Slow pace of procurement procedures affecting Masikhuphuke Essential Oils project.
		Co-operatives support district wide.	ORTDM Co-operatives Programme. Registration, training and mentoring of 120 SMME(Co-operatives)	A Co-operatives Awareness workshop conducted. Baseline study of Co-operatives within OR Tambo District in progress	The registration of co-operatives is being preceded by a baseline study of co-operatives in the district which serves to identify the co-operatives and relevant economic sectors.

CHALLENGES EXPERIENCED

- ❖ **Additional Funding:** Most of the projects are slow moving, standstill or blocked due to budget shortfall caused amongst other reasons price increases and material suppliers can no longer deliver material at current prices, therefore additional funding applications have been submitted and others to be submitted soon to complete projects that are facing financial challenges.
- ❖ **VAT Recovery:** Housing is zero rated for VAT. After several attempts the DM has managed to recover some of the VAT from SARS. This has taken more than three years to recover and due to price escalation the recovered VAT is not enough to complete the remaining work.
- ❖ **No MTEF Budgeting:** In all other programmes, like Municipal Infrastructure Grant, we are furnished with MTEF budget that stretches over 3 years. With Housing it is not the case, for instance up to now we do not know approved budget for 2007/08, let alone the two other financial years.
- ❖ **Escalation & Contingency Amounts:** For all government projects that will exceed 12 months there is a provision for escalation amount to cover inflation and related price increase. Housing programme does not have this. It is a normal practice in construction to set aside some money for unforeseen circumstances like double handling of building materials due to inaccessibility of some building sites. For Housing Programme it is not the case.
- ❖ **Negotiated Prices:** Due to budget limitations low prices that are not attractive to suppliers are negotiated. This lead to suppliers not willing to prioritize our orders over those who are prepared to pay reasonable prices. They only supply to us when there is no business elsewhere resulting in delays of the projects.
- ❖ **Inaccessible Building Sites:** In some cases building sites are not accessible with a vehicle and sometimes scattered all over the place. This makes it difficult to monitor the site and transport building material. For instance in some cases you have to cross a river to access building sites in the same village. The beneficiaries are requested to cart the material from a drop off point (next to the main road) to their housing units, which may take three (3) months and more before actual construction (especially Mantlaneni, Nkoso, and Zidindi).
- ❖ **Insufficient capacity due to shortage of personnel and lack of financial resources to implement planned programmes.** The staff complement of the section was not sufficient to carryout the planning support function to both the district municipality and all seven local municipalities
- ❖ **Most local municipalities do not have IDP managers or coordinators focusing just on IDP and performance management**

- ❖ The DM also depends on the PIMSS centre for its IDP and PMS, which is putting a lot of pressure on the centre, which is also under staffed
- ❖ Most of the challenges that were experienced were during the training of DIMS. Most users do not understand what DIMS is all about and several workshops in a form of meeting were organised and the advantages were outlined to the management and asked to encourage their departments to use the program.
- ❖ The collection of cadastral information had its own challenges. The information was collected from Survey General but for some reason there were different kinds of data sets and decision was taken to adopt the one looked more relevant to what was on the ground.
- ❖ The update of infrastructure data is very difficult simply because there is no cooperation with the project managers. They feel as if is the responsibility of the GIS section to update the information of the projects they manage.
- ❖ Implementation of projects without involvement of ISD which results to minimal buy-in.
- ❖ Social consultants not given terms of references when put on board.
- ❖ Low salary scales and inappropriate allocation of post levels in the ISD section.
- ❖ The SMME section should have three staff members. The SMME Manager, SMME Officer and SMME clerk. So far the municipality has appointed the SMME Manager. With only one person in the section to meet the targets of the section on time is demanding considering the planning, traveling involved and the giving support to SMME's that visit the centre.

OVERVIEW OF PLANS FOR THE NEXT FINANCIAL YEAR

- ❖ The MSIG fund will no longer be funding the operations of the PIMSS centre, the District Municipality will budget for the function, this process has to be facilitated
- ❖ Appointment of the two Junior planners
- ❖ Improving credibility of the DM and LM IDPs
- ❖ Decentralisation of ISRDP to LMs
- ❖ Support the implementation and coordination of District Growth and Development Summit agreements
- ❖ The Geographic Information System has an approved budget of R 150 000.00 for the financial year 2007/2008. Mostly the funds will be used for education and awareness and outreach programmes as a way to bring the users closer to the utilisation of GIS. The objective of the planned exercise is to ensure that the O R Tambo staff and other stakeholders understand what GIS is and what it can be used for and how it can enhance they way they do their work.
- ❖ The SMME section will predominantly be implementing the ORTDM Co-operatives programme. The programme entails an awareness campaign, baseline study, development of co-operatives framework, registration of 120 co-operatives, training and mentoring of the co-operatives.

2.3 COMMUNITY SERVICES

The Community Services department is made up of the following sections:

- Municipal Health Services
- Social Development Services
- Disaster Management, Fire and Emergency Services

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
MUNICIPAL HEALTH SERVICES	Rendering quality environmental health services -		Conduct 28 visits in solid waste dumping sites. 100%	28 waste disposal sites visited\ inspections had been carried out all 11 villages.100%	No variation.
Waste Management	Ensure that waste is managed in an acceptable manner.	Prevention of illegal waste dumping	Kuyasa settlement, Remove illegal dumping at the entrances of Mthatha (Marambeni, Hill crest Trasido, Circus Triangle informal settlement, KSD Traffic Department and Maiden farm)	Achieved through engaging stakeholders	No variation
Water Quality Monitoring (Water borne communicable diseases)	Rendering quality environmental health services. To ensure that communities drink portable water supply	Take 100% water samples from the rivers, streams, springs and taps.	Taken 700 water samples for bacteriological analysis, target 50%	Achieved 60% (407 water samples).	
Food monitoring	Rendering quality environmental health services. (Ensure that	Take food samples and swabs from food preparation\processing premises (pathogenic organisms, Enterococci	Take 160 food samples and swabs from food preparation\processing premises and schools (pathogenic organisms,	Achieved 116.78 % of food swabs for bacteriological analysis taken 187 food and swabs	

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
	public consumes good quality and safe food).	and Staphylococcus aureus).	Enterococci and Staphylococcus aureus). 50%	samples).	
Business Licensing and Certificate of Acceptability	Rendering of quality environmental health services. <i>Ensure that food preparation and processing premises have Certificates of Acceptability</i>	Business Licensing Inspection of 160 food and non food handling premises.	70 reports of food and non food handling premise i.e. butcheries, restaurants, fruit & vegetables, food vendors, café, Bed & breakfast and other businesses. (Targeted 75%)	Inspected 123 food handling/processing premises. (Target 77%)	
Health and Hygiene	Promotion of Health and hygiene (safety and good quality in food and drinking water)	Health and hygiene education programme for a minimum of 1 000 people	Health and hygiene education programme for a minimum of 1 000 people	Made an awareness education to the minimum of 6580 people this quarter (1 st July – 30 th June 2007). 100% plus.	Reached out to more communities than the annual target.
Devolution of Municipal Health Services	Facilitate devolution of municipal health services	Full transfer of 53 Environmental Health Practitioners from Provincial Health to the District Municipality	Secondment/transfer of Environmental Health Practitioners to District Municipality	<u>Memorandum of Understanding</u> has been signed by both parties (DM & DoH).	It was then resolved that We do away with the secondment of staff to DM, Currently working towards a full transfer of staff to DM on the 1 st July 2007.
SOCIAL SERVICES Child protection services.	Implement child protection services	Register 500 children to access relevant services. (Foster care & Social Security Services)	500 children are linked with relevant services.	348 children have been linked with relevant services.	Home affairs Department does not as yet have a service centre that can issue computerized documents

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
Early childhood development	Early childhood development	21 early child development workers capacitated	Two workshops conducted.	No workshop conducted.	Insufficient funds due to the fact that budget were diverted to Sport Section for the renovation of WSU stadium for the O.R. Tambo Cosmos FC to utilise.
Social & community facilities	Proper management and utilisation of social and community facilities.	Management policy for social and community facilities is marketed in all seven local municipalities.	Workshops conducted in four local municipalities.	One workshop conducted at KSD Vidgiesville MPCC.	Management structures established in Vidgiesville only due to budgetary constraints.
		Management committees for the social facilities established and capacitated.	6 Management committees from different social facilities are capacitated in management skills.	No training conducted.	No budget was available for this exercise.
Registration of indigent households for water and sanitation services	Ensure that indigent h/h are registered for basic water and sanitation services.	A register of identified indigent households in place.	Identify and register potential beneficiaries in four local municipalities	250 households have been identified and assessed at Nyandeni LM and KSD.	Beneficiaries were identified and assessed in only two LMs due to delays in the consultation process.
Implementation of Integrated Food Nutrition Program.	Identification and assessment of beneficiaries.	Beneficiaries for the program are identified.	80 Beneficiaries are identified in three local municipalities - Nyandeni, Ntabankulu and Port St Johns.	Community and stakeholder mobilization was conducted and the beneficiaries were identified in all three identified local municipalities.	No variation.

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
SPORTS, ARTS, CULTURE AND HERITAGE Heritage awareness	Formulation of heritage forums	Existence of a District wide Heritage forum	Heritage forums formulated in all 7 LMs culminating into a District one.	A District Heritage Forum was formed	Workshops were not conducted in the LMs, a District structure was formed through the committees established during heritage month celebrations in the LMs.
Identification of heritage resources	Identification of heritage resources.	Heritage resources identified.	Four heritage resources are identified	Ngquza Hill (Ingquza Hill LM), Nkantolo ,Khananda graves (Mbizana) and Lotana graves (Mhlontlo).	No variation.
	Sport development with sports associations and federations.	Talent identification and development	Soccer, cricket, boxing, athletics, rugby, swimming. Partnership with ECSA, Associations and Codes established	Renovation of WSU Stadium to retain O R Tambo District Cosmos, Organised soccer tournament, cricket matches, boxing tournament. Supported schools' athletics project. * Facilitate, swimming gala.	Rugby development was shelved for August in line for preparations for the O R Tambo month celebrations.
Heritage development	Develop heritage sector plan	Master plan document completed	Heritage plan draft	Not achieved (financial constraints)	Heritage sector plan was to be informed by workshops that could not be done due to lack of financial resources.
	Research	Research report complete	Research continued	Not achieved	The section had no personnel due to resignation of sports arts and culture manager.

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
Institutional development	Institutional development	Stakeholder development	Competent and functional Sports, Arts & Culture structures are established. Employ development officer	District Arts Council established, support to the ailing District Sports Council. Assistant Manager and development officer appointed.	
Strengthen service for arts	Consolidate services for arts and culture groups	Strengthen support for arts groups	Awareness of arts and culture issues in the LMs	Jazz and Kwaito groups supported. Coordinated music groups for O R Tambo month	
		Improvement of facilities	Identification of fields to be improved	Soccer and rugby fields identified in three LMs	Due to the personnel gap in this section, this exercise could not be conducted in four LMs.
Support service	Support service for sports codes and arts groups	Draft support plan for various codes completed	Golf , athletics and music groups	Not achieved	The unit had no personnel due to resignation of sports, arts and culture manager.
LIBRARY SERVICES Staffing and Develop personnel	Employ and induct Chief Librarian	Employment of Chief Librarian	Employ Chief Librarian	Done Chief Librarian appointed on 1 st November 2007.	100% Achieved.
Facilitate the establishment of library and information services.	Provide reliable ICT equipment & software to ensure ongoing access to online information sources.	Availability of basic furniture and ICT equipment.	Equip Four LMs with basic furniture and equipment for library service.	Done Tattle Tape Security System, Computers, PC Stands, Printers, Faxes, Scanners & Back-UPS purchased for Mbizana, Mhlontlo,	100% Achieved.

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
				Ntabankulu and Nyandeni	
Formation of District Library and Selection Forum.	Facilitate and coordinate the formulation of District Library and Selection Forum.	District Library & Selection Forum formed.	Form District library and selection committee.	Done	100% Achieved.
Marketing and promotion of library service.	Promote libraries services around the District through annual library events.	Events taken place.	Host three annual library events.	Done. World Book Day (Mhlontlo), Poetry Day (Mbizana) & Career Day (KSD)	100% achieved
PUBLIC TRANSPORT Facilitate a well coordinated public transport unit	Availability of a fully functional public transport unit.	Availability of a fully functional public transport unit.	Employ public transport manager Assessment of the status quo.	Public transport manager recruited, employed & inducted Workshops & public consultation on public transport conducted.	100% achieved Status quo assessment done & achieved.
Transformation Of taxi industry	A well coordinated taxi industry.	The taxi industry is transformed into a well coordinated business sector.	Registration of all taxi operators with their Local Municipalities	Meetings and consultation with the relevant stakeholders were conducted.	Due to the non - attendance of some of the Local Municipality officials, this is moving at a slow pace.
Integrated Transport Program	Establishment of fully representative LM Transport Forums	Local transport forums exist in the LM's.	Create an environment conducive for the establishment of Local Transport Forums	Workshops & consultation in the establishment of the District Transport Forums	None

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
PUBLIC SAFETY Community safety program	Provide a community safety program	District community safety forum is established	Employment and induction of the public safety manager Conduct public safety workshops in KSD.	Public safety manager employed Facilitated a structure to look at the KSD safety issues.	None Still work in progress.
Crime prevention program	Develop crime prevention awareness	Crime prevention plan is available	Conduct workshops for development of crime plan in four LMs	Workshops conducted district wide. Draft Crime prevention strategy.	No variation
FIRE EMERGENCY SERVICES Fire Emergency & Events Planning & Risk Management	Ensure Event Safety & Standards are not neglected or breached	All Events to have a high success rate and well supported by community & stakeholders concerned.		Total of 43 events were managed over the period in question.	Events are happening on continues basis.
	Fire Breaks / community safety & support	Ensuring sustainability of communities through active participation in fire response & mitigating through Fire breaks	Active community fire breaks intervention in Qaukeni, PSJ& Mbizana	Fire breaks conducted on Projects in Mbizana, Ntabankulu, PSJ and Qaukeni	
	Fire Safety Risk planning with Businesses and Institutions	Ensure a overall risk reduction culture & initiatives by businesses and institutes with the key focus on fire risk reduction & safety in and around work place	Business and workplace inspection is conducted	Businesses and workplace inspections were conducted Haws & Inglis Qumbu/ nelson Mandela Hosp./ Nyandeni LM/ Sasol garage Lusikisiki, Fire safety drill done with Mhtlontlo LM	

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
	Ensure a overall risk reduction practice is in place for hospital and places of high occupancy	General improvement of fire occupational safety within businesses and workplace	Mass Casualty & Fire Risk Management conducted in key institutions	Planning sessions with 2 nd .draft for St. Barnabas submitted and building inspection continuing with businesses around OR Tambo area Fire drill done successfully	
				Various inspection & reports conducted on institutions and businesses which are monitored for compliance	
			Mass Casualty & Fire Risk Safety inspection intensified within all institutions within OR Tambo region	Drafts & Risk Profiles in plenary Stages with the Testing and Evacuation exercise.	
	Ensure effective Fire Services delivery within the OR Tambo District With key focus on high fire risk areas	Overall Fire & Emergency response activity improvement and management of fire within high risk areas	Fire Service satellite Centre -Establishment within Qaukeni & Mhlontlo Mhlontlo Fire response activity would be provided within festive standby plans		Delays with tender and placement of standby staff due to office accommodations/ late tender / lack of support from Mhlontlo Municipality

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
	To ensure effective fire risk reductions effective disaster management & fire Emergency Services at Local & District municipalities		Filling of vacant post and deployment of Fire officials to four LM's. Decentralizing Fire Services	Two LMs – Mbizana & PSJ have basic personnel. Response for Mhlontlo and Nyandeni done by the Mthatha team, whilst Ingquza is responded to by Mbizana and PSJ.	Awaiting placements of advertizing and short listing by for additional personnel X1 RIV (Skid Unit) tendered for by Mhlontlo, arrived April 2007/ skid unit
	To ensure effective disaster & fire emergency coordination of events with the District	OR Tambo DM Two way radio communications network for Emergency & Essential Services functional	Communication infrastructure installed and maintained for two centres	Installation, repairs and maintenance done at the Mthatha and PSJ centres to maintain area communications. Temporary installation was done in Mbizana as a new site is still awaiting identification Channel 01 repeater in call centre temporary to ensure coverage around Mthatha area Approximately 25 km Mount Ayliff coverage towards Ntabankulu area & Mbizana, ch.05	Coverage could not be extended to other centres due to budgetary constraints and outstanding rentals of Sentech/ Payments of Sentech done March 2007 plus outstanding license fees of ICASA Discussion with Vodacom for site potential site is progressing slow / rental budget / still no funds

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
				repeater done a temporary installation August 2006.	
Fire Management Policies & Plans	To ensure effective Fire Management & policies and bylaws are in place within the DM	Operational plans & District Fire Bylaw		Operational Fire Plan done in draft format / SOP (Standard operating procedures) Bylaws drafted need to engage with Municipal stakeholders	Fire Risk & Vulnerability Assessment to be done with bylaws
DISASTER MANAGEMENT Strengthening of disaster management centres	Improve service delivery within O.R.Tambo District Municipality area of jurisdic.	Fully functional Disaster Management Centres in Ntabankulu and Port St Johns.	Projects completed by year end	Disaster Management satellite Centre is 95% complete in Tabankulu and a park home at Port St John's has been purchased.	Budget for the finalization of the construction is a challenge in Tabankulu satellite Centre and at Port St John's, Telkom is awaited to install electricity.
Training of disaster management officials ,volunteers and councillors	Have a multi skilled volunteer base that are able to educate communities.	Each Local Municipality has at least 1 volunteer trained Disaster Risk Management Portfolio Councilors have attended training workshops	150 Volunteers 6 Port - folio Councilors 23 Disaster Management Officials	An induction session for 14 Disaster Risk Management Personnel A four days workshop held and attended	Actual Training of volunteers still outstanding Training of Staff on First Aid still outstanding
Community awareness	Ensure disaster resilient	Stakeholder consultative sessions conducted.	4 Stakeholder consultative sessions	4 Consultative meetings held	No variation

Key Performance Areas	Objectives	Key Performance Indicators	Annual Targets	Actual Performance	Performance Variations
programmes	communities	Number of Disaster Risk Management Forum Meetings held.	4 Disaster Risk Management Forum Meetings	2 Disaster Risk Management Advisory Forum held	
		Number of community awareness workshops & / education programs conducted.	1 Workshop/ Session per ward	60% of Awareness workshops completed	
	Facilitate involvement of key stakeholders in disaster rehabilitation and recovery programs	Integrated post-disaster rehabilitation programmes	A database of key stakeholders in place	Data available	Consolidation and communication still outstanding
		Mechanisms for establishment of JOC in times of need	Document place and communicated with all key stakeholders DRM Functionaries	75% Complete	25% - Document still on consultation phase
		Costed disaster incident reports	All incidents that occur are documented, costed and forwarded to the PDRMC	Done, forwarded to Provincial Disaster Risk Management Centre	Stakeholders – Line function department delay assessment & production processes.
Risk reduction programs	Engage in a district wide ISDR Program and contingency planning processes	Identification of Schools per LM to participate	10 per LM @ 7 LMs –	100% Participation	
		Training of Children and teachers	70 children 140 Teachers	100% participation	
		Build-up ISDR awareness functions in each LM	7 Awareness Functions	100% participation	
		Conduct a district wide commemoration event on the 2 nd week of October.	1 District event		
		Easter and Festive Season Contingency Plans per LM	7 Easter plans 1 District Easter Plan 7 Festive Season Plans 1 District Festive Plan	100% plans produced	

Challenges experienced

- ❖ Illegally dumping found in all open spaces in the O.R.Tambo area.
- ❖ Programs budgeted for this section was affected by movement of funds for the development of Walter Sisulu University Stadium in order to have a stadium that conforms to SAFA standards in the region with a view to retaining a Vodacom League Club in the region.
- ❖ The resignation by the Assistant manager Sports, Arts, Culture & Heritage has also affected service delivery in this section.
- ❖ Uneven spread of facilities across the District.
- ❖ Inadequate and outdated library books and periodicals.
- ❖ Some facilities do not have the capacity to accommodate some of the library programmes e.g. children's section and study facilities. The old facilities are not designed as educational facilities.
- ❖ Lack of security for staff, assets and the public.
- ❖ The lack of technological infrastructure in all libraries.
- ❖ Lack of INTERNET access for both staff and users does not reflect the changes that are there in dealing with information.

Summary of plans for the next review term

- ❖ Work towards a full transfer of Provincial Environmental Health Practitioners to DM.
- ❖ Embark on inspection to food handling\ processing premises and other businesses.
- ❖ Increase the number of samples to be taken (water samples, environmental swabs and food samples).
- ❖ Address the problem of illegal dumping in identified areas.
- ❖ Intensive health education on personal health.
- ❖ Continue with the programs as set out in the SDBIP and establish linkages to assist in the challenges reflected above.

2.4 FINANCE AND BUDGETING

Purpose of the department

To effectively and efficiently discharge support to departments and local municipalities in terms of finance, information technology, administration and asset management in an accountable and transparent manner.

Departmental performance

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
1. Compilation of fixed assets registers and reconcile to general ledger.	Ensure that fixed assets are properly reconciled and verified.	Have an up-to-date fixed assets register; Reconcile fixed assets register to general ledger; Perform physical verification of fixed assets; Bar-code all assets acquired.	All bar - codable Assets were bar-coded when they were received. Fixed asset register is up to date. Fixed assets register has been reconciled to the general ledger.
2. Asset maintenance plan	To ensure proper maintenance of Council assets	Develop an asset maintenance plan/policy	A plan was developed and approved by the Council
3. Fully operational manual document management system.	Ensure proper understanding of the system by all the users	Report non compliance to the Departmental Head	Document generators to classify all Council correspondence by making use of the file plan
4. Records Management Policy and Procedures.	Develop and create awareness on both documents	Ensure development and awareness of the records management policy and procedures	Both documents were developed and approved by the Council. Workshop about the awareness of these documents has been done.
5. Installation of telephone system to the billing centre	Have a fully functional telephone system installed at the billing centre	Install a fully operational telephone system with call barring	A Telkom Hipath system has been installed with a call barring

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
6. Renovations to the Billing Centre.	Have a fully operational building ready for occupation.	Appoint a contractor to effect renovations; Staff to occupy the building.	Renovations have been completed, and the building is being used by the Council.
7. Renovations of: ❖ parking area at Magwa House ❖ Stores at Government Printers	Cover the parking area for Councilors and Managers To have a fully secured centralised stores office	Have a fully covered and allocated parking area To ensure stores material are issued in one center and a secured office that will also meet the required standards	Parking bays have been allocated to staff and councillors, this also includes Government Printers Building Steel structure and roofing has been completed. Infrastructure Officer is busy acquiring quotations for the building material
8. Valuation of council assets	Ensure that council assets are valued at market values	Appoint a service provider to do the valuation	All immovable properties have been valued.
9. Insurance of council assets	Ensure that all council asset are adequately insured	Appoint a service provider to insure council assets	Appointment of service has been done and all council assets are insured.
10. Stores procedure manual	To have management procedures for the stores	Establish a thorough internal control measures to ensure accountability with regard to losses and deficits within the store section	A draft procedure manual is awaiting the Council approval
11. Renovations to the Registry	Have a proper, secured and safe registry	Renovations to be completed by the 30 th October 2007	Renovations were completed by the 30 th June 2007
12. Data capturing of application for registration as accredited service providers into DIMS procurement module	To have a list of accredited service providers	Within a week the service providers must be captured	The process of capturing has some problems. DIMS is not active at all. Unavailability of PCs for two levy section staff who are to assist in the process.
13. Revenue increase – Water and Sanitation	- Increased revenue.	Ensuring maximum collection of revenue and meet targeted revenue collections and improve collection procedures.	91% of collectible revenue was collected as at 30 June 2007;

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
14. Issuing of bills to consumers	Consistent & timeous billing of consumers	Consistent & timeous billing of consumers; Timely issuing of bills to all consumers Cleansing of database for completeness, existence and accuracy thereof.	All monthly bills & statements were issued as at 30 June 2007.
15. Internal Controls	Effective internal controls systems.	Effective and efficient internal controls systems.	<p>Policies and procedure have been designed and are being utilized daily, however, these are being improved on a daily basis to address the risks identified on a continuous basis;</p> <p>Identified weaknesses are implemented on an ongoing basis as recommended; Access controls relating to privileges are being implemented on an ongoing basis</p>
16. Customer Care	Establishment of customer care centre.	Ensure the establishment fully fledged call center.	The proposals for the establishment of the fully fledged call center are currently being evaluated by the call center establishment committee consisting of members from the following departments Finance, Disaster, Customer relations and IT
17. Receiving of Cash	Allotment & accountability of cash received.	<p>Ensure that cash received is receipted;</p> <p>Ensure that all cash is banked timeously;</p> <p>Ensure that receipts are uploaded on a daily basis.</p>	Receipting of cash into cash drawer is up to-date; Cash is banked daily except where FNB does not have branches; Daily uploading of receipts is done except where the system is down in remote areas.

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
18. Monthly reports	Ensure submission of monthly reports timeously	<p>Ensure Preparation and submission of monthly reports on:- Aged debtors reports Connections/Disconnections reports Audit trail reports</p> <p>Ensure Maintenance of a register for new & reconnection list of consumers and filing of application forms for new connections.</p>	<p>Monthly submissions are being done on time.</p> <p>A register for new & reconnection list consumers and filing of application forms for new connections is maintained.</p>
19. Clearing of suspense accounts	Suspense accounts to be cleared timeously.	<p>Ensure review of bank statements on a daily basis to identify direct deposits; Ensure that all direct deposits are receipted; Ensure clearance of all water and sanitation suspense accounts monthly</p>	<p>Bank statements are reviewed on a daily basis to identify direct deposit.</p> <p>Direct deposits are receipted timeously with the exception of deposits without references from consumers.</p> <p>Water and sanitation suspense accounts are reconciled and cleared on a monthly basis.</p>
20. Debtors Reconciliation	Preparation of Debtors reconciliation's monthly	Ensure that the subsidiary ledger is reconciled to the General Ledger.	A debtors reconciliation is performed on a monthly basis
21. Annual Budget Preparation	At least 10 months before the start of the budget year, table in the Municipal Council a time table schedule outlining key deadlines for preparation of annual budget in terms of chapter 4 of MFMA No.56 of 2003	A time schedule outlining key dead lines for the preparation, tabling and approval of annual budget was tabled in the Council.	The annual budget for 2008/10 MTEF period was adopted on the 29th May 2007. The annual budget was submitted to National and Provincial Treasury as required.

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
22. Annual Adjustment Budget Preparation	Preparation of an adjustment budget in terms of chapter 4 section 28 of MFMA No.56 of 2003.	An adjustment budget is presented to council for approval upon its completion in terms of chapter 4 of MFMA No.56 of 2003.	The Adjustment budget for 2006/07 financial year was adopted & approved on the 31 March 2007 and was loaded into Venus Financial management System.
23. Cash Budget	Cash Management.	Preparation of the monthly, quarterly, Cash flow budget allocations of the District Municipality to prevent the DM from running out of cash. Investment of additional funds received and surplus funds in terms of council approved investment policy.	Cash management is done on a monthly basis. Additional funds have been invested according to the guidelines of investment policy.
24. Bank reconciliations	Preparation of bank reconciliations	Preparation of bank reconciliations on a monthly basis & file them in hard copy file and sign them.	Bank reconciliations for Call Accounts were performed up to 30 June 2007. The current account reconciliation that was held with Meeg Bank has been prepared up to the end of 28 February 2007 and thereafter was closed and funds in the account were transferred to the Revenue Call. The closure of the account was based on the requirements of the MFMA that only one current account must be held by the institution. Reconciliation of the current account held with First national Bank have been prepared from July 2006 to June 2007 manually
25. Dora Reports.	Submission of Dora reports to National Treasury and other funders by the 10th of each month.	Submission of Dora reports to National Treasury and other funders by the 10th of each month.	Standard reports from July 2006 to June 2007 have been submitted as per the Division of Revenue Act. (AD, CAA, CFA, OSA, FMG and MSIG).
26. Annual Financial Statements	Submission of Grap-Compiled Annual Financial Statements to the Office of Auditor-	Submission of Generally Recognised Accounting Practices-Complied AFS to the Office of Auditor-General (OAG) by 31 August 2007.	GRAP Annual financial statements for the year ended 30 June 2007 have been prepared and submitted to OAG on the 31 August 2006;

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
	General two months after the financial year end.		
27. Perform general ledger reconciliations	Ensure that there are no misallocations and the identified ones are corrected	Reconciled general ledger	General ledger reconciliations have been performed to 30 June 2007.
28. Internal Controls	Ensure that internal controls within the system are operating effectively and efficiently	Improved internal Controls within the Venus Financial Systems.	Policies and procedure have been designed and are being utilized daily, however, these are being improved on a daily basis to suite the needs of the DM.
29. Creditors payment	Ensure that creditors are paid on a timely basis and that all payments are properly authorized and are within MFMA	Properly approved payment certificates and payment vouchers	Mechanisms are in place with major improvements on related controls such as verification of banking details from suppliers who are paid electronically to avoid incorrect payments to incorrect bank accounts.
30. Statutory pay overs	Ensure the timely payment of all statutory pay overs to avoid fruitless and wasteful expenditure in the form of interests and penalties.	Statutory deductions paid on time	Statutory pay-overs are paid on time as they are paid electronically.
31. Statutory returns	Ensure that VAT returns are submitted on time	Vat returns submitted bi-monthly.	Submissions are being done timely. Vat audit has been done but the final report is not yet received.
32. Monthly management reports	Ensure that Head of Department receives monthly reports detailing the performance of the DM.	Presentation of monthly reports to the Finance Standing Committee.	Monthly submissions are being done on time with exception to cases where the calendar month of the financial systems is done late.
33. Staff Debtors	Ensure that staff debtors are reconciled on a monthly basis	Reconciled debtors on a monthly basis.	Reconciliations on the expenditure cycle and employee debtors have been done for the period ending 30 June 2006.

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
34. Employees linked to correct departments in the payroll system	To ensure that salaries of employees are not misallocated	Every employee linked to the department he/she was budgeted for.	Employees are linked according to the budget.
35. Monthly update of accounting records	Provide support on a monthly update of accounting records	Reconciled general ledger	Nyandeni , Port St Johns, Mbizana, Mhlontlo and Qaukeni accounting records have been updated until 30 June 2007.
36. Annual Financial statements preparation	Provide technical support to local municipalities on preparation of annual financial statements	Conversion processes of GRAP complaint annual financial statements	Mbizana and Port St Johns local Municipalities are medium capacities that are going to comply with GRAP Annual Financial Statements 2006/2007. In terms of conversion processes, Mbizana has advertised for service provider to assist on GRAP.
37. To render information technology support to Local Municipalities.	Improved information technology at Local Municipalities.	Ensure that information technology activities operate efficiently and effectively at Local Municipalities.	Assisted in ensuring the full functionality of financial management system that the Municipality does have at their disposal.
38. Maximization of revenue	Provide technical support on revenue and management and general financial management.	Improved financial viability through maximum collection of revenue.	Municipalities have embarked on reviewal of their current credit control and debt control and debt collection policy. To enhance their revenue Qaukeni has embarked on a database Cleansing and Nyandeni has advertised the tender for database cleansing.
39. MFMA and Dora reports	Submission of MFMA and Dora Reports	Submission of S71 reports as per MFMA and Dora reports to National treasury, and other funders by 10 th of each month	Standard reports for 2006/2007 have been submitted as per MFMA and DORA. Those reports are OSA, CF, CAA, AD, AG, FMG and MSIG.
40. Adjustment Budget preparation	Assist with preparation of adjustment budget in terms of chapter 4 section 28 of MFMA no.56 of 2003.	Approved adjustment budget before 28 February 2007.	Mhlontlo, Nyandeni, Ntabankulu, Qaukeni, and Mbizana have approved the adjustment budget on time.
41. Annual budget preparation	Assist in preparation of the annual budget in terms of chapter 4 of the MFMA no.56 of 2003.	Approved and adopted annual budget before the start of the financial year.	All the Local municipalities have approved and adopted the annual budget. The annual budget has been submitted to National treasury as required.

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
42. Revision of I.T. policies	Management of the use of IT resources	Have all I.T. policies revised	Revision has been finished and policies have been submitted to internal audit for comments
43. Development of a Master Systems Plan that will in tern inform the IT strategy.	- Implement an IT strategy for the DM.	Approval of the Master Systems Plan by the council and hence the strategy.	The MSP has been developed and the draft is being circulated for comments.
44. Promotion of website usage	Promotion of website usage	Emphasis on content management Review and update content.	There has been a great improvement on website usage especially from the finance and infrastructure departments. The next challenge now is to get communications section to utilize the tool.
45. Virtual Private Network implementation	Have a monitored wide area network	Reduce downtime on our satellite offices	100% done, the only challenge is clarity on whether local municipalities will be using it
46. Maintenance contract for services on pressure sealers	To avoid disturbances in revenue collection	Machines to be services quarterly	The contract has been signed and the services are being conducted
47. Ensure 100% compliance on licenses;	To get updates and support for all systems used	Being up to date with all the latest versions of systems and patches	License requirements for Venus, Payday, Microsoft Clients on the server, have been covered. The process has now been started for the 2007/08 financial year. All software will be licensed by second quarter of 2007/08.
48. To render Financial Management System Support to Local Municipalities	Improve usage of the Venus system.	Obtain required reports from the system	Support is rendered on an ad-hoc basis. We have assisted Ntabankulu and Qaukeni Local Municipality on a number of problems
49. To render Information Technology Support to Local Municipalities.	Improved information technology at Local Municipalities.	Ensure that information technology activities operate efficiently and effectively at LM's.	Support is rendered on an ad-hoc basis based on that specific municipality's need.
50. Ensure that information systems are fully functional and utilized	Centralize management of information systems	Appropriate IT infrastructure and software availability	All systems are managed by the IT help desk and GIS unit and there has been improvement on usage

Key performance areas	Objectives	Key performance indicators with targets	Actual performance
51. Ensure adequate security and proper access controls to information	To secure district information on all systems	Regular updates of anti-virus software. Periodic update of passwords. Approved Disaster Recovery plan and procedures. Functional back-up procedures and firewall update	Back-up procedures and forced periodic change of passwords have been implemented. The anti-virus software is licensed and updated on an annual basis. Disaster recovery plans are at the draft stages.

2.5 HUMAN RESOURCES DEVELOPMENT

PURPOSE OF THE DEPARTMENT

To ensure an efficient, motivated and sustainable workforce through training, Human Resource Development and Planning to O.R Tambo District Municipality and its Local Municipalities.

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2006/2007	ACHIEVEMENT	PERFORMANCE VARIATION
1. Ensure Effective And Efficient Human Resource Development And Management	Ensure skills development in accordance with prioritised needs	Percentage of training budget spent on skills development in accordance with the workplace skills plan	Council approval of a workplace skills plan for 07/08	Achieved, WSP for 07/08 was approved by council	-
		Assessment of training needs of all officials and communities within the District Municipality			
		The extent to which the workplace skills plan addresses the identified training needs of officials			
	Ensure compliance with the relevant statutory requirements	Council approved policies to meet statutory requirements	Full compliance with all statutory requirements	Not Achieved	
		Percentage reduction in the number of reports indicating non-compliance			
	Develop and review appropriate human resource policies	Human resource policies approved by Council	50% of human resources policies approved by the Council		
	Develop, review and implement relevant human resource management systems	Full utilisation of existing electronic human resource management systems	Availability and utilisation of relevant human resource management systems	Achieved - HR Staff trained on Payday	-
		Improved efficiency and effectiveness of human resource management function			
	Compliance with and commitment to	Successful implementation of all SALGBC decisions	Full compliance with all collective agreements	Achieved - Staff Update staff on	-

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2006/2007	ACHIEVEMENT	PERFORMANCE VARIATION
	collective agreements as per SALGBC	Percentage reduction in the number of reports indicating non-compliance with SALGBC decisions	reached at the SALGBC	SALGA and SALGBC circulars/developments and internal policies	
	Develop and implement an employee assistance programme	Approval by Council of an employee assistance programme	EAP seminar Present seminar recommendations to council	Presentation on EAP conducted to management	No staff to implement
		Establishment of a fully functional EAP unit			
		Identification and implementation of all required institutional arrangements			
	Provision of a healthy and safe work environment	Approval by Council of a policy on all health and safety matters	Seminar on occupational health and safety Present seminar recommendations to council	Not achieved	No staff to implement
		Identification and implementation of all required institutional arrangements			
		Percentage reduction in the number of injuries and claims emanating from health and safety issues			
	Ensure employment equity throughout the District Municipality	Approval by Council of an employment equity policy and implementation plan	Reviewed employment equity policy submitted for council approval	Not achieved	
		Demographic representation in top three levels of management			
		Reduced downtime on recruitment processes			
	Provide relevant support to local municipalities within the district	Evaluation of the rollout of the support programme developed	Development and implementation of a programme of support to water and sanitation personnel in the local municipalities	Achieved – Staff in the LMs were workshopped on the new SALGA circulars and internal policies	-
2. Ensure Compliance With The Epwp Guidelines	Establishment of learnerships	Number of people engaged in the learnership programme	Three learnerships implemented	EPWP learnership implemented Planning initiated for the implementation of the National Skills	-

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2006/2007	ACHIEVEMENT	PERFORMANCE VARIATION
		Evaluation of the skills acquired by individuals engaged in the learnership programme		Fund project and LGSETA discretionary grant LED learnership completed	

2.6 EXECUTIVE MAYOR'S OFFICE

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS WITH TARGETS	ACTUAL PERFORMANCE	REMARKS ON PERFORMANCE VARIATION
GENDER Advert for the post of the Gender Officer	Mobilize, organize and coordinate women and ensure that their interest are mainstreamed in development	Functioning of Women's Desk with a permanently employed Gender Officer	The Gender Officer has not yet been employed. A person has been seconded from the HR Department. The Women's desk is been functional	The post was not budgeted for in the current financial year, however it has been accommodated in the adjustment budget and the Gender Officer will be employed by March 2007
Distribution of draft Gender policy to all local SPU's for comments		Approved Gender Policy	Develop Gender Policy. The Gender Policy has been distributed to all local municipalities and it has been discussed to the conference of the Rural Women's Movement	It has been submitted to the mayoral Committee, but still we are waiting for the comments.
Registration of RWM at local levels as primary cooperatives and at District level as secondary cooperative. Launch the structures		Establishment of Rural Women's Movement in Local Municipalities and also in District Municipalities	All local municipalities have registered their cooperatives and a District Rural Women's Movement has been launched. An induction workshop for the members of the District Rural Women's Movement was held wherein all the local cooperatives identified their projects. The feasibility studies for these projects has not been done.	The funds that were to be utilized for the feasibility studies were used during the conference and launch of the DRWM. This has been noted and included in the adjustment budget
Organize and host the Women's Month activities		Organize and host the Women's Month activities like having an event in August	We launched the O.R Tambo Rural Women's Movement on October of which we were supposed to launch on August	Since we had a problem that we didn't launch the movement on the women's month because the Executive Mayor was in Israel
Complete recruitment		Recruitment was not done.	Nothing happened for the post	.

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS WITH TARGETS	ACTUAL PERFORMANCE	REMARKS ON PERFORMANCE VARIATION
process				
Women's summit to discuss the draft Gender policy		We had two days summit before the launch in order to discuss the draft Gender Policy	The presentation of the draft Gender Policy and was done in the summit	The draft policy is still not been finalized
Establish Women's Desk			The Gender Officer has not yet been employed, a person from HR has been seconded	No advertisement for post up to date, and the seconded person of one year seven months
Functional Women Desk	Mobilize, organize and coordinate women and ensure that their interest are mainstreamed in development	Women's Section is not very effective	Advertisement of the post for Gender Officer has not yet been done	Gender Section is not functioning effectively due to inexistence of a permanently employed Gender Officer
		The draft policy has been submitted	The Mayoral Committee is supposed to recommend for the adoption the policy in order to implement the programmes guided by the policy	
Implementation of project identified at LMs		Launch of project for all local municipalities. Business plans for the project in order to get funding	Out of seven local municipalities, we have managed to do business plans for five local municipalities and we have submitted to DEAT	The two local municipalities identified agricultural projects whereas DEAT needs projects related to tourism
Prepare for the start of gardens	Ensure food security and poverty relief	The programme has been transferred to Ntinga Development Agency	Identification of gardens have been done at Ngangelizwe	The gardens that have been identified at Ngangelizwe were developed by IKAMVA but now the contract has been terminated
CHILDREN AND ELDERLY		Local plan of action for children at PSJ has been adopted and the commitments have been	PSJ local plan of action for children has been adopted and the commitments with Nelson Mandela Children's Fund which has	The process of implementing the programmes are taking place by UCARC, PSJ

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS WITH TARGETS	ACTUAL PERFORMANCE	REMARKS ON PERFORMANCE VARIATION
		signed by both political heads and LED manager. Establishment of local plan of action for children in all local municipalities and District Plan of Action for children process are taking place. Street children moved to places of safety and re-united with families.	sponsored PSJ with R250-000 to facilitate the programmes related to children through UCARC which is doing the ground work. Children have been removed at Mbizana local municipality and those who have homes have been re-united with families and the process is being taken forward by NGOS; dealing with children and the relevant departments. Children from Mthatha have been moved and placed at Eluxolweni childrens' Home. All these programmes have been done in all local municipalities in-partnership with other stakeholders.	municipality is not assisting UCARC in speeding up the process due to their internal problems in that Municipality
Ngquza Hill local plan of action for children to be finished and adopted by the municipality.	Protection and promotion of the vulnerable sectors interest and Mainstreaming of their developmental programmes	Mbizana local municipality has adopted by both political portfolio heads and admin managers. They even LED manager to monitor the progress from special programmes official.	Preparatory meetings with district managers of government departments have been held to address issues related to children and the programmes that will be implemented. The agreement with the NGO which is going to facilitate the programme was also adopted as we are doing the programme in partnership with UNICEF who is supporting DM with technical support and financial support in implementing the programmes related to children.	
Establishment a drop- in centre Mbizana town.		Local plan of action has not yet been finalized that resulted to the delay of the	The children who have been identified are taken to social security grants	A positive response from the partners cluster indicates that the process

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS WITH TARGETS	ACTUAL PERFORMANCE	REMARKS ON PERFORMANCE VARIATION
		process of the drop- in centre in Mbizana. Drop- in centers are the places that will assist street children and neglected children		will be finalized soon through the co-operation in all the relevant parties.
Back to school campaign for children		It has not been implemented by that time due to the delays that have been caused by local municipalities in identifying the targeted group that is orphans and vulnerable children	Outreach programmes have taken place and children doing grade 12 were identified so as to get uniform and learning aids	
Destitute families and child- headed households receive food relief and assistance on social grants.		Qualifying persons especially children throughout the district to access grants. Work with ward committees and ward councilors to identify and assist persons with ID registration and social grant access, partnering with Home Affairs and Social Development	An outreach programmes have been done at Ngquza Hill at Inkxabiso lomntu hospice where government departments rendered some social services. All types of grant were done.	Integration of services with government depts. And other sectors has assisted the DM in co-ordinating the programmes that are supposed to be implemented
Preparations for the childrens' week to be held in May - CHILD PROTECTION WEEK		All local municipalities	All the municipalities were busy in partnership with relevant depts. To do awareness campaigns about the children abuse and other issues related to children.	
COMMUNICATIONS 1. ACCESS OF INFORMATION BY PUBLIC FROM	❖ Ensure that the public is part and participating in municipal programmes that are aimed at bettering	❖ Increase public participation in municipal programmes ❖ Implementation of the promises raised during the Imbizo	❖ The Municipality embarked on the IDP/Budget Road show in all seven municipalities ❖ Schedule of the monthly Imbizo's has been finalized but waiting for the input of the	❖ Lack of co-ordination from departments both within municipality and other stakeholders

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS WITH TARGETS	ACTUAL PERFORMANCE	REMARKS ON PERFORMANCE VARIATION
MUNICIPAL PROGRAMMES/PUBLIC PARTICIPATION	their lives, especially that they know municipal programmes	❖ Increase in confidence of the communities in the municipal programmes	councillors	
2. PROMOTION OF INTERGOVERNMENTAL RELATIONS	❖ Ensure co-ordinate programmes between all government departments to accelerate service delivery	❖ Integrated approach in all government activities ❖ Increase in linkage of government programmes	❖ The schedule of IGR meetings has been finalized and meetings seats ❖ There is an increase in sector departments are present in the IGR structure	❖ No consistence in attendance of government departments and sometimes sending junior staff who cannot take decision
3. SUPPORT TO LOCAL MUNICIPALITIES	❖ Ensure that there are no gaps in service delivery at Local Municipality level with regards to communication	❖ The District Municipality has assisted the Nyandeni Municipality in crafting its Communication Strategy. ❖ The District Municipality has facilitated the formation of a functional District Communicator's forum	❖ Calendar of events for all Communication activities to be finalized ❖ There is improvement in organizing District Events with an integrated approach ❖ The District hosted the protocol workshop for all Communicators in Local Municipalities	Lack of understanding of the role of communication in local government especially from Local Municipalities
4. MEDIA LIAISON	❖ Ensure positive image of government is created by the media. ❖ Ensure that the media is always updated on municipal programmes. ❖ Ensure good relations between media and the municipality.	❖ Increase of coverage by National Media ❖ The willingness of the media to cover our stories has increase ❖ Improvement in stories that are not negated	❖ The District is Organising Media Awards to honour the media for their role in assisting the municipality in its mission of giving access to information	The seems to be less interest from the media in covering due to urban biase There is a need for our Local Municipalities to improve on media liaison and to begin to create good relations with the media
5. MONITORING AND EVALUATION	❖ Ensure communication	❖ 30% increase in of implementation	❖ Evaluation Team with GCIS and Office of the Premier has	No standard tool used to monitor and evaluate our

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS WITH TARGETS	ACTUAL PERFORMANCE	REMARKS ON PERFORMANCE VARIATION
COMMUNICATION PROGRAMMES	<ul style="list-style-type: none"> targets are met. ❖ Ensure that evaluation and monitoring mechanism for progress in communication programmes at Local Municipality Level. ❖ Ensure identification gaps when executing communication programmes and how to fill them in. 	<ul style="list-style-type: none"> action plans. ❖ After each event, monitoring and evaluation is done and gaps identified. 	been established.	events
6. PROFILING OF MUNICIPALITY	<ul style="list-style-type: none"> ❖ Ensure the municipality is well marketed for investment spin-offs, tourism activities and heritage. ❖ Ensure the municipality gains and service delivery to communities are known. 	<ul style="list-style-type: none"> ❖ Increase in partnerships with other stakeholders for investment purposes ❖ To make the OR Tambo a tourist destination by revitalizing its heritage sites 	<ul style="list-style-type: none"> ❖ The increase in number of magazines that profile the District and its Municipalities ❖ Clear roles in the organization of the OR Tambo Months but mostly active participation OF THE District Forum in the preparations 	Not enough co-ordination and clear roles between the Communications and the Tourism department on branding and marketing of the District Municipality
7. DEVELOPMENTAL COMMUNICATION	<ul style="list-style-type: none"> ❖ Ensure mobilization of sufficient resources to adequately capacitate the communities at Municipal level. ❖ Ensure municipal programmes and 	<ul style="list-style-type: none"> ❖ Full participation of communities especially the youth in policy formulation e.g. IDP through road shows and IMBIZOs ❖ Implementation of the DGDS resolutions by all partners and the understanding of the 	<ul style="list-style-type: none"> ❖ Information sharing sessions with the communities on IDP and also ensure maximum participation of the community in these programmes so as to increase number of participants ❖ Establishment of Public participation units in the 	No co-ordination between the Communications Unit, Public Participation and Developmental Planning when planning these Road shows

KEY PERFORMANCE AREA	OBJECTIVES	KEY PERFORMANCE INDICATORS WITH TARGETS	ACTUAL PERFORMANCE	REMARKS ON PERFORMANCE VARIATION
	policies are meaningful and sustainable.	resolutions by the communities	District Municipality and LMs	

CHALLENGES EXPERIENCED AND SUGGESTED CORRECTIVE MEASURE

CHALLENGES EXPERIENCED	SUGGESTED CORRECTIVE MEASURES
The Rural Women's Movement is led by the politicians: There is no clear role of Gender Officer / Section	There is a need of a workshop to explain the role of SPU and Board Members of the Rural Women's Movement. This must be done with the assistance of the Strategic Manager

2.7 SPEAKER'S OFFICE

Key performance areas	Objectives	Key Performance Indicators	Annually Target	Actual performance
Ensure compliance with the statutory requirements	Ensure all submissions to Council reflect accurate reference & interpretation of legislation	Submissions to Council reflect 100% legal compliance	All submissions going to Council are screened for legal compliance	The objective has been achieved. There are five Council sitting that have taken place within the year under consideration (see Annexure 'A.
Ensure compliance with the statutory requirements	Ensure that the District Municipality has all the required statutory policies and by-laws	Council approval of all reviewed statutory policies and by-laws	50% of existing policies reviewed	The objective has not been achieved. <i>Variance:</i> No policy reviewal has been conducted within the financial year under consideration.
Ensure compliance with the statutory requirements	Ensure that the District Municipality has a register of all the statutory policies adopted by Council	Policy Register	50% of policy drafts available	The objective has been achieved. The Policy Register update has been done up to December 2006(see Annexure 'B
Ensure compliance with the statutory requirements	Ensure that Resolution Register is updated	Resolution Register	Resolution Register updated	The register has been updated with the information of the whole financial year (see Annexure 'C).
Ensure support to the establishment of legislative structures for public participation	Provide assistance to ward structures through local municipalities	Have functional ward structures	Verification in all local municipalities of the existence of ward structures	The information has been verified and all (162) wards have functionary ward committees,
Ensure support to the establishment of legislative structures for public participation	Ensure involvement of public participation institutions in the affairs of the municipality	IDP and Budget roadshows	Ensuring that IDP and Budget roadshows are conducted in April 2007	The objective has been achieved.
Protection, safety and security	Ensure interaction with other law enforcement agencies	Participation in relevant forums	VIP Protection Unit has attended various meetings with other law enforcement agencies	The objective has been achieved. There are forum meetings that have been attended on the 18 February 2007 and 07 March 2007.
Protection, safety and security	Ensure interaction with other law enforcement agencies	Have a memorandum of understanding (MOU) with SAPS	MOU signed with SAPS	<i>Variance:</i> The SDBIP was reviewed, during the year under question and this programme was transferred to Community Services that had to finalize the MOU.

SUBSTANTIATE PERFORMANCE VARIATION (positive and negative)

Variations were positive because they have helped the municipality to build the capacity for new councilors. They equip the newly elected councillors with necessary legislative systems in order that they perform their political mandate more economical, effective, efficient and making it a point that they are accountable to the public (e.g. programmes on public participation)..

CHALLENGES EXPERIENCED

- There is not clear programme on public participation in order to commit its budget allocation in its totality, except during roadshows for both Municipal Annual Performance Report and Budget Roadshows.
- There is not enough budget to provide necessary support to the statutory structures of public participation i.e. ward committees.
- The fact that district municipality is not abreast on day –to-day functioning of ward committee impacted negatively in the budgeting process and less focus has been paid by the District Municipality on support for functionality of ward committees.
- Confusion and co-ordination around public participation prevails as a challenging issue.
- Non-compliance with the adopted Council Calendar remains a challenge for the Department.

1. VIEW OF PLANS FOR NEXT FINANCIAL YEAR

- Develop a clear program of public participation for the entire District
- Submitt a sufficient budget proposal to Council in order to be able to provide support to all public participation structuresEnsure that Council comply with the adopted Council calendar

2.8 REPORT FOR NTINGA O.R TAMBO DEVELOPMENT AGENCY

Vision

A result orientated development catalyst with skilled people committed to an efficient and effective sustainable economic development of the O.R. Tambo district.

Mission

- To create, support and encourage the promotion of business opportunities, skills development and employment opportunities in the O.R. Tambo district;
- To support the O.R. Tambo District Municipality in the formulation of its growth and development strategy.
- To implement a district economic growth and development strategy that develops the productive and other economic capabilities of the O.R. Tambo district in high potential sectors, namely: agriculture, forestry, tourism and mari culture;
- To enhance planning and service delivery capacity in the O.R. Tambo district through development of the human capital and provision of support to social development initiatives; and
- To institute integrated poverty eradication programmes and initiatives aimed at improving the quality of life of the people of O.R. Tambo district.

Mandate

To spearhead the implementation of sustainable economic development in the O.R. Tambo district of the Eastern Cape Province.

Our Economic Development Strategy is underpinned by the following principles:

- The adoption of an integrated multi-sectoral development approach as opposed to the conventional micro-project based approach;
- The integration of local economic development (LED) with poverty alleviation initiatives and programmes;
- The integration of community based business models into an LED operational system;
- The establishment of multi-stakeholder partnerships; and
- The incorporation of worldwide, countrywide and cross boundary economic variables into the district growth and development strategy.

Values

- Developmental mindset;
- Sustainability emphasis;
- Efficiency and effectiveness;
- Service orientation; and
- Partnership building.

Development Focus

- Agriculture and food production
- Agro-forestry and processing
- Tourism and beneficiation
- Trade and Investment Promotion

Synopsis of the Year

The year 2006/7 has been a challenging one in the Ntinga's few years of existence. The inescapable reality of scarce resources and the often complex planning environment exacerbated by the inherent urgency in development as a result of the high levels of poverty in the district posed a formidable challenge to Ntinga. This, notwithstanding it continuing to be a challenge, has received effective attention of the Ntinga Board as well as that of the O.R. Tambo District Municipal Council.

Corporate Key Performance Areas:

- ❖ Institutional Development
 - Corporate Services – (HR, Office Admin, Supply Chain Management and Asset Management)
 - Finance and ICT
 - ❖ Agricultural Development
 - ❖ Business Development and Strategic Investments
 - ❖ Enterprise Support and Community Development
- Abridged Financial Information 2006/7
(Ntinga excluding enterprises)

Ntinga received development funding amounting to *R39,7m* from O.R. Tambo District Municipality during the 2006/7 financial year broken down into R16,5m for operations and R23,1m for development projects. Additional funds received from fundraising activities amounted to R638 106 giving a total of R40, 3m. R20, 3m was spent by the company during the 2006/7 financial year in development projects. About 20% of the total projects allocation was spent in the maize programme, 51,8% in enterprises including the Emfundisweni Skills Development & Resource Centre (ESDRC) while the remaining 28,2% was spent on other projects which are mainly agricultural.

Ntinga's operational expenditure in the 2006/7 financial year amounted to R35, 5m excluding enterprises operations. In the previous year, operational expenditure amounted to R27, 2m. Ntinga had property, plant and equipment with a net value of R3, 9m as at 30 June 2007 while the net value of community assets amounted to R7m. Ntinga's cash resources as at 30 June 2007 amounted to approximately R6, 1m.

ANNUAL PERFORMANCE REPORT - CORPORATE SERVICES



1. PURPOSE OF THE DEPARTMENT

To provide strategic support to all business units within the organization. Priorities are:-

- ❖ The effective management of human resources in order to ensure the transformation of skills development, employment equity and performance appraisal.
- ❖ The effective management of an administration system that is effective and facilitates decision making and service delivery throughout the organization.
- ❖ The effective management of Supply Chain Management function within the organization

2.

KPA's	OBJECTIVE	KPI'S	ANNUAL TARGETS	ACTUAL PERFORMANCE
Provision of strategic human resource support to all Entity's departments	❖ To give human resources department operational guidelines.	❖ High staff morale ❖ Development of policies	Ongoing Ongoing	Salary grading was implemented. The following policies were developed Asset Management policy Staff Recruitment & selection committee Remuneration committee Study Aid policy Traveling allowance Policy on Directors fees policy Staff relocation policy was developed. Acting allowance policy
	❖ The human resources and control of the payroll.	❖ Correct procedures are followed at the end of the month when payments are processed.		67 Staff members have undergone training during this period
	❖ The provision of the support on the disciplinary process.	❖ Correct disciplinary procedures are followed. Reduction of CCMA cases.	100% achieved Ongoing	Month end payroll amendment files were compiled and approved and submitted to Finance Department on monthly basis 50% of cases were finalized in favour of the Entity.
To provide support and ensure the maintenance of sound labour relations.	❖ To ensure that the company comply with the relevant legislation.	Compliance with national labour legislation	Submission of WSP on the 31 May	100% achieved
			Submission of ATR on the 31 May Submission of EE	100% achieved This was not achieved.

Organizational Support	To provide administrative, logistical and operational support	❖ Availability of relevant administrative support	Ongoing	This was not achieved 90%
		❖ To provide employees with relevant information regularly.	Ongoing	70% of this has been achieved.
		❖ Registration of company cars	On due dates	100%
Supply Chain Management	❖ To provide guidelines on procuring goods.	❖ Compliance to SCM policy.	Ongoing	60% of this was achieved.
	❖ Ensure goods procured are budgeted for.	❖ Only goods which are budgeted for are procured	Ongoing	70% achieved
	❖ Compile quarterly reports	❖ Submission of reports	Quarterly	This has not been achieved.
Asset Management	❖ To ensure that company assets are managed properly.	❖ Assets are in working condition and maintained	Ongoing	70% achieved
	❖ Safeguarding Entity's assets	❖ Inspection is on quarterly basis.	Quarterly	This was not achieved
	❖ Ensure that fixed assets are properly reconciled.	❖ Assets are adequately insured	Ongoing	100% achieved
	❖ To provide risk management services.	❖ All assets are traceable.	Ongoing	80% Achieved
		❖ Fixed asset Register	Monthly	60% achieved
		❖ Fixed asset tagging	30 June	Not achieved

PERFORMANCE VARIATION

The departmental performance has not been good especially on SCM and Asset Management. Human Resource department has done well though there are areas that need improvement.

CHALLENGES EXPERIENCED

The non existence of Asset Management system was a challenge since the system was purchased in this current year. The asset and supply chain management unit was established towards the end of the financial year in May.

OVERVIEW OF PLANS FOR THE NEXT FINANCIAL YEAR

- ❖ To separate Asset Management unit from SCM unit
- ❖ To conduct skills audit.
- ❖ To secure new offices for the Agency
- ❖ To develop Administration system manual
- ❖ To acquire management system
- ❖ To fully implements Asset management system
- ❖ Asset tagging
- ❖ Reviewal of the following policies
 - Recruitment and selection policy
 - Laptop policy
 - Study Aid policy
- ❖ Development of the following policies
 - Experiential training, Retrenchment policy, EE policy, HIV policy

ANNUAL PERFORMANCE REPORT - FINANCE & ICT MANAGEMENT

1. PURPOSE OF THE DEPARTMENT

- To provide sound financial administration
- Administration and management of the budget
- Asset management
- Implementation and maintenance of systems of internal control.
- Financial reporting
- MFMA Implementation

2. KPA's, OBJECTIVES, KPI's WITH TARGETS AND ACTUAL PERFORMANCE LEVEL (to be tabulated as follows)

KEY PERFORMANCE AREAS	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGETS	ACTUAL PERFORMANCE
A. ANNUAL BUDGET				
Preparation and submission thereof	To enhance sound financial planning and compliance with MFMA.	Time table outlining key deadlines of Ntinga budget process Submit proposed budget to ORTDM by 15 th of January.	100% achieved	Confirmation letter received from the District Municipality on 21 November 2005 for the 2006/2007 budget
Annual adjustment budget preparation	To ensure that the budget is realistic and also to comply with MFMA.	Submission of revised budget to ORTDM on the 15 th of February.	100% achieved	Adjustment budget submitted on 17 January 2007 which was within the 150 days prescribed by the Act.
Budget monitoring	Avoid overspending and above all to ensure adherence to the budget.	Daily processing of financial data on pastel. Budget vs actual schedule updated everyday and saved on the network system. Analytical review done frequently on over/under spending indicators Submission of budget statement to ORTDM within seven working days after each month end. Prepare cash flow analysis monthly.	80% achieved 90% achieved	Although some individual expenditure items were over-spent, the overall budget was not overspent at year end. Monthly management accounts were submitted to ORTDM by the 10 th of each month.
B. EXPENDITURE MANAGEMENT				
Payment of expenditure and creditors.	To ensure compliance with SCM, company policy and avoiding fruitless expenditure.	Have updated systems of internal control manual. Compliance with other legislatures governing certain payments (i.e. statutory deduction payovers and garnishee) Adherence to payment arrangement terms and company policy frequently.	40% achieved 70% achieved 80% achieved	The system of internal controls were documented and utilized towards the end of the financial year. Statutory payments were made accordingly except in certain cases where interest and penalties on VAT was attracted due to SARS e-filing not working. Payments are made within 30

				days but there are instances where we were unable to and in most cases where the supplier had not delivered as agreed upon. However majority of payments made are normally made in advance.
D. INTERNAL CONTROLS & RECORDS MANAGEMENT				
Internal controls	Ensure that internal controls within the system are operating effectively and efficiently.	Improved internal controls within the financial systems. Internal controls manual.	70%	Although the Financial Management system currently in is more manually driven, internal controls within the system were adhered to.
Financial records safeguarding	To secure safety and security of documents and records	Keeping the records in the safe place. Access control. Develop financial records movement control sheet.	50% achieved	This has not been achieved, although the are dedicated filing cabinets but we do not have fire proof filing rooms
E. FINANCIAL REPORTING & GENERAL LEDGER				
Annual Financial Statements	Report to the stakeholders and comply with the Company's act and MFMA Ensure that the financial information is processed from the source documents and updated to the books of prime entry.	Submission of GRAP/GAAP AFS to AG on the 31/08/07. Consolidated AFS submitted to AG on the 28/09/2007 AFS prepared in a recognized framework Updated trial balance monthly Cash book Bank reconciliation monthly Monthly management accounts Reconciliation of all financial components to the general ledger.	100% achieved for Ntinga O.R Tambo Development Agency 100% achieved for the enterprises in terms of submission, but in terms of the framework, 50% achieved 95% achieved	AFS submitted on time, however, the enterprise AFS was prepared on GAAP and not GRAP as they are currently classified as municipal entities Monthly management accounts were submitted by the 10 th of each month to the District Municipality
G. MFMA Compliance	To ensure that the entity comply with all requirements of the MFMA.	Developed MFMA implementation plan MFMA checklist MFMA timetable	60% achieved	This has not been fully implemented at enterprise level hence the low % achievement

The background of the page is a faded, artistic illustration of a coastal landscape. In the foreground, there are several traditional round huts with conical thatched roofs, typical of a rural village. Beyond the huts, a body of water stretches towards the horizon, with rolling hills or mountains visible in the distance under a light sky.

SUBSTANTIATE PERFORMANCE VARIATION (positive and negative)

- The overall performance can be assessed as positive because major targets were achieved in terms of submission of the annual budgets, adjustment budget and annual financial statements.
- There is still room for improvement as we did not achieve 100% in the implantation of MFMA which is critical as this is one of the legislations that govern a municipal entity.

CHALLENGES EXPERIENCED

- There is no financial management system in place, only Pastel Accounting is used for financial reporting purposes. The budgets are manually monitored which is then prone to human error.
- There is lack of office space so the safety of the expenditure vouchers is at stake since we do not have a dedicated expenditure office and fire proof filing rooms.

SUMMARY OF PLANS FOR THE NEXT REVIEW TERM

- Acquire a financial management system
- Prepare annual budgets per department
- Fully implement MFMA
- Improve the payment processes
- Convert enterprises to be GRAP/GAMAP compliant



INFORMATION AND COMMUNICATION TECHNOLOGY SECTION

1. PURPOSE OF THE SECTION

To provide Ntinga O.R. Tambo Development Agency with information & communication technology systems management that will enable the organization to fulfill its objectives of services delivery.

2. KPA's, OBJECTIVES, KPI's & PERFORMANCE

KEY PERFORMANCE AREAS	OBJECTIVES	KEY PERFORMANCE INDICATORS	ANNUAL TARGETS	ACTUAL PERFORMANCE
1. ICT Infrastructure	To ensure Ntinga & satellite offices are linked (VPN)	To have VPN infrastructure in place by 30 August 2007	30% achieved	Not achieved due to: firstly budget constraints secondly lack of infrastructure from the service providers side (Telkom)
	To ensure Telecenter & Offices at ESDRC are linked (Fiber)	To have the Telecenter & ESDRC offices linked by 15 March 2007	0%	
	To ensure that ICT equipment such as servers, switches and routers are stored in locked places	To ensure that the available ICT equipment is located in safe & locked places by 30 July 2007	0%	Project delayed due to: firstly no budget allocated and no proper infrastructure to accommodate all the systems (Vodacom signal level very low, struggling to even accommodate PCs in offices)
	To ensure that all the satellite sites are provided with proper telephone infrastructure	To have all satellite offices equipped with proper telephone infrastructure by 30 August 2007	30%	Not achieved due to office space limitations.
	To ensure that average satellite sites are provided with file servers e.g. Kei Fresh Produce Market	To have servers installed on average satellite sites by 30 November 2007	0%	Not Achieved due to lack of Telkom infrastructure in areas where our satellite offices are situated.
	To ensure that all critical offices & sites with company assets equipped	To have CCTV cameras installed by 30 November 2007	20%	Not achieved due to lack of budget

	with CCTV cameras To ensure Ntinga offices are linked to ORTDM	To have a link between Ntinga & ORTDM before the deployment of DIMS & GIS	15%	Not achieved due to lack of budget and the fact that we were to change offices to the 4 th floor – ECDC Building Project delayed due to the fact that the DIMS system as well as GIS system have not been approved yet by Management
1. ICT Project Management	To ensure properly managed ICT projects	Projects should at least not exceed 30 days after the scheduled completion date	100%	This has been achieved so far as all the projects undertaken were on schedule except where there are budget constraints This has been achieved as no cost overruns were realized in projects undertaken This has been achieved as all the projects undertaken are in line with the overall organization's business needs
	To ensure no cost overruns in projects undertaken	Minimal or no cost overruns should be realized on ICT projects being undertaken	100%	
	To ensure projects that are under taken are in line with the overall organization business needs	To have no ICT projects terminated due to un-alignment with Ntinga & satellites site's operations	100%	
2. ICT Disaster recovery	To ensure that backup servers are always up and running for quick replacement in case of damage due to disasters	To have the backup servers acquired by at least 30 June 2007 & installed by 30 July 2007	30%	Not achieved due to limited budget This has been achieved, SLA with Standard Bank Umtata West in place and monthly backups stored with the bank This is achieved as it is possible to restore corrupt data
	To ensure off-site backup solution is in place	To have an off-site backup solution by 15 February 2007 with SLA from the chosen bank	100%	
	To ensure data lost or corrupted is quickly restored	To have on-site backups available within an hour if data is lost or corrupted	100%	
3. ICT Risk Management	To ensure on-site & off-site backups are done as per schedule and stored in appropriate places	To have a computer printout for scheduled backups presented when ever is requested To have a printout of every	75%	This is partially achieved as the ICT Security and Backup policy have not been approved yet, but in place

	<p>To ensure anti-virus is continuously updated with latest virus definition files To ensure no outside intruders could have access to company information</p> <p>To ensure backup servers are continuously updated with latest information</p>	<p>computer installed with anti-virus software checked at random for virus definition file updates</p> <p>To have firewalls installed during VPN rollout</p> <p>To have an updated server contents printed when ever requested</p>	<p>100%</p> <p>70%</p> <p>30%</p>	<p>This has been achieved as all the workstation, laptops and servers has antivirus software installed in them</p> <p>Project delayed as the VPN has not yet been rolled out (But a software firewall is embedded on the Antivirus software)</p> <p>No backup servers in place as yet due to lack of budget</p>
4. ICT Service Providers' Management	<p>To ensure service providers SLA's are properly managed i.e. payments done on time, upgrades to software & hardware are as per SLA</p> <p>To ensure that service providers do not abuse the terms of reference of the SLA</p>	<p>To have proof of payments presented whenever the scheduled payment dates have passed, and system updates done as per schedule.</p> <p>To have service providers available for problems reported within the stipulated turnaround time in the SLA</p> <p>To have software and hardware upgrades done within the stipulated period in the SLA</p>	<p>100%</p> <p>100%</p> <p>100%</p>	<p>This is achieved as all the service providers are paid in time and all the updates are done in time on the systems</p> <p>This is achieved as so far all the service providers respond within the stipulated time</p> <p>This is achieved as all the software upgrades are received and installed in time</p>
5. ICT Training management & facilitation	<p>To ensure that ICT training needed by users is identified & arrangements made with training providers</p> <p>To ensure that ICT equipment to be used for a particular training is setup in advance</p>	<p>To have training needs continuously checked for system users and training immediately provided for needy users</p> <p>To have ICT equipment to be used for training available with one hour before the start of training session</p>	<p>90%</p> <p>100%</p>	<p>This is partially achieved as critical training is provided, and continuous training needs for users is identified</p> <p>This is achieved as no delays are realized when a service provider has to conduct onsite training</p>

6. Office automation	To ensure that office automation software & hardware solutions are continuously researched & implemented within the organization	To have District Information Management System (DIMS) in place by 30 August 2007	35%	Not achieved due to budget constraints (Also no Management approval for the software, also business process have not yet been developed by Management)
		To have Geographic Information System in place by 15 September 2007	35%	Not achieved no management approval
7. Software licensing	To ensure software licenses for software used is continuously renewed	To have software license renewal acknowledgement presented whenever requested after the expiry date	100%	This is achieved as all the software licenses are renewed in time (No penalties due to payment delays)
8. To render information & communication technology support to Ntinga & satellite offices	To ensure that Ntinga & satellite offices ICT users receive continuous support	To have improved ICT operational efficiency by Ntinga & satellite offices throughout the year	100%	This is achieved as all the satellite offices are visited at least 2 times a month
9. ICT Strategy	To ensure that Ntinga ICT strategy is aligned with the overall organization wide strategy	To have ICT strategy in place once the overall Ntinga strategy is in place	40%	This has been delayed as there is no company wide strategy in place
	To ensure that the ICT strategy is properly implemented	To have all the selected strategies for ICT at Ntinga implemented as per schedule	40%	Not achieved, due to lack of overall organisation's strategy
10. Electronic Filing System	To ensure that Ntinga has a user friendly Electronic Filing System	To have all the users aware as to where to save their files on the filing system as per department	60%	This has been partial achieved, as we have noticed that most people are still not using the Filing system
11. ICT Security Policy	To ensure ICT information and systems are properly managed & protected	To have ICT Security Policy document in place and endorsed by senior management by 15 February 2007	60%	This has been partially achieved, still waiting for management approval
	To ensure users adhere to set rules and regulation regarding ICT systems usage	To have workshop of ICT Security policy by 20 February 2007	45%	This has not yet been achieved as the ICT Security policy is still waiting for Management approval

SUBSTANTIATE PERFORMANCE VARIATION (positive and negative)

- Please refer to the actual performance explanations detailed above.

CHALLENGES EXPERIENCED

- Shortage of funds to implement ICT projects.

SUMMARY OF PLANS FOR THE NEXT REVIEW TERM (subject to the availability of funds)

- ❖ VPN rollout
- ❖ DIMS implementation
- ❖ GIS implementation
- ❖ Setting up of an ICT steering committee
- ❖ Installation of 3G router at ESDRC for Internet & Email access
- ❖ To have proper telephone infrastructure for all satellite offices
- ❖ ICT strategy development and implementation
- ❖ ICT Security policy implementation and monitoring
- ❖ Review the efficiency of the system used by the Ntinga, look at needs for upgrades and continuation of usage
- ❖ To enhance the skill of the ICT staff;
- ❖ Basic computer usage training – Email, Word, Excel & Internet explorer
- ❖ Establishment of Off-site backup
- ❖ Purchasing & installation of backup servers
- ❖ Purchasing & installation of Kei Fresh Produce Market Server
- ❖ Linking of ESDRC offices & Telecenter
- ❖ Linking of ORTDM & Ntinga offices
- ❖ Implementation of ICT security policies
- ❖ Implement recommendations raised by Auditor General on ICT issues



ANNUAL PERFORMANCE REPORT – AGRICULTURAL DEVELOPMENT

PURPOSE OF THE DEPARTMENT

The purpose of the Department is to improve agricultural development in the O. R. Tambo District and has the mandate for implementation of development objectives of O.R. Tambo District Municipality. This of the Department is implemented in the areas of Crop production, Livestock Improvement, Vegetable production,

Key Performance Areas	Objectives	Key Performance Indicators with targets	Actual Performance
1. Livestock Improvement in the ORTDM	Improved production of wool mutton and beef	Introduction of rams, bulls and bucks to farmers for genetic improvement	20 rams, 30 bulls and 15 bucks were distributed
	Improved veld management through capacity building of farmers	50 farmers will be trained by end of financial year	50 farmers were trained and are able to disseminate information to others
	Improvement of animal health management through capacity building	Farmers and paravets to be trained before end October 2007	50 farmers and 30 paravets were trained
	Improved skills in animal breeding	50 farmers identified and trained from different sites by end of financial year	All 50 farmers were trained
	Linking animal production with Mzikantu Red Meat Abattoir	150 heifers will be exchanged to kickstart livestock marketing	Supply chain to the abattoir is in place and improving day by day
2. Increase and improvement of crop production in the ORTDM	Ensuring Food security	Projects amounting to at least 10,000 ha will be put under maize production as a source of food	1144 ha was put under maize production for the season 2006/07.
	Render effective support service to the farmers in the form capacity building	29 projects will be supported unconditionally with extension services	Support to project is ongoing
	Capacity building that makes the	266 farmers to be trained on	120 farmers and 18 agricultural officers

Key Performance Areas	Objectives	Key Performance Indicators with targets	Actual Performance
	farmers grow Facilitate access to markets and value adding facilities for maize	cooperative farming and crop production Excess produce of maize to be marketed at reasonable prices by September 2007	were trained in crop production 748 farmers have been linked to potential buyers of maize, and R90,000.00 was realised
3. Vegetable Production	Ensure optimum utilization of available land and water recourses Ensure that farmers get inputs for vegetable production Ensure sufficient and efficient use of irrigation equipment	existing projects along the river valleys operate Seeds fertilizers and chemicals are available on project sites Equipment always functioning and repaired timeously	13 projects are operational with steering committees All 13 projects were supplied with inputs Equipment was discovered not to be operating and processes of repairs were started
4. Farmer Development and Support	Skills development and capacity building for rural farmers Farmers are supported in marketing their products	Farmers will be trained in various skills for empowerment Farmer's products of farmers to have access to the market	Farmers were train ed in skills in livestock development, crop production and institutional organization of cooperatives 400 bales of wool were transported to BKB, farmers were assisted to sell 2,000 bags of maize to a market in Gauteng
5. Mechanization in agricultural Production	To ensure availability of efficient machinery and equipment for agricultural production in the ORTDM.	Sufficient Tractors and equipment will be secured for the season	34 local tractor owners and 4 commercial tractor contractors were engaged

3. CHALLENGES EXPERIENCED

Constant flooding affecting engines.

Regular problems with converters.

Insufficient commitment from farmers

Late Inputs purchases and delivery: Due to insufficient grant for inputs, purchases had to be delayed to give room for the Farmers production cost contribution.

Chemical- herbicide application: Due to continuous rainfall, effectiveness of herbicide application may not achieve 100% result in all the projects where it has been applied.

An expensive infrastructure for the programme, programme takes a long time to see result.

Limited number of women participation in the programme as the assets are customarily belonging to men.

An expensive infrastructure for the programme.

Programme takes a long time to see result.

Limited number of women participation in the programme as the assets are customarily belonging to men.

4. SUMMARY OF PLANS FOR THE NEXT REVIEW TERM

- 4.1. Turn around strategy to be implemented till end June 2007
- 4.2. Intensive production during the winter season.
- 4.3. Establishment of linkages between the Livestock Programme and Umzikantu Abattoir.
- 4.4. Engaging two additional officers to alleviate Human resource shortage problem
- 4.5. Awareness on weed and insect control
- 4.6. Ensure application of LAN(topdressing) done in all sites

ANNUAL PERFORMANCE REPORT – ENTERPRISES, SMME & COMMUNITY DEVELOPMENT

PURPOSE OF THE DEPARTMENT

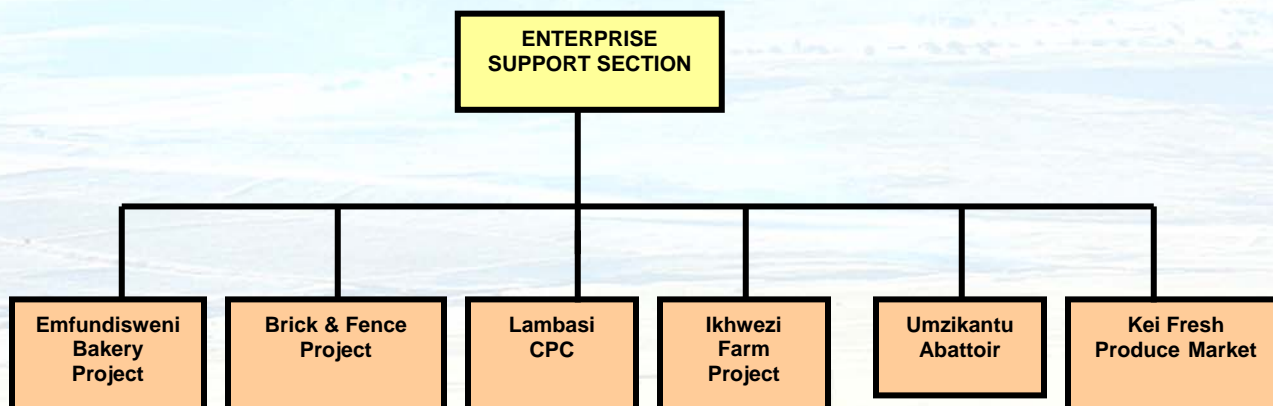
1.1 Background:

The Enterprise development programme is aimed at job creation and local industry growth and competitiveness within the O.R. Tambo District Municipality. Ntinga OR Tambo Development Agency currently manages strategic enterprises that support the needs of local communities, service delivery mandates of ORTDM aimed at improving the quality of life within the district. Therefore enterprise development is a strategic approach to enhance local economic development to attain the goals of the district municipality.

1.2 Objectives for the enterprise development programme

- Sustainable job creation.
- Community empowerment through participation.
- Support social economic development programmes.
- Human Resource Development and Entrepreneurial Development.

1.3 Enterprise Group Structure



3. KPA's, OBJECTIVES, KPI's WITH TARGETS AND ACTUAL PERFORMANCE LEVEL

KEY PERFORMANCE AREAS	OBJECTIVES	KEY PERFORMANCE INDICATORS	ACTUAL PERFORMANCE
Sustainable Fresh Produce Market retail.	Food security, local production & job creation.	<ul style="list-style-type: none"> Establishment of a retail market. Use market agents for vegetable sales. No. of jobs created 	See below
Red meat sales operation	Food security, local livestock commercialisation & job creation.	<ul style="list-style-type: none"> Operate Abattoir facility. Source local community livestock. 	See below
Brick-making operation	local production of bricks, SMME development & job creation.	<ul style="list-style-type: none"> Operate brick yards. Train & establish brick yards. No. of jobs created 	See below
Dairy operations establishment.	Food security, local livestock commercialisation & job creation.	<ul style="list-style-type: none"> Operate 2 dairy operations. Establish dairy cooperatives. 	See below
Establishment of rural Farmstall operations	Food security, encourage local vegetable production & job creation.	<ul style="list-style-type: none"> Operate Farmstall. Purchase local produce. No. of jobs created 	See below
Establish & operate bakery operations in sustainable villages.	Food security, encourage rural production & job creation.	<ul style="list-style-type: none"> Local supply of bread to retailers & Cooperatives. No. of jobs created 	See below
Maize production & processing	Food security, encourage rural production & job creation.	<ul style="list-style-type: none"> Sale of samp & mealie-meal. No. of jobs created 	See below
Establish & operate poultry production projects.	Food security, encourage rural production & job creation.	<ul style="list-style-type: none"> Operate abattoir operation. Establish poultry projects. No. of jobs created 	See below

SUBSTANTIATE PERFORMANCE VARIATION

There has been significant variation of sales in all the enterprises due to common problems detailed below:

- Sales budget below projected targets.
- Staff numbers in excess.
- Fewer SMME's & Cooperatives established.

CHALLENGES EXPERIENCED

- Excess staff.
- Predominantly unskilled workforce.
- Lack of working capital investment.
- Poor revenue collection.
- Low customer base resulting poor revenue streams.
- Obsolete machinery.
- Policy framework for the establishment of cooperatives.

Human Resources & Revenue Generation

HUMAN RESOURCES - JOB CREATION					REVENUE GENERATION	
Enterprise / Cooperative	Permanent Jobs	Youth	Women	Temporary Jobs	Dec-07	Jun-07
Brick & Fence	96	47	46	88	R 1,076,000.00	R 2,068,917.00
Emfundisweni Bakery	34	13	19	41	R 1,324,313.00	R 1,579,131.00
Kei Fresh Produce Market	16	6	6	0	R 833,000.00	R 1,535,539.00
Ikhwezi Farm	6	0	2	0	R 151,744.00	R 140,818.00
Lambasi	21	11	15	219	R 266,718.00	R 1,479,156.00
Umzikantu Abbattoir	13	4	5	0	R 266,718.00	R 1,205,488.00
Young Lion Coperative	9	6	3	9	R 0.00	R 0.00
TOTAL	195	87	96	357	R 3,918,493.00	R 8,009,049.00

4. SUGGESTED CORRECTIVE MEASURES

- Improve sales targets.
- Working capital investments provisioning.
- Reduce excess staff.
- Reduce inefficiency through training of employees and process improvements.

OVERVIEW OF PLANS FOR THE NEXT FINANCIAL YEAR

The department will hold during February 2008 a strategic planning session that is expected to yield the following results:

- Revised 2007 business plan.
- Restructuring of enterprises.
- Guidelines on establishment of Cooperatives.

CHAPTER 3

AUDITED STATEMENT AND RELATED FINANCIAL INFORMATION

3.1 Auditor General's Report

The Auditor General has indicated that the report will not be available in due time, since they are still busy auditing 06/07

3.2 Consolidated Annual Financial Statements

OR TAMBO DISTRICT MUNICIPALITY STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2007

	Note	2007 R	2006 R
NET ASSETS AND LIABILITIES			
Net assets		132,372,068	141,451,463
Government grant reserve		23,772,125	26,934,890
Unappropriated Surplus/(accumulated Deficit)		108,599,943	114,516,574
Non-current Liabilities		494,092	810,511
Lease Liability	6	494,092	810,511
Current Liabilities		243,685,182	199,314,408
Provisions	20	10,043,270	6,848,491
Creditors	3	56,738,010	27,964,435
Income received in advance		1,643,648	
Unspent conditional grants and receipts	4	174,962,976	164,131,023
Current Portion of Lease Liability	6	297,278	370,459
Total Net Assets And Liabilities		376,551,343	341,576,382
ASSETS			
Non-Current Assets		47,215,094	43,027,836
Property, Plant And Equipment	8	47,188,252	42,349,485
Long-term receivables	10	26,842	678,351
Current Assets		329,336,248	298,548,547
Inventory	9	5,637,463	2,112,310
Consumer debtors	12	56,839,140	37,021,734
Other debtors	13	3,545,445	2,893,632
Current portion of long-term loans	10	559,254	1,488,524
Vat	5	25,410,743	37,460,288
Call investments	9	223,868,603	186,608,093
Cash and Bank	14	13,475,599	30,963,965
Total Assets		376,551,342	341,576,383

(Note : The Statement of Financial Position has been prepared in accordance with GRAP 1)

O R TAMBO DISTRICT MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007	2006
		R	R
REVENUE			
Regional Services Levy- Turnover		-	8,633,407
Regional Services Levy- Remuneration		-	18,084,405
Rental		35,045	12,038
Service charges	15	62,840,255	44,546,759
Investment Interest		3,339,743	2,320,646
Other Interest		2,918,794	1,489,999
Fines			13,362
Government grants and subsidies	16	556,982,283	443,545,683
Other income		486,619	7,074,634
Gains on disposal of property, plant and equipment		65,370	-
Total Income		626,668,110	525 720 933
EXPENDITURE			
Employee related costs	17	80,485,468	74 435 937
Remuneration of Councillors	17	6,587,599	4 062 954
Bad debts	18	15,479,445	8 097 316
Provision for irrecoverable investments		8,184,965	
Provision for leave		2,090,969	
Collection costs		588,016	1 641 470
Depreciation		8,382,654	7 929 115
Repairs and maintenance		25,044,805	22 318 160
Bulk purchases	19	48,181	1 590 206
Contracted services			1 822 904
Grants and Subsidies paid	21	1,034,932	140 442
General expenses-other		487,820,470	392 527 742
Loss on disposal of property, plant and equipment			305 328
Total Expenditure		635,747,505	514 871 575
Nett Surplus / (Deficit) for the year		(9,079,395)	10,849,358

O R TAMBO DISTRICT MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2007

	Government grant reserve	Accumulated surplus	Total
	R	R	R
2006			
Balance at 1 July 2005	32,863,075	109,352,757	142,215,832
Corrections	217,383	13,515,068	13 732 450
			0
Restated balance	33 080 457	122,867,825	155 948 282
Net Surplus for the year		10,849,358	10 849 358
Transfer to/ from Reserves	(234,599)	234,599	0
Bad debt written off		(12,065,400)	(12 065 400)
Capital grants used to purchase PPE	42,097	(42,097)	0
Offsetting of depreciation.	(5,953,067)	5,953,067	0
Balance at 30 June 2006	26 934 890	127,797,351	154 732 240
2007			
Corrections (Note 23)	-	(13,280,778)	(13 280 778)
Change in accounting policy (Note 22)			0
Restated balance	26 934 890	114 516 574	141 451 462
Net Surplus for the year		(9,079,395)	(9 079 395)
Property, plant and equipment purchased	2,021,940	(2,021,940)	0
Offsetting of depreciation.	(5,184,704)	5 184 704	0
Balance at 30 June 2007	23 772 125	108,599,943	132 372 067

CASH FLOW STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2007

		2007 R	2006 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from levies, government and other		585,047,351	322,706,228
Cash paid to suppliers and employees		(551,065,677)	(239,583,601)
Cash generated from operations	24	33,981,674	83,122,627
Interest received		6,258,538	2,320,646
Interest paid		(775,330)	
NET CASH FROM OPERATING ACTIVITIES		39,464,882	85,443,272
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment.		(13,221,425)	(3,511,138)
Proceeds on disposal of fixed assets.		65,370	203,180
(Increases)/Decreases in non-current receivables		1,580,778	2,344,772
(Increases)/Decreases in non current investments			
(Increases)/Decreases in call investment deposits			
NET CASH FROM INVESTING ACTIVITIES		(11,575,277)	(963,187)
CASH FLOW FROM FINANCING ACTIVITIES			
Bad debt written off against surplus			(12,065,400)
Increase/(Decrease) in income received in advance		1,643,648	
Lease Liability paid		(389,600)	
Non-Operating expenditure charged against Provisions		(1,186,547)	
Non-Operating income charged against Provisions			
NET CASH FROM FINANCING ACTIVITIES		67,501	(12,065,400)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		27,957,106	72,414,685
Cash and cash equivalents at the beginning of the year		217,572,062	145,068,867
Cash and cash equivalents at the end of the year		245,529,168	217,572,062
	25	(27,957,106)	(72,503,195)

O.R. TAMBO DISTRICT MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

1. BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for the revaluation of land and buildings, which are carried at fair value.

In accordance with section 122(3) of the Municipal Finance Management Act (Act No. 56 of 2003), the Municipality has adopted Standards of GAMAP and GRAP issued by the Accounting Standards Board during the financial year, with the exception of GAMAP and GRAP standards are fundamentally different to the fund accounting policies adopted in previous financial years. Comparative amounts have been restated retrospectively to the extent possible. The effect of the change in accounting policy arising from the implementation of GAMAP and GRAP is set out in Note 26.

The Municipality may have transactions, events or balances that are outside the ambit of GAMAP and GRAP but which are included in Accounting Standards (IAS) issued by the International Accounting Standards Board or Generally Accepted Accounting Practice issued by the South African Accounting Practices Board and the South African Institute of Chartered Accountants. The Municipality has not complied with the measurement, recognition and disclosure requirements of those accounting standards.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP or GRAP.

2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

4. RESERVES

4.1 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit)

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

4.2 Capitalisation Reserve

On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a Capitalisation Reserve instead of the accumulated surplus/(deficit) in terms of a directive (budget circular) issued by National Treasury. The purpose of this Reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit).

The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment is disposed, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus/(deficit).

4.3 Donations and Public Contributions Reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/(deficit).

5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, is stated at cost, less accumulated depreciation, except land and buildings, which are revalued as indicated below. Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated owing to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life. Where an expenditure has been incurred in respect of access roads, it is expensed in the year it is incurred.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met.

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated asset lives:-

	<u>Years</u>	<i>Other</i>	<u>Years</u>
<i>Infrastructure</i>			
Roads and Paving	30	Buildings	30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	5-10
		Watercraft	15
		Bins and containers	5
<i>Community</i>		Specialised plant and equipment	10-15
Buildings	30	Other items of plant and equipment	2-5
Recreational Facilities	20-30	Landfill sites	15
Security	3		

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

All items with a take on value of less than R1000 are depreciated fully.

6. INVESTMENTS

6.1 Financial Instruments

Financial instruments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are stated at cost. Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

7. INVENTORIES

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the first-in, first-out method. Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

8. ACCOUNTS RECEIVABLE

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified. Amounts that are receivable within 12 months from the reporting date are classified as current.

9. TRADE CREDITORS

Trade creditors are stated at their nominal value.

10. REVENUE RECOGNITION

10.1 Revenue from Exchange Transactions

Service charges relating to water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly. Interest and rentals are recognised on a time proportion basis.

Dividends are recognised on the date that the Municipality becomes entitled to receive the dividend. Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licences and permits.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and

equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised

10.2 Revenue from non-exchange transactions

Revenue from levies is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid levies is recognised on a time proportion basis.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received, together with an estimate of spot fines and summonses that will be received based on past experience of amounts collected.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment are brought into use.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

11. CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

12. PROVISIONS

Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting sheet date and adjusted to reflect the current best estimate. Non-current provisions are discounted to the present value using a discount rate based on the average cost of borrowing to the Municipality.

13. CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of less than twelve months and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred.

14. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

15. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

16. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

17. COMPARATIVE INFORMATION

7.1 Current year comparatives:

Budgeted amounts have been included in the annual financial statements for the current financial year only.

17.2 Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

18. RETIREMENT BENEFITS

The municipality provides retirement benefits for fulltime employees. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

O R TAMBO DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	R	R
1 LONG- TERM LIABILITIES		
O RTambo District Municipality had no long- term liabilities by way of external loans.		
2 CONSUMER DEPOSITS		
O R Tambo District Municipality holds no consumer deposits.		
3 CREDITORS		
Trade creditors	53,638,146	25 080 420
Sundry creditors-general	3,099,864	2 884 015
Deposits	<u>0</u>	<u>0</u>
Total creditors	<u>56 738 010</u>	<u>27 964 435</u>
4 UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
Conditional grants from government	174 962 976	163 512 252
Government Grants	0	122 104 306
Provincial Grants and subsidies	0	23 078 878
Other conditional receipts	-	618 771
Total Conditional Grants and Subsidies	<u>174 962 976</u>	<u>164 131 023</u>
See Appendix G for a reconciliation of grants from National/Provincial Government. These amounts are fully invested until utilised.		
5 VAT		
Accrued vat (refund from sars)	(10 764 949)	(10 076 023)
Output vat - income	(4 612 996)	(19 664 327)
Input vat - general	41 512 051	68 039 487
Capital Vat	249 035	11 757
Vat control (rsc levies)	<u>(972 398)</u>	<u>(850 606)</u>
	<u>25,410,743</u>	<u>37,460,288</u>

Vat is paid on the receivable basis.

6 LEASE LIABILITY

Finance Lease Liability	791,370	1,180,970
Less: Short-term portion	(297,278)	(370,459)
	494,092	810,511

The finance lease liability is secured by photocopying machines (note 8). Monthly instalments which varies between R1926.34 and R26217.72 are payable monthly in arrears. Interest is payable at rates between 5,75% and 11,5% per month. The final instalment is payable on 31 March 2010.

7 FINANCE LEASE

O R Tambo DM has leased a photocopying machines from different companies between 10 May 2002 and March 2006. The lease agreements provide for between thirty-six(36) to sixty(60) monthly payments in arrears. The agreements do not provide for contingent rental payments. Ownership of the machine will not pass to O R Tambo DM at the end of lease term.

Reconciliation between the total minimum lease payments and their present value

	Up to 1 year	1 - 5 years	More than 5 years	Total
30 June 2007				
Minimum lease payments	454,027	825,227	-	1,279,255
Finance costs	(106,839)	(142,571)	-	(249,411)
Present value	<u>347,188</u>	<u>682,656</u>	-	<u>1,029,844</u>
30 June 2006				
Minimum lease payments	432,814	747,472	-	1,180,286
Finance costs	(104,731)	(86,788)	-	(191,519)
Present value	<u>328,083</u>	<u>660,684</u>	-	<u>988,767</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	R	R
9 INVESTMENTS		
<u>Financial Instruments</u>		
Fixed Deposits-Long Term		
Other Deposits- Short Term		
Call Account Deposits	232,053,568	186,608,093
Total cash investments	232 053 568	186 608 093
Provision for irrecoverable NRB cash investments	(8 184 965)	
Total Investments	223 868 603	186 608 093

Average interest rate

Allocation of external investments

Surplus cash is invested until used for specific purposes. Investments are allocated on the following basis:-

Capital Replacement Reserve	0	0
Provisions Invested	0	0
Conditional Grants And Subsidies Invested	0	(166 929 013)
Surplus Funds Invested	0	(19 679 081)
Total	0	(186 608 093)

The New Republican Bank was placed under curatorship by the Minister of Finance on 29 January 1999. As at 30 June 2007, funds still vested with NRB totalled R12.5 million. Correspondence received from the curators Ernst & Young dated 27 July 2006 forwarded to all depositors and creditors states that they are not in a position to determine the recoverability of the remaining capital balance as there are various litigation matters which have not been finalized. They further state that the quantum of the awards will depend on the outcome of the same. Furthermore, All creditors were requested to vote for a return of 35 cents in a rand, hence a provision of 65% has been made in the financial statements.

10 LONG-TERM RECEIVABLES

Motor car loans	586,097	2,166,874
	<u>586 097</u>	<u>2 166 874</u>
Less : Short-term portion transferred to current assets	(559,254)	(1,488,523.54)
Total Non-Current loans	<u>26 842</u>	<u>678 351</u>

Loans were approved for:

Motor car loans to employees. No new loans are being made and existing loans are phased out as they are repaid.

11 INVENTORY

Consumable stores	5,637,463	2,112,310
Work in progress	<u>5,637,463</u>	<u>2,112,310</u>

12 CONSUMER DEBTORS

As at 30 June 2006	Gross Balances	Provision for Bad Debts	Net Balance	#
Service Debtors	60,847,307	(23,825,573)	37,021,734	
Levies	12,353,416	-	12,353,416	
Sewerage	16,813,142	(8,260,478)	8,552,664	
Water	31,680,750	(15,565,095)	16,115,655	
Total	<u>60,847,307</u>	<u>(23,825,573)</u>	<u>37,021,734</u>	

Levies: Ageing

Current (0 – 30 days)

31 - 60 Days	328,863
61 - 90 Days	(1,440,346)
91 - 120 Days	137,825,992
Adjustment for Corrections	<u>(124,362,154)</u>
Total	<u>12,352,355</u>

	2007	2006
	R	R
<u>Sewerage & Water: Ageing</u>		
Current (0 – 30 days)		4,862,395
31 - 60 Days		4,096,490
61 - 90 Days		3,206,284
91 - 120 Days		2,701,034
121 - 365 Days		2,375,231
+ 365 Days		43,343,432
Adjustment for Corrections		
Total	-	60,584,866

As at 30 June 2007	Gross Balances	Provision for Bad Debts	Net Balance	
Service Debtors	96,144,159	(39,305,018)	56,839,140	#
Levies	8,486,747	(3,394,699)	5,092,048	
Sewerage	20,961,138	(12,450,337)	8,510,801	
Water	66,696,273	(23,459,983)	43,236,291	
Total	96,144,159	(39,305,018)	56,839,140	

<u>Levies: Ageing</u>	
> 150 days	135,707,838
Adjustment for Corrections	(127,221,090)
Total	8,486,747

<u>Sewerage & Water: Ageing</u>	
Current (0 – 30 days)	8,625,278
31 - 60 Days	4,073,240
61 - 90 Days	3,891,263
91 - 120 Days	2,948,084
120 - 150 Days	3,254,299
> 150 days	63,524,147
Adjustment for Corrections	(302,517)
Total	86,013,794

13 OTHER DEBTORS

Sundry Debtors	3,545,445	2,893,632
Project debtors	-	-

Total Other Debtors

3 545 445

2 893 632

14 BANK, CASH AND OVERDRAFT BALANCES

Oliver Tambo District Municipality has the following bank accounts:

Current Account (Primary Bank Account)

Meeg bank

Acc no: 4059110438

address: 60 Sutherland Street,
P.O. Box 30 Mthatha
5099

Cashbook balance at the
beginning of the year

-

Cashbook balance at the end of
the year

-

Bank statement balance at the
beginning of the year

7 962 349

Bank statement balance at the
end of the year

7,962,349

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	R	R
Current Account (Primary Bank Account)		
FNB		
Acc no: 53990137772		
address: York Road Street, P.O.Box 149 Mthatha 5099		
Cashbook balance at the beginning of the year	23,142,083	23,142,083
Cashbook balance at the end of the year	13 434 766	0
Bank statement balance at the beginning of the year	53 559 320	53 559 320
Bank statement balance at the end of the year	30,087,306	0
Other Bank accounts		
FNB		
Acc no: 53990137772		
address: York Road Street, P.O.Box 149 Mthatha 5099		
Cashbook balance at the beginning of the year	35,903	-
Cashbook balance at the end of the year	35 803	35 903
Bank statement balance at the beginning of the year	35,903	53 559 320
Bank statement balance at the end of the year	35 803	0

FNB

Acc no: 8812710004736000

address: York Road Street,
P.O.Box 149 Mthatha
5099

Cashbook balance at the beginning of the year	4,807	-
Cashbook balance at the end of the year	4 807	35 903
Bank statement balance at the end of the year	35 803	0

15 SERVICE CHARGES

Sale of water	47,899,482	26,133,050
Sewerage and sanitation charges	14,940,773	17,979,625
	62 840 255	44 112 675

16 GOVERNMENT GRANTS AND SUBSIDIES

Government Grants

Equitable share	190,354,067	143,953,455
Total Government Grants	190 354 067	143 953 455
Total	190 354 067	143 953 455

National/Provincial conditional Government grant funding.

Operational spending	364 624 674	300 187 607
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National/Provincial conditional Government grant funding.

Capital spending	2 021 940	42 097
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Total National/Provincial Government Grants reimbursements	366 646 614	300 229 704
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Total Government Grants and Subsidies	557 000 681	444 183 159
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Equitable share

In terms of the Constitution, this grant is used to balance the Municipalities revenue.

17 EMPLOYEE BENEFITS

17.1 EMPLOYEE RELATED COSTS

Salaries and wages	49 896 959	52 977 469
Contributions for UIF, pensions and medical aids	8 785 019	8 283 287

Travel, motor car and other allowances	13 156 992	11 192 609
Housing benefits	3 066 124	2 696 781
Overtime	4 267 737	2 320 100
Performance bonuses	1 312 637	1 028 615
	<u>80 485 468</u>	<u>78 498 862</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2 007	2006
	R	R
Remuneration of the Municipal Manager		
Annual Remuneration	794 800	434 019
Performance Bonuses		
Car Allowance	74 600	237 284
Contributions to UIF, Medical and Pension funds	1 399	42 305
Total	<u>870 799</u>	<u>713 608</u>
Remuneration of the Chief Finance Officer		
Annual Remuneration	391 685	366 028
Performance Bonuses	96 201	77 803
Car Allowance	261 123	244 021
Contributions to UIF, Medical and Pension funds	1 399	
Total	<u>750 408</u>	<u>687 852</u>
Remuneration of Manager - Engineering Services		
Annual Remuneration	391 685	366 028
Performance Bonuses	54 514	122 044
Car Allowance	261 123	244 021
Contributions to UIF, Medical and Pension funds	1 399	
Total	<u>708 721</u>	<u>732 093</u>
Remuneration of Manager - Developmental Planning		
Annual Remuneration	391 685	366 028
Performance Bonuses	96 201	84 668
Car Allowance	261 123	244 021
Contributions to UIF, Medical and Pension funds	1 399	
Total	<u>750 408</u>	<u>694 717</u>
Remuneration of Manager - Community Services		
Annual Remuneration	385 364	366 028
Performance Bonuses	32 067	56 445

Car Allowance	256 909	244 021
Contributions to UIF, Medical and Pension funds	<u>1 399</u>	<u></u>
Total	<u>675 739</u>	<u>666 494</u>

Remuneration of Manager - Human Resources

Annual Remuneration	391 685	366 028
Performance Bonuses	64 134	84 668
Car Allowance	261 123	244 021
Contributions to UIF, Medical and Pension funds	<u>1 399</u>	<u></u>
Total	<u>718 341</u>	<u>694 717</u>

Remuneration of Strategic Manager - Office of the Executive Mayor

Annual Remuneration	391 685	366 028
Performance Bonuses	96 201	0
Car Allowance	261 123	244 021
Contributions to UIF, Medical and Pension funds	<u>1 399</u>	<u></u>
Total	<u>750 408</u>	<u>610 049</u>

17.2 REMUNERATION OF COUNCILLORS

Executive Mayor	496 967	330 015
Speaker	221 202	265 790
Mayoral Committee members	3 295 749	1 778 118
Councillors	2 572 667	1 394 029
Councillors' pension and Medical contribution	<u>1 014</u>	<u>295 003</u>
Total Councillors' Remuneration	<u>6 587 599</u>	<u>4 062 954</u>

18 BAD DEBTS

Contribution to the bad debt provision	15,479,445	8,097,316
Total Bad Debts	<u>15,479,445</u>	<u>8,097,316</u>

Bad debt written off utilising unbundling surplus. - 12,065,400

19 BULK PURCHASES

Water	<u>48,181</u>	<u>1,590,206</u>
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20 PROVISIONS

PROVISION FOR LEAVE

Opening Balance	5,061,606	0
Amount Provided - Current Year	2,090,969	5,061,606
Amount Paid - Current Year	<u>(1,186,547)</u>	<u>0</u>
Closing Balance	<u>5,966,028</u>	<u>5,061,606</u>

Leave is paid to employees who no longer offer services to the Municipality (Resign or Deceased) payment limited to maximum of 48 days for permanent employees

PROVISION FOR BONUS

Opening Balance	1,786,885	0
Pro-rata amount provided - Current Year	<u>2,290,357</u>	<u>1,786,885</u>
Closing Balance	<u>4,077,242</u>	<u>1,786,885</u>

Totals	<u>10,043,270</u>	<u>6,848,491</u>
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21 GRANTS AND SUBSIDIES PAID

Mbizana Local Municipality	376,276	
Port St Johns Local Municipality	292,006	
Inqguza Hill Local Municipality	239,618	
Support to traditional authorities	127,032	140,442
Total Grants and Subsidies paid	1,034,932	140,442

22 GENERAL EXPENSES

No extraordinary expenses were included in general expenses		
	-	-

23 CORRECTIONS

During the year 2005/06 the following transactions was made in regard of the previous year and the comparative amounts have been restated:

Inventory	(57,411)	
Creditors - Stale cheques	214,754	
Provision for Leave	5,061,606	
Provision for Bonus	1,786,885	
Salaries for MIG staff paid through Equitable share on 05/06		(3,805,449)
Repayments on amounts overpaid	581,034	
Adjustment fo funds amounts received on 05/06	1,852,252	
Vat recovered for previous years	(12,954,637)	
Prior year correction of Vat	260,959	
Correction of Bank error	(82,405)	
R/D Cheque for 05/06	(1,625)	
Clearing of opening balance for Line Mapping Fund	(384,179)	
Backlog Depreciation for finance leased assets	947,155	
Lease Payments from previous years for finance leased assets		(846,888)
Adjustment of prior years returned cheques	(88,505)	
Adjustment of CBDWP fund with unaccounted funds	6,457,019	
Adjustment of prior years MIG receipt	20,772,570	
Adjustment of Grant call fund to call account	(6,851,757)	
Recognition of Vulindlela DBSA fund received	419,400	
Net effect on surplus for the year	(13,280,778)	

24 CASH GENERATED BY OPERATIONS

Net surplus for the year	(9,079,395)	10,849,358
Adjustment for:-		
Previous years	-	-
Changes in accounting policy		
Depreciation	8,382,654	7,929,115
Loss on disposal of property, plant and equipment	-	305,328
Gain on disposal of property, plant and equipment	(65,370)	
Contributions to bad debt provision	15,479,445	
Contributions to provisions	4,381,326	
Investment income	(6,258,538)	(2,320,646)
Provision for irrecoverable investments	8,184,965	
Interest paid	<u>775,330</u>	<u></u>
Operating surplus before working capital changes:	21,800,418	16,763,156
Decrease/(Increase) in inventories	(3,525,153)	(1,780,176)
(Increase)/Decrease in RSC		
Levy debtors	3,866,669	4,815,997
(Increase)/Decrease in Consumer debtors	(39,163,520)	
(Increase)/Decrease in other debtors	(651,813)	1,909,901
Increase/(Decrease) in VAT	12,049,545	25,007,124
Increase/(Decrease) in conditional grants and receipts	10,831,953	25,007,601
Increase/(Decrease) in creditors	<u>28,773,575</u>	<u>11,399,024</u>
Cash generated by operations	<u><u>33,981,674</u></u>	<u><u>83,122,627</u></u>

25 CASH AND CASH
EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :

Bank balances and cash	13,475,599	30,875,459
Bank overdrafts		
Call investment deposits	223,868,603	186,608,093
Total cash and cash equivalents	<u>237,344,202</u>	<u>217,483,552</u>

26 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION

O R Tambo District Municipality had no Long-term liabilities at the end of both financial years

27 UNAUTHORISED, IRREGULAR, FRUITLESS AND
WASTEFUL EXPENDITURE DISALLOWED

Unauthorised expenditure

Reconciliation of unauthorised expenditure

Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council	-	-
Transfer to statement of Financial performance	-	-
- authorised losses	-	-
Transfer to receivables for recovery	-	-
Closing balance	<u>-</u>	<u>-</u>

Irregular, fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Approved by Council	-	-
Transfer to statement of Financial performance	-	-
- authorised losses	-	-
Transfer to receivables for recovery	-	-
Closing balance	<u>-</u>	<u>-</u>

Total unauthorised, fruitless and wasteful expenditure disallowed		
	-	-

28 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

28.1 Contributions to SALGA

Opening balance		
Council subscriptions	1,152,958	350,362
Amount paid - current year	(1,152,958)	(350,362)
Amount paid - next year		
Balance paid in advance (included in Debtors)	-	-

28.2 Audit fees

Opening balance		
Previous years audit fee	-	782,413
Current year audit fee	1,143,412	
Amount paid - current year	76,202	
Amount paid - previous years	(1,219,614)	(782,413)
Balance unpaid (included in creditors)	-	-

28.3 VAT

Vat inputs receivables and VAT outputs receivables are shown in note 5 . All Vat returns have been submitted by the due date throughout the year.

28.4 PAYE and UIF

Opening balance	8,341	
Current year payroll deductions	14,770,303	13,447,428
Amount paid - current year	(14,779,062)	(13,439,087)
Amount paid - previous years		
Balance unpaid (included in debtors)	<u>(418)</u>	<u>8,341</u>

28.5 Pension and Medical Aid Deductions

Opening balance	28,058		
Current year payroll deductions and Council Contributions		11,697,391	9,642,187
Amount paid - current year	(11,723,455)	(9,614,130)	
Amount paid - previous years			
Balance unpaid (included in creditors)	<u>1,994</u>	<u>28,058</u>	

The balance represents pension and medical aid contributions deducted from employees in the June 2004 payroll as well as Council's contributions to medical aid and pension funds. These amounts were paid during July 2004.

29 CAPITAL COMMITMENTS

The O R Tambo District Municipality does not have any capital commitments during the underreview

30 CONTINGENT LIABILITIES

30.1 NDLELA YABANTU/ KEI DISTRICT COUNCIL

The former Kei District Council is being sued by a contractor due to a contractor that was improperly awarded. Awaiting trial date from the Plaintiff Attorneys.

30.2 WILD COAST GUARDS/OR TAMBO DISTRICT MUNICIPALITY

The OR Tambo District Municipality is being sued by the contractor for the termination of contract. Parties are still exchanging pleadings.

30.3 BARLOWORLD/OR TAMBO DISTRICT MUNICIPALITY

The OR Tambo District Municipality is being sued by a contractor for failure to honour a cession agreement. Still awaiting trial date from the Plaintiff's Attorneys.

30.4	WK CONSTRUCTION/OR TAMBO DISTRICT MUNICIPALITY	-	275,179
	The OR Tambo District Municipality is being sued by a tenderer who had lost on a tender process. The matter is still awaiting judgement.		
30.5	BARLOWORLD/OR TAMBO DISTRICT MUNICIPALITY	268,298	-
	The OR Tambo District Municipality is being sued by the contractor for failure to honour a cession between contractor and Haupt Civils on the Mfundisweni Access Road project		
30.6	ILISO CONSULTING/OR TAMBO DISTRICT MUNICIPALITY	21,991	-
	The OR Tambo District Municipality is being sued by the consultants for professional services rendered in respect of Zanokhanyo Access Road project		
30.7	ILISO CONSULTING/OR TAMBO DISTRICT MUNICIPALITY	142,511	-
	The OR Tambo District Municipality is being sued by the consultants for professional services rendered in respect of Mpapane Water Supply project		
30.8	ILISO CONSULTING/OR TAMBO DISTRICT MUNICIPALITY	31,408	-
	The OR Tambo District Municipality is being sued by the consultants for professional services rendered on the Mvalweni to Manzana Water Supply project		
30.9	ILISO CONSULTING/OR TAMBO DISTRICT MUNICIPALITY	68,890	-
	The OR Tambo District Municipality is being sued by the consultants for professional services rendered on Ntsimbini Water Supply project		
30.10	NELISWA NDABANKULU/OR TAMBO DISTRICT MUNICIPALITY	2,000,000	-
	The OR Tambo District Municipality is being sued by the said individual for breach of employment contract		
30.11	MOFFAT QITHI/OR TAMBO DISTRICT MUNICIPALITY	141,158	-

The OR Tambo District Municipality is being sued by the former employee for the unpaid performance bonus

30.12	KWINDA CONSTRUCTION/OR TAMBO DISTRICT MUNICIPALITY	187 981	-
-------	--	---------	---

The OR Tambo District Municipality is being sued by the contractor for failure to honour a session between contractor and Collosus Construction

31 RETIREMENT BENEFIT INFORMATION

Post- Retirement Medical Benefit

The Municipality does not make Provision for post retirement medical benefits.

Pension and Retirement Fund Benefits

Employees and Council contribute to the Cape Joint Pension, Municipal employee provident fund, Eastern Cape pension fund, Eastern Cape Gratuity Fund, National Fund for Municipal workers, Municipal Employee Pension Fund and Southern Negotiated Retirement Fund on the basis of a fixed contribution and is charged against income as incurred.

32 DONATIONS AND ASSISTANCE

DONATIONS

FNB	50,000	
STD Bank	15,000.00	
DBSA	150,000.00	
ABSA	50,000.00	
	<u>265,000.00</u>	<u>-</u>

IN - KIND DONATIONS

Secondment of the International Finance Advisor by National Treasury for an initial period of 2 years.

33 EVENTS AFTER THE REPORTING DATE

O.R. Tambo District Municipality does not have the reportable events after year end

34 COMPARISON WITH THE BUDGET

The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexures D and E.

35 TRANSFERS TO O R TAMBO NTINGA DEVELOPMENT AGENCY

Included in General Expenditure-other totalling R484 million incurred by the District Municipality, are transfers that were made to the Municipal Entity. Transfers made totalled R39.7 m (2006: R36M)

3.3 RESPONSE TO ISSUES RAISED IN THE AUDIT REPORT

These are not available yet since still awaiting report from the Auditor General

3.4 AUDIT COMMITTEE REPORT AND RECOMMENDATIONS

Report of the audit committee in terms of section 121(4)(g) of the Municipal Finance Management Act no. 56 of 2003. The audit committee reports that it has regulated its affairs in compliance with the audit committee charter, and has discharged its responsibilities set out therein.

Amongst other things, the audit committee has reviewed following:

- ❖ The effectiveness of the internal control systems;
- ❖ The effectiveness of the internal audit function;
- ❖ The risk areas of the municipality's operations covered in the scope of internal audits;
- ❖ The adequacy, reliability and accuracy of financial information provided by management for users of such information;
- ❖ Accounting and auditing concerns identified as a result of internal and external audits;
- ❖ The municipality's compliance with legal and regulatory provisions;
- ❖ The independency and objectivity of internal auditors;
- ❖ The activities of the internal audit function, including its annual work programme, co-ordination with the external auditors, the reports of investigations and the responses of management to specific recommendations;

The Audit Committee's most important contribution to assuring ethical conduct is its sincere interest in the Municipality's operations and its advocacy of a high standard of behavior. The audit committee is required to report its findings to Council, identifying any matters in respect of which it considers that action or improvement is needed, and make recommendations as to the steps to be taken.

Composition of the audit committee

Name	Gender	Designation	Profession
J.L. Moshesh	Male	Chairperson	Legal
H.H. Gxaweni	Male	Member	Legal and finance
N. Mangisa	Female	Member	Finance
N. Hlongwane	Female	Member	Finance and auditing

There has been one resignation in the committee during the 2006/2007 financial year. Ms. N. Hlongwane resigned from the committee. The vacancy created by the resignation is not yet filled. All members of the committee are considered to be independent.

Meeting and attendance

The committee met six (6) times during the 2006/2007 financial year. The chairperson of the audit committee invited the Municipal Manager, the Chief Finance Officer, the head of internal audit, the office of the Auditor General and other heads of departments to attend audit committee meetings. During meetings, the external auditors were allowed to talk with the committee in the presence of management.

Attendance of meetings by members of the audit committee was as follows:

	DATES OF MEETINGS					
MEMBER	21 Jul 06	25 Aug 06	03 Nov 06	09 Feb 07	19 Mar 07	22 May 07
J.L. Moshesh	Present	Present	Present	Present	Present	Present
H.H. Gxaweni	Present	Present	Present	Present	Present	Present
N. Mangisa	Present	Present	Present	Present	Present	Present
N. Hlongwane	Absent	Absent	Present	Absent	Absent	Absent

Main activities of the committee during the year

The audit committee evaluated the annual financial statements of the municipality for the year ended 30 June 2007. Based on the results of the evaluation and the information provided to it, there were certain issues that had to be attended to management. These issues were not addressed by the time financial statements were submitted to the office of the Auditor General.

During the 2006/2007 financial year, the audit committee attended to and/or made recommendations on the following:

- ❖ Approval of the risk based internal audit coverage plan;
- ❖ Issues raised in the 2004/2005 management letter from the office of the Auditor General;
- ❖ Alignment of 2006/2007 service delivery and budget implementation plans with budget and integrated development plan;
- ❖ Utilization of plant and equipment acquired for use by small-medium enterprises;
- ❖ Controls in the water and sanitation revenue section;
- ❖ Special audit on misappropriation of funds in the water and sanitation revenue section;
- ❖ Utilisation of conditional grants;
- ❖ Expenditure incurred on vehicle repairs and maintenance as well as fuel and oil;
- ❖ Review of 2005/2006 annual report;
- ❖ Review of in-year performance reports;
- ❖ Appointment of consultants by the municipality;
- ❖ Utilisation of free basic services budget allocation;
- ❖ Review of disaster management activities;
- ❖ Alignment of the 2007/2008 budget with integrated development plan;

The major challenge experienced by the audit committee continues to be a delay in the tabling of our reports to Council. Furthermore, there are instances where recommendations made by the committee are not implemented timeously.

Internal audit

The audit committee received presentations from the head of internal audit about the results of work undertaken by the unit. The risk assessment exercise performed by the municipality revealed a number of areas that required review by the internal audit unit. Critical areas were identified and prioritized in the internal audit coverage plan. However, there were high risk areas that were not covered due to limited capacity within the unit.

Overview: As a result of its work during the 2006/2007 financial year, the Audit Committee has concluded that it has acted in accordance with its terms of reference.

J.L. Moshesh
Chairperson – Audit Committee

APPENDIX A

O R TAMBO DISTRICT MUNICIPALITY: ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2007

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
LAND AND BUILDINGS										
Buildings	16,044,231	3,492,744			19,536,975	5,288,115	674,845		5,962,960	13,574,015
Parking areas	4,689,955	-			4,689,955	365,441	194,115		559,556	4,130,399
Land	1,342,180				1,342,180	-				1,342,180
Statue		90,000.00			90,000		1,750		1,750	88,250
Total Land and buildings	22,076,366	3,582,744	-	-	25,659,110	5,653,556	870,710	-	6,524,266	19,134,844
COMMUNITY ASSETS										
Buildings:										
Community Centres	3,881,303	-		-	3,881,303	209,153	129,377		338,530	3,542,773
					-					-
	3,881,303	-		-	3,881,303	209,153	129,377	-	338,530	3,542,773
Security Measures:										
Fencing	1,005,642	342,433		-	1,348,075	716,329	284,284		1,000,613	347,462
Security Systems	750	209,764		-	210,514	750	6,992		7,742	202,772
	1,006,392	552,197		-	1,558,589	717,079	291,276		1,008,356	550,234
Total Community Assets	4,887,695	552,197	-	-	5,439,892	926,232	420,653	-	1,346,886	4,093,006

OTHER ASSETS										
Office Equipment:										
Air Conditioners	110,075	234,742			344,817	81,902	47,352		129,254	215,563
Computer Hardware	5,096,956	2,301,495			7,398,451	4,279,263	1,333,284		5,612,547	1,785,904
Computer Software	1,176,772				1,176,772	1,038,343	42,876		1,081,219	95,553
Office Machines	320,182	291,888			612,070	309,251	49,431		358,682	253,389
Miscellaneous	349,325	-			349,325	334,779	4,665		339,444	9,882
Training		-					-			
Audio visual	211,868	32,408			244,276	183,884	31,681		215,565	28,712
Scanners	22,229	-			22,229	20,168	2,061		22,228	1
	7,287,409	2,860,533	-	-	10,147,943	6,247,589	1,511,349	-	7,758,939	2,389,004

	Cost					Accumulated Depreciation				Carrying Value
	Opening	Additions	Under Constructio	Disposals	Closing	Opening	Additions	Dispos	Closing	
	Balance		n		Balance	Balance		als	Balance	
Plant And Equipment:										
Tractors	261,237	-			261,237	121,483	24,714		146,197	115,040
Farm Equipment	354,137	-			354,137	354,137	-		354,137	-
Plant and Equipment General	342,636	201,254			543,889	197,114	91,438		288,552	255,337
Telecommunications	57,832	34,961			92,792	54,313	20,696		75,009	17,783
Ambulance /Clinic Equipment	255,975	-			255,975	62,333	27,790		90,123	165,853
Mobile Clinic	-	-			-	-	-		-	-
Tents	1,095,803	-			1,095,803	541,963	184,950		726,913	368,889
Mobile pumps &					3,061	3,061				-

assesories	3,061	-					-		3,061	
Mowing and cutting equipment	95,867	7,017			102,884	63,479	31,590		95,069	7,815
Water tanker	2,182,756	-			2,182,756	539,082	233,644		772,726	1,410,030
Sucker tanker	695,822	-			695,822	105,803	69,582		175,385	520,437
Vacuum tanker	407,806	-			407,806	109,717	81,561		191,278	216,528
brick machine		79,596			79,596		5,306		5,306	74,290
Generators	191,469	6,544			198,013	150,103	34,112		184,215	13,798
	5,944,401	329,372	-	-	6,273,772	2,302,588	805,384	-	3,107,972	3,165,800
Furniture And Fittings: Cabinets and Cupboards	738,729	37,085			775,814	620,719	75,225		695,944	79,870
Chairs	397,153	95,136			492,288	312,326	45,114		357,440	134,848
Furniture & Fittings Other	3,197,365	76,894			3,274,259	1,328,649	358,974		1,687,623	1,586,635
Safes		125,851			125,851		6,800		6,800	119,051
Kitchen Equipment	19,476	-			19,476	16,183	1,760		17,943	1,533
Tables and Desks	1,160,687	189,445	-		1,350,132	341,670	69,860		411,530	938,602
	5,513,409	524,410	-	-	6,037,819	2,619,547	557,734	-	3,177,280	2,860,539
Motor Vehicles:										
Motor Vehicles	1,606,441	830,556		-	2,436,997	747,200	241,615	-	988,815	1,448,181
Trucks / Bakkies	19,012,883	3,373,740		-	22,386,622	8,948,164	3,033,718	-	11,981,883	10,404,739
Caravans	859,756	-			859,756	414,844	28,659		443,503	416,253
Carports		368,038			368,038		17,935		17,935	350,104
Trailers	7,915	-			7,915	7,915	-		7,915	-
	21,486,994	4,572,334		-	26,059,328	10,118,124	3,321,926	-	13,440,050	12,619,278
Emergency Equipment:										

Fire Engines	3,026,971	521,393			3,548,365	837,793	302,697		1,140,490	2,407,875
Compressors					-				-	-
General		278,441			278,441		170,873		170,873	107,569
	-				-	-				
	3,026,971	799,835		-	3,826,806	837,793	473,570	-	1,311,363	2,515,443
General	1,009,283				1,009,283	1,009,283	-		1,009,283	-
Total Other Assets	44,268,468	9,086,484	-	-	53,354,951	23,134,924	6,669,964	-	29,804,888	23,550,064
Leased Assets										
Photocopier										
Machines	1,778,823				1,778,823	947,155	421,331		1,368,486	410,337
Total Leased Assets	1,778,823	-	-	-	1,778,823	947,155	421,331	-	1,368,486	410,337
TOTAL	73,011,352	13,221,425	-	-	86,232,777	30,661,868	8,382,658	-	39,044,526	47,188,251

APPENDIX B

O R TAMBO DISTRICT MUNICIPALITY: SEGMENTAL ANALYSIS OF PROPERTY PLANT AND EQUIPMENT

30 JUNE 2007

FIXED ASSETS	HISTORICAL COST			ACCUMULATED DEPRECIATION			
DESCRIPTION	OPENING BALANCE	ADDITIONS	CLOSING BALANCE	OPENING BALANCE	ADDITIONS	CLOSING BALANCE	CARRYING VALUE
Executive & Council	4,213,769	1,941,139	6,154,908	1,964,994	663,935	2,628,929	3,525,979
Finance & Admin	34,255,300	6,333,593	40,588,893	13,302,312	2,380,417	15,682,729	24,906,164
Planning & Developme	1,472,639	79,596	1,552,235	1,192,856	258,053	1,450,909	101,326
Health	-	2,029,251	2,029,251	-	-	-	2,029,251
Community & Social Services	3,995,687	1,798	3,997,485	1,777,893	512,909	2,290,801	1,706,684
Housing	31,079	-	31,079	24,385	3,598	27,984	3,096
Public Safety	7,346,556	906,447	8,253,003	2,535,358	947,774	3,483,132	4,769,871
Water & Sanitation	2,350,549	617,047	2,967,597	843,270	402,692	1,245,962	1,721,635
Road Transport	176,411	1,312,553	1,488,964	176,137	60,447	236,584	1,252,380
Other Functions	17,390,539		17,390,539	7,897,508	2,731,501	10,629,010	6,761,529
TOTALS	71,232,529	13,221,425	84,453,954	29,714,713	7,961,327	37,676,040	46,777,914

APPENDIX C

O R TAMBO DISTRICT MUNICIPALITY: SEGMENTAL INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

2006 Actual Income R	2006 Actual Expenditure R	2006 Surplus/ (Deficit) R		2007 Actual Income R	2007 Actual Expenditure R	2007 Surplus/ (Deficit) R
4,649,198	36,909,428	(32,260,230)	Executive and Council	1,901,731	34,357,353	(32,455,622)
184,900,806	48,469,927	136,430,879	Finance and Administration	257,869,718	59,367,240	198,502,478
4,258,233	44,446,586	(40,188,352)	Planning and Development	4,047,410	52,595,162	(48,547,752)
	1,172,620	(1,172,620)	Health	2,722,263	4,329,674	(1,607,411)
	3,408,983	(3,408,983)	Community and Social services	229,468	4,644,632	(4,415,164)
36,603,573	39,871,872	(3,268,299)	Housing	40,667,278	36,192,500	4,474,778
3,250,025	6,104,024	(2,853,999)	Public safety	2,141,860	8,484,695	(6,342,835)
	1,184,318	(1,184,318)	Environmental Protection	1,018,847	1,819,426	(800,579)
17,600,821	34,456,744	(16,855,922)	Road Works		12,457,894	(12,457,894)
	2,903,834	(2,903,834)	Sanitation	-	0	-
	2,424	(2,424)	Electricity		10,413	(10,413)
44,551,692	60,428,268	(15,876,576)	Water	23,521,977	80,537,818	(57,015,841)
229,906,584	235,512,547	(5,605,963)	Other	288,078,673	325,428,364	(37,349,691)
525,720,933	514,871,575	10,849,358	Sub Total	622,199,225	620,225,171	1,974,054
			Less Inter-Departmental charges			0
525,720,933	514,871,575	10,849,358	TOTAL	622,199,225	620,225,171	1,974,054

APPENDIX D

O R TAMBO DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET FOR THE YEAR ENDED

30 JUNE 2007

REVENUE	Actual 2007	Budget 2007	Variance R	Variance %	Explanation of Significant Variances Greater than 10% versus Budget
Regional Services Levy- Turnover	0	9,000,000	9 000 000		The minimal amount that was received from levies was transferred to debtors and has not been disclosed in the income statement
Regional Services Levy- Remuneration Rental	0	-	0		0
	35 045	240,000	204 955	-85	The variance is caused by the fact that not many activities were held that necessitated payment of the hall.
Service charges	62 840 255	60,000,000	(2 840 255)	5	
Investment Interest	3 334 922	1,700,000	(1 634 922)	96	More funds were received hence the variance
Other Interest	2 918 794	-	(2 918 794)	#DIV/0!	
Income for agency services	0		0		
Government grants and subsidies	552 518 220	648,849,360	96 331 140	-15	The variance is caused by the fact that monies that were budgeted for to be received from government institutions both nationally and provincially were not received.
Other Local Authorities	0		0		
Tariffs and Charges	0		0		
Public Contributions	0		0		
Other income	486 619	24,846,530	24 359 911	-98	The variance is caused by the fact that we budgeted for VAT refunds which when received did not go through the income statement but rather transferred to the call account.
Gains on disposal of property, plant and equipment	65 370	-	(65 370)	100	The variance emanates from the fact that the district municipality did not foresee that it would dispose off motor vehicles that were not needed by the council when budgeting.
Total Income	622 199 225	744,635,890	122 436 664		

EXPENDITURE					
Executive & Council	34,357,353	42,389,680	8,032,327	-19	
Finance & Admin	59,367,240	52,084,283	(7,282,957)	14	The variance is mainly due to an increase in current year depreciation
Planning & Developme	52,595,162	61,724,936	9,129,775	-17	The variance is mainly due to an increase in current year depreciation
Health	4,329,674	3,789,494	(540,180)	14	The variance is mainly due to an increase in current year depreciation
Community & Social Services	4,644,632	4,424,793	(219,839)	5	The variance is mainly due to an increase in current year depreciation
Housing	36,192,500	100,514,006	64,321,506	-64	The shortage of material from suppliers has led to this variance.
Public Safety	8,484,695	8,704,781	220,086	-3	
Environmental Protection	1,819,426	2,053,095	233,669	-11	Cashflow problems led to the underspending
Water & Sanitation	80,537,818	120,456,950	39,919,132	-33	Shortage of technicians and engineers is the cause of the variance
Road Transport	12,457,894	31,584,660	19,126,766	-154	
Other Functions	325,438,777	335,137,217	9,698,440	-3	
Total Expenditure	620,225,171	762,863,895	142,638,724		
NET SURPLUS/(DEFICIT) FOR THE YEAR	1,974,054	(18,228,005)	(20,202,059)		

APPENDIX E

O R TAMBO DISTRICT MUNICIPALITY: CAPITAL EXPENDITURE ACTUAL VERSUS BUDGET FOR THE YEAR ENDED

30 JUNE 2007

	2006 Actual R	2006 Under Construction R	2006 Total Additions R	2006 Budget R	2006 Variance R	2006 Variance %	Explanation of Significant Variances Greater than 5% versus Budget
Executive & Council	1,941,138.96		1,941,138.96	1,941,138.96	-	0.00%	
Finance & Admin	6,333,592.99		6,333,592.99	6,333,592.99	-	0.00%	
Planning & Developme	79,596.49		79,596.49	79,596.49	-	0.00%	
Health	2,029,251.04		2,029,251.04	2,029,251.04	-	0.00%	
Community & Social Services	1,798.00		1,798.00	1,798.00	-	0.00%	
Housing	-		-	-	-	0.00%	
Public Safety	906,446.81		906,446.81	906,446.81	-	0.00%	
Environmental Protection			-	-	-	0.00%	
Water & Sanitation	617,047.33		617,047.33	617,047.33	-	0.00%	
Road Transport	1,312,552.96		1,312,552.96	1,312,552.96	-	0.00%	
Other Functions			-	-	-	0.00%	
TOTAL	13,221,425	-	13,221,425	13,221,425			

O. R. TAMBO DISTRICT MUNICIPALITY

APPENDIX F

DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

NAME OF GRANT	NAME OF ORGAN OF STATE OR MUNICIPAL ENTITY	QUARTERLY RECEIPTS			QUARTERLY RECEIPTS			QUARTERLY RECEIPTS			QUARTERLY RECEIPTS			municipality compliance with the grant conditions in term of grant
		JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APRIL	MAY	JUNE	YES/NO
														YES
budget reforms - call account	national treasury		500,000.00											YES
dwaf cwss projects	department of water affairs	375,423.29	1,689,500.00			1,004,500.00					1,004,500.00		1,638,191.00	YES
disaster management	eastern cape housing & local government			1,500,000.00										YES
hadini subsidy grant	eastern cape housing		3,668,233.40											YES
o.r. tdm preston subsidiary grant	eastern cape housing			106,988.56										YES
eargoton	eastern cape housing			840,750.00										YES
mpeko subsidy grant	eastern cape housing			62,500.00										YES
lindile subsidy	eastern cape housing			12,822.24										YES

municipal systems improvement grant	department of local government										500,000.00			YES
mbizana ext 4 grant	eastern cape housing	1,149,450.00		1,149,450.00			1,712,280.00		1,609,230.00		1,839,120.00			YES
municipal infrastructure grant	national treasury	24,033,014.19				38,557,692.00	33,556,663.00		76,683,082.50		96,473,393.86	14,456,787.20	26,488,642.01	YES
old payne housing grant	eastern cape housing & local government		989,040.00				56,990.00				295,753.66			YES
upper centuli housing grant	eastern cape housing & local government						989,203.73				0.00	950,871.18	0.00	YES
upper tabase housing	eastern cape housing & local government			939,320.00			107,647.60				0.00	0		YES
ndlunkulu rural housing grant	eastern cape housing & local government			405,000.00			1,318,000.00				790,800.00			YES
mantlaneni rural housing grant	eastern cape housing & local government						31,549.25				1,343,000.00			YES
ngqwala rural housing grant	eastern cape housing & local government						2,094,556.00							YES
kwenxurha rural housing grant	eastern cape housing & local government						76,300.00				490,818.46			YES
ntshabeni rural housing grant	eastern cape housing & local government						212,474.00				32,934.71			YES
community development grant	eastern cape housing & local government	213,120.00												YES
libraries and information systems	eastern cape housing & local government											1,500,000.00		YES

fire and emergency	eastern cape housing & local government			1,882,000.00										YES
singisi	singisi						250,000.00							YES
spatial development	eastern cape housing & local government						150,000.00							YES
masimanyane	eastern cape housing & local government						102,166.00							YES
spatial planning	eastern cape housing & local government						600,000.00							YES
valuations	eastern cape housing & local government						1,120,000.00							YES
land survey	eastern cape housing & local government						923,000.00							YES
free basic	eastern cape housing & local government						328,000.00							YES
isrdp projects	eastern cape housing & local government						950,000.00							YES
isrdp development	eastern cape housing & local government						262,000.00							YES

APPENDIX G

O R TAMBO DISTRICT MUNICIPALITY
CONDITIONAL GRANTS AND RECEIPTS

	UNSPENT BALANCE	CURRENT YEARS	INTEREST ALLOCATED	NON CAPITAL	CAPITAL	TRANSFERS	UNSPENT BALANCE
	1-Jul-2006	RECEIPTS		EXPENDITURE			30-Jun-2007
NATIONAL GRANTS							
MAIZE FARMING PROJECT FUND							
DALINDYEBO REG AUTHORITY							
MHLONTLO MUN EQUITABLE SHARE							
KSD MUN EQUITABLE SHARE	0						0
EMBOLAND REG AUTHORITY	0						0
FINANCIAL MANAGEMENT GRANT	2,595,620	500,000	174,376	-1,752,709			1,517,287
KSD FINANCIAL ASSISTANCE							
NYANDENI MUN EQUITABLE SHARE							
ENGCOBO TRC TRUST							
TRANSPORT INFRASTRUCTURE	3,956,157		158,105	-485,109			3,629,153
URBANIZATION PROGRAMME	0						0
INCOME GENERATING PROJECTS	460,806		15,382				476,188
YOUTH DEVELOPMENT CENTRE	0						0
RURAL ANTI-POVERTY	482,709		28,098				510,807
TSOLO-QUMBU SKILLS	36,023						36,023
CBPWP	683,767	6,457,019	191,361	-6,401,213			930,934
BSRP PROJECTS	4,485,755		230,457	-2,073,054			2,643,157
CMIP PROJECTS							
MSIG PROJECTS	580,280	1,000,000	120,947	-1,214,552			486,675
DWAF PROJECTS	11,231,242	9,465,934	132,571	-4,823,590	-1,294,234		14,711,923
MSP FUND PROJECTS	0						0
IRDP PROJECT FUND	2,379,763		159,335	-1,676,208			862,890
DISASTER MANAGEMENT	3,055,473	1,500,000	70,547	-2,141,860			2,484,160
DISASTER MANAGEMENT PROJECT							
TRAINING FUNDS			2,748	-2,748			-0
DEVELOPMENT RESORTS PROJECT							
LINE MAPPING PROJECT	384,179					-384,179	0
SURVEY & PLANNING PROJECT	344,934		3,152				348,086
LAND DEVELOPMENT OBJECTIVES							
HIV / AIDS PROGRAMME	6,126,227		53,707	-236,284			5,943,650
ESTABLISHMENT FUND (GRANTS RECEIVED)	12,683,163	6,520,135	467,937	-420,000		-8,101,757	11,149,478
BUMBANE GREAT PLACE	-0						-0
SPU YOUTH DEVELOPMENT PROJECT FUND	175,705		9,322				185,027
SPU SIMISONKE FUND	233,149		25,639	-139,737			119,052
MBIZANA DROUGHT RELIEF FUND	817,857		390				818,247
MIG FUND	39,513,300	331,021,845	5,489,506	-282,091,412			93,933,240
UMZINTLAVA/QHINQOLO FUND	4,433,498		295,952	-113,999			4,615,451
HOMELES AND DESTITUTE FUND							
IGRF FUND							
SIP FUND	2,840,415	1,872,055	152,678	-1,182,045			3,683,103

COMMUNITY DEV.WORKERS FUND	658,176		103,071	-225,523			535,724
INTEGRATED TRANSPORT FUND	207,550		17,143				224,693
LIBRARIES & INFORMATION FUND	270,124	1,500,000	29,116	-229,468			1,569,772
INTEGRATED DEVELOPMENT FUND	1,097,165	1,300,000	41,506	-663,349			1,775,322
DISTRICT INFO.MAN SYSTEMS FUND							
AIDS TRAINING INFO &COUNSEL FUND	1,644,972		165,254	-2,485,979	-108,319		-784,072
LGWSETA	177,828		3,044				180,872
KANYE/QUTHUBENI SCHOOLS FUND							
JOB EVALUATION FUND	222,872		17,646	-225,171			15,347
IFESH	48,447		3,708				52,155
FIRE & EMERGENCY	682,835	1,882,000	177,328	-1,540,240	-521,393		680,530
BALANCE CARRIED OVER	102,509,994	363,018,988	8,340,025	-310,124,249	-1,923,946	-8,485,936	153,334,876
BALANCE BOUGHT DOWN	102,509,994	363,018,988	8,340,025	-310,124,249	-1,923,946	-8,485,936	153,334,876
ORTDM DROUGHT RELIEF	17,557,110		1,024,683	-16,641,819			1,939,974
VOTING STATIONS	75,606		132,773				208,379
LG SETA	49,141	95,865	7,174				152,180
LED BEAET	1,722,227		137,171	-91,419	-79,596		1,688,382
EMFUNDISWENI B&B	87,126		21,651				108,777
ORTDM SUGAR ASSOCIATION	133		170				303
VULINDLELA DBSA	77,297	419,400	48,878	-214,365			331,210
CAPE TOWN DISASTER FUND	25,674		1,974				27,648
SPATIAL DEVELOPMENT		150,000	6,403				156,403
MASIMANYANE FUND		102,166	4,361				106,527
SPATIAL PLANNING FUND		600,000	12,904	-600,000			12,904
VALUATIONS PROJECT FUND			50,555	-1,120,000			50,555
LAND SURVEY PROJECTS FUND			29,478	-360,000			592,478
FREE BASIC SERVICES FUND			14,001				342,001
ISRDP DEVELOPMENT FUND			11,148				273,148
ISRDP BEEF PROJECT		950,000	20,212	-950,000			20,212
CAPACITY BUILDING		300,000		-168,567			131,433
INSTITUTIONAL TRAINING		150,000		-97,450			52,550
ISMIS FUND		276,620		-237,892			38,728
LANGENI DEVELOPMENT		250,000	10,671	-207,717			52,954
	122,104,306	368,946,039	9,874,232	-330,813,478	-2,003,542	-8,485,936	159,621,621
PROVINCIAL GRANTS							
PRESTON HOUSING FUND FUND	883,030	106,989	147,098	-299,843			837,274
MPEKO HOUSING FUND	229,384	62,500	12,600	-61,261			243,223
HADINI HOUSING FUND	643,105	3,668,233	98,027	-4,006,536			402,829
EAGERTON HOUSING FUND	1,069,334	840,750	63,389	-105,540			1,867,933
LINDILE HOUSING FUND	1,316,217	12,822	25,644	-59,009			1,295,674
ZIDINDI RURAL FUND	2,396,016		121,388	-808,151			1,709,253
PAYNE RURAL FUND	2,440,612	1,457,386	102,676	-2,938,233			1,062,441
UPPER CENTULI FUND	2,155,442	1,551,315	54,320	-3,390,123			370,954

UPPER TABASE FUND	1,479,143	1,435,728	109,611	-2,486,769			537,713
NKONZO RURAL HOUSING FUND	1,227,929	2,108,800	86,254	-2,548,953			874,030
NDLUKULU RURAL HOUSING FUND	1,212,006		20,441	-664,377			568,070
MANTLANENI RURAL HOUSING FUND	2,513,723	1,374,594	70,514	-1,634,064			2,324,767
NCAMBELE RURAL HOUSING FUND	29,066		2,035				31,101
NGWALA RURAL HOUSING FUND	1,600,976	2,772,725	52,441	-3,263,507			1,162,635
NEW PAYNE RURAL FUND	97,063		10,568	-379,125			-271,494
KWENXURHA RURAL HOUSING FUND	2,602,526	745,431	55,563	-2,684,888			718,632
NTSHABENI RURAL HOUSING FUND	1,183,306	654,860	27,728	-1,571,424			294,470
RURAL ACCESS ROADS							
	23,078,878	16,792,133	1,060,297	-26,901,803			14,029,505
PUBLIC CONTRIBUTIONS							
UMTATA COMMUNITY ARTS FUND	58,938		11,236		-18,398		51,776
MBIZANA EXT.4 FUND	559,833	7,459,530	150,103	-6,909,392			1,260,074
	618,771	7,459,530	161,339	-6,909,392	-18,398		1,311,850
TOTAL CONDITIONAL GRANTS		393,197,702	11,095,868	-364,624,674	-2,021,940	-8,485,936	174,962,976

APPENDIX H: THREE YEAR INFRASTRUCTURE INVESTMENT PLAN

OR TAMBO DM

THREE YEAR PLAN 2007 TO 2010

Category	Local Authority	Project Description	Comments	Budget	Current Year	2006 / 7	2007 / 8	2008 / 9	O&M Year 1	O&M Year 2	O&M Year 3
Sanitation	King Sabata Dalindyebo	KSD: Umtata - Waste Water Treatment Works	Upgrade	R 15,000,000.00	R 9,000,000.00	R 5,000,000.00	R 10,000,000.00		R 300,000.00	R 300,000.00	R 300,000.00
Sanitation	King Sabata Dalindyebo	Umtata: Ngangelizwe - Sewer intersection	Refurbishment	R 2,000,000.00	R 0.00	R 2,000,000.00	R 0.00	R 0.00	R 50,000.00	R 50,000.00	R 50,000.00
Sanitation	King Sabata Dalindyebo	Bhijolo Ward 19 Sanitation	Extension	R 7,500,000.00	R 0.00	R 4,000,000.00	R 0.00	R 3,500,000.00	R 150,000.00	R 150,000.00	R 150,000.00
Sanitation	King Sabata Dalindyebo	Bityi Ward 17 Sanitation	Extension	R 7,500,000.00	R 0.00	R 4,000,000.00	R 0.00	R 3,500,000.00	R 150,000.00	R 150,000.00	R 150,000.00
Sanitation	King Sabata Dalindyebo	KSD Ward 2 Sanitation	Extension	R 3,000,000.00	R 0.00	R 1,000,000.00	R 2,000,000.00		R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	King Sabata Dalindyebo	KSD Ward 11 Sanitation	Extension	R 4,000,000.00	R 0.00	R 3,000,000.00	R 1,000,000.00		R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	King Sabata Dalindyebo	Mqanduli: Main Outfall Sewer	Upgrade	R 3,000,000.00	R 0.00	R 3,000,000.00			R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	King Sabata Dalindyebo	KSD: Umtata: Northern Outfall Sewers	Extension	R 10,000,000.00	R 10,000,000.00	R 0.00	R 5,000,000.00	R 5,000,000.00	R 200,000.00	R 200,000.00	R 200,000.00
Sanitation	King Sabata Dalindyebo	Xugxwala Sanitation	DWAF Budget Maint	R 2,000,000.00	R 2,000,000.00	R 1,000,000.00	R 1,000,000.00		R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	King Sabata Dalindyebo	Gogozayo Sanitation	DWAF Budget Maint	R 2,000,000.00	R 2,000,000.00	R 1,000,000.00	R 1,000,000.00		R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	King Sabata Dalindyebo	Tyumbu Sanitation (ward 29)	New	R 2,000,000.00	R 2,000,000.00	R 1,000,000.00	R 1,000,000.00		R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	King Sabata Dalindyebo	KSD Ward 5 Sanitation + Cholera	DWAF Budget Maint	R 7,500,000.00	R 2,000,000.00	R 2,500,000.00	R 2,500,000.00	R 2,500,000.00	R 150,000.00	R 150,000.00	R 150,000.00
Sanitation	King Sabata Dalindyebo	KSD Ward 8 Sanitation	New	R 4,500,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 2,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00

Sanitation	King Sabata Dalindyebo	KSD Ward 16 Sanitation	New	R 4,500,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 2,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	King Sabata Dalindyebo	KSD Ward 21 Sanitation	New	R 4,500,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 2,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	King Sabata Dalindyebo	KSD Ward 23 Sanitation	New	R 4,500,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 2,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	King Sabata Dalindyebo	Ward 1: Coffee Bay Sanitation	New	R 3,500,000.00	R 0.00	R 0.00	R 2,000,000.00	R 1,500,000.00	R 70,000.00	R 70,000.00	R 70,000.00
Sanitation	King Sabata Dalindyebo	Ward 12: Gxididi Sanitation	New	R 3,500,000.00	R 0.00	R 0.00	R 2,000,000.00	R 1,500,000.00	R 70,000.00	R 70,000.00	R 70,000.00
Sanitation	King Sabata Dalindyebo	Ward 30, 15, 27 28: (Outstanding villages)	New	R 3,500,000.00	R 0.00	R 0.00	R 2,000,000.00	R 1,500,000.00	R 70,000.00	R 70,000.00	R 70,000.00
Sanitation	King Sabata Dalindyebo	Ward 18: Gengqe Sanitation	New	R 3,500,000.00	R 0.00	R 0.00	R 2,000,000.00	R 1,500,000.00	R 70,000.00	R 70,000.00	R 70,000.00
Sanitation	King Sabata Dalindyebo	Ward 9: Cwecwe Sanitation	New	R 3,500,000.00	R 0.00	R 0.00	R 2,000,000.00	R 1,500,000.00	R 70,000.00	R 70,000.00	R 70,000.00
Sanitation	King Sabata Dalindyebo	Ward 6: Mtentu Sanitation	New	R 3,500,000.00	R 0.00	R 0.00	R 2,000,000.00	R 1,500,000.00	R 70,000.00	R 70,000.00	R 70,000.00
Sanitation	King Sabata Dalindyebo	Ward 4: Lwandlana Sanitation	New	R 3,500,000.00	R 0.00	R 0.00	R 2,000,000.00	R 1,500,000.00	R 70,000.00	R 70,000.00	R 70,000.00
				R 108,000,000.00	R 27,000,000.00	R 31,500,000.00	R 41,500,000.00	R 35,000,000.00	R 2,170,000.00	R 2,170,000.00	R 2,170,000.00
water	King Sabata Dalindyebo	Zimbane Water Supply	Extension	R 10,000,000.00	R 2,000,000.00	R 0.00	R 0.00	R 10,000,000.00	R 250,000.00	R 250,000.00	R 250,000.00
water	King Sabata Dalindyebo	Sitebe Komkhulu w/s	New	R 500,000.00	R 4,000,000.00	R 500,000.00	R 0.00	R 0.00	R 12,500.00	R 12,500.00	R 12,500.00
water	King Sabata Dalindyebo	Impindweni & Gxididi w/s	New	R 500,000.00	R 4,000,000.00	R 500,000.00	R 0.00	R 0.00	R 12,500.00	R 12,500.00	R 12,500.00
water	King Sabata Dalindyebo	Mqanduli: Bulk Water Supply (Refurbishment of WTW)	Refurbishment	R 5,000,000.00	R 0.00	R 5,000,000.00	R 0.00	R 0.00	R 125,000.00	R 125,000.00	R 125,000.00
water	King Sabata Dalindyebo	KSD: Umtata - Qokolweni water supply extention	Extension	R 3,500,000.00	R 1,048,826.00	R 3,500,000.00	R 0.00	R 0.00	R 87,500.00	R 87,500.00	R 87,500.00
water	King Sabata Dalindyebo	KSD:Refurbishment of raw water	Upgrade	R 2,500,000.00	R 2,089,000.00	R 2,500,000.00	R 0.00	R 0.00	R 62,500.00	R 62,500.00	R 62,500.00
water	King Sabata Dalindyebo	Maqhinebeni Viedgiesville WS 7 villages	DWAF Budget Maint	R 10,000,000.00	R 0.00	R 7,000,000.00	R 3,000,000.00	R 0.00	R 250,000.00	R 250,000.00	R 250,000.00
water	King Sabata Dalindyebo	Umtata peri Urban to cover Rosedale & Link	DWAF Budget Maint	R 10,000,000.00	R 0.00	R 5,000,000.00	R 5,000,000.00	R 0.00	R 250,000.00	R 250,000.00	R 250,000.00
water	King Sabata Dalindyebo	Mgwali Water Supply project	New	R 45,000,000.00	R 0.00	R 5,000,000.00	R 20,000,000.00	R 20,000,000.00	R 1,125,000.00	R 1,125,000.00	R 1,125,000.00

water	King Sabata Dalindyebo	Coffee Bay Reticulation	Extension	R 20,000,000.00	R 0.00	R 5,000,000.00	R 10,000,000.00	R 5,000,000.00	R 500,000.00	R 500,000.00	R 500,000.00
water	King Sabata Dalindyebo	Mhlahlane Extension to Ward 5 & 3	Extension	R 20,000,000.00	R 0.00	R 10,000,000.00	R 5,000,000.00	R 5,000,000.00	R 500,000.00	R 500,000.00	R 500,000.00
water	King Sabata Dalindyebo	Second Falls Water Scheme	New Cross Border	R 26,000,000.00	R 0.00	R 1,000,000.00	R 5,000,000.00	R 20,000,000.00	R 650,000.00	R 650,000.00	R 650,000.00
				R 32,000,000.00	R 13,137,826.00	R 45,000,000.00	R 48,000,000.00	R 60,000,000.00	R 3,825,000.00	R 3,825,000.00	R 3,825,000.00
Sanitation	Mbizana	Mbizana: Night Soil Ponds	Upgrade & Rehabilitation	R 2,000,000.00	0	R 2,000,000.00	R 0.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Mbizana	Mbizana: Diamond, Mpisi & Dyifani - Sanitation (VIP's)	Extension	R 0.00	R 2,500,000.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00
Sanitation	Mbizana	Mbizana: Ward 1,2,3,4,11,13,17,21,12,20 - VIP Sanitation	Extension	R 12,000,000.00	R 4,500,000.00	R 4,000,000.00	R 4,000,000.00	R 4,000,000.00	R 240,000.00	R 240,000.00	R 240,000.00
Sanitation	Mbizana	Mbizana Ward 19 Sanitation	New	R 4,500,000.00	R 0.00	R 2,000,000.00	R 1,000,000.00	R 1,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	Mbizana	Mbizana Ward 7 Sanitation	New	R 4,500,000.00	R 0.00	R 2,000,000.00	R 1,000,000.00	R 1,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	Mbizana	Mbizana Ward 9 Sanitation	New	R 4,500,000.00	R 0.00	R 2,000,000.00	R 1,000,000.00	R 1,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	Mbizana	Mbizana Ward 8 Sanitation	New	R 4,500,000.00	R 0.00	R 2,000,000.00	R 1,000,000.00	R 1,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	Mbizana	Mbizana Ward 6 Sanitation	New	R 4,500,000.00	R 0.00	R 2,000,000.00	R 1,000,000.00	R 1,500,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	Mbizana	Mbizana Ward 14 Sanitation	New	R 4,000,000.00	R 0.00	R 0.00	R 2,500,000.00	R 1,500,000.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Mbizana	Mbizana Ward 5 Sanitation	New	R 4,500,000.00	R 0.00	R 0.00	R 2,500,000.00	R 2,000,000.00	R 90,000.00	R 90,000.00	R 90,000.00
Sanitation	Mbizana	Mbizana Ward 10 Sanitation	New	R 4,000,000.00	R 0.00	R 0.00	R 2,500,000.00	R 1,500,000.00	R 80,000.00	R 80,000.00	R 80,000.00
				R 49,000,000.00	R 7,000,000.00	R 16,000,000.00	R 16,500,000.00	R 16,500,000.00	R 980,000.00	R 980,000.00	R 980,000.00
water	Mbizana	Mbizana: Chrislow - Water Supply	New Source Development	R 3,000,000.00	R 1,000,000.00	R 3,000,000.00	R 0.00	R 0.00	R 75,000.00	R 75,000.00	R 75,000.00
water	Mbizana	Mbizana: Mzamba Mouth - Water Supply	New Source Development	R 5,000,000.00	R 1,000,000.00	R 5,000,000.00	R 0.00	R 0.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Mbizana	Mbizana: Mtayise - Water Supply	New Source Development	R 10,000,000.00	R 1,000,000.00	R 5,000,000.00	R 5,000,000.00	R 0.00	R 250,000.00	R 250,000.00	R 250,000.00
water	Mbizana	Bizana Raw Water Augmentation Scheme	New	R 30,000,000.00	R 0.00	R 10,000,000.00	R 10,000,000.00	R 10,000,000.00	R 750,000.00	R 750,000.00	R 750,000.00

water	Mbizana	Bizana Nomlaco Reticulation	Extension	R 15,000,000.00	R 0.00	R 0.00	R 10,000,000.00	R 5,000,000.00	R 375,000.00	R 375,000.00	R 375,000.00
water	Mbizana	Ground Water Ward 20	New	R 8,500,000.00	R 0.00	R 3,000,000.00	R 3,000,000.00	R 2,500,000.00	R 212,500.00	R 212,500.00	R 212,500.00
water	Mbizana	Ground Water Ward 3,4,13,15, part of 10, part 15, part 17,6)	New	R 15,000,000.00	R 0.00	R 5,000,000.00	R 5,000,000.00	R 5,000,000.00	R 375,000.00	R 375,000.00	R 375,000.00
water	Mbizana	Extension of Mkambati (Ward 1,2,12,5)	New	R 5,000,000.00	R 0.00	R 0.00	R 0.00	R 5,000,000.00	R 125,000.00	R 125,000.00	R 125,000.00
				R 91,500,000.00	R 3,000,000.00	R 31,000,000.00	R 33,000,000.00	R 27,500,000.00	R 2,287,500.00	R 2,287,500.00	R 2,287,500.00

Sanitation	Mhlontlo	Mhlontlo: Tsolo - New Sewage Treatment Facility	Extension	R 4,000,000.00	R 0.00	R 4,000,000.00	R 0.00	R 0.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Mhlontlo	Mhlontlo: Tsolo - Internal Sewage Reticulation	Extension	R 5,000,000.00	R 1,500,000.00	R 5,000,000.00	R 0.00	R 0.00	R 100,000.00	R 100,000.00	R 100,000.00
Sanitation	Mhlontlo	Mjika EU Sanitation	DWAF Budget Maint	R 4,000,000.00	R 1,000,000.00	R 2,000,000.00	R 2,000,000.00	R 0.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Mhlontlo	Malepelepe Sanitation	New	R 1,600,000.00	R 0.00	R 1,600,000.00	R 0.00	R 0.00	R 32,000.00	R 32,000.00	R 32,000.00
Sanitation	Mhlontlo	Sanitation to 19 villages (Buwa Sanitation)	DWAF Budget Maint	R 4,000,000.00	R 5,000,000.00	R 0.00	R 2,000,000.00	R 2,000,000.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Mhlontlo	Blackhill Sanitation	DWAF Budget Maint	R 1,700,000.00	R 0.00	R 1,700,000.00	R 0.00	R 0.00	R 34,000.00	R 34,000.00	R 34,000.00
Sanitation	Mhlontlo	Qanda Sanitation - Ward 11	DWAF Budget Maint	R 3,000,000.00	R 0.00	R 0.00	R 3,000,000.00	R 0.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Mhlontlo	Mhlontlo Ward 15 + Cholera	DWAF Budget Maint	R 5,000,000.00	R 0.00	R 2,000,000.00	R 2,000,000.00	R 1,000,000.00	R 100,000.00	R 100,000.00	R 100,000.00
Sanitation	Mhlontlo	Caba Ward 6 Sanitation	New	R 6,000,000.00	R 0.00	R 2,000,000.00	R 2,000,000.00	R 2,000,000.00	R 120,000.00	R 120,000.00	R 120,000.00
Sanitation	Mhlontlo	Ward 12 Sanitation	New	R 4,000,000.00	R 0.00	R 0.00	R 2,000,000.00	R 2,000,000.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Mhlontlo	Ward 2 Sanitation	New	R 4,000,000.00	R 0.00	R 0.00	R 2,000,000.00	R 2,000,000.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Mhlontlo	Ward 3 Sanitation	New	R 4,000,000.00	R 0.00	R 0.00	R 2,000,000.00	R 2,000,000.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Mhlontlo	Ward 4 Sanitation	New	R 4,000,000.00	R 0.00	R 0.00	R 2,000,000.00	R 2,000,000.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Mhlontlo	Ward 9 Sanitation	New	R 2,000,000.00	R 0.00	R 0.00	R 0.00	R 2,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00

Sanitation	Mhlontlo	Ward 7 Sanitation	New	R 2,000,000.00	R 0.00	R 0.00	R 0.00	R 2,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
				R 54,300,000.00	R 7,500,000.00	R 18,300,000.00	R 19,000,000.00	R 17,000,000.00	R 1,086,000.00	R 1,086,000.00	R 1,086,000.00
water	Mhlontlo	Mhlontlo: Qumbu - Magutywa Water Supply	Extension	R 3,000,000.00	R 0.00	R 3,000,000.00	R 0.00	R 0.00	R 75,000.00	R 75,000.00	R 75,000.00
water	Mhlontlo	Mhlontlo: Magxamufu - Water Supply	Extension	R 3,000,000.00	R 0.00	R 3,000,000.00	R 0.00	R 0.00	R 75,000.00	R 75,000.00	R 75,000.00
water	Mhlontlo	O.R. Tambo: Sidwadweni - Regional Water Supply	DWAF Budget Maint	R 32,000,000.00	R 16,000,000.00	R 7,000,000.00	R 15,000,000.00	R 10,000,000.00	R 800,000.00	R 800,000.00	R 800,000.00
water	Mhlontlo	Mhlontlo: Upper Culunca - Water Supply	DWAF Budget Maint	R 15,000,000.00	R 10,000,000.00	R 5,000,000.00	R 5,000,000.00	R 5,000,000.00	R 375,000.00	R 375,000.00	R 375,000.00
water	Mhlontlo	OR Tambo: Lujecweni - Water Supply	Extension	R 7,000,000.00	R 8,277,962.00	R 4,000,000.00	R 3,000,000.00	R 0.00	R 175,000.00	R 175,000.00	R 175,000.00
water	Mhlontlo	OR Tambo: Qebeyi - Water Supply Scheme	New Source Development	R 5,000,000.00	R 0.00	R 5,000,000.00	R 0.00	R 0.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Mhlontlo	Mjika WS (Phase 1 & 2)	DWAF Budget Maint	R 5,000,000.00	R 500,000.00	R 0.00	R 0.00	R 5,000,000.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Mhlontlo	Mvumelwano Water Scheme	DWAF Budget Maint	R 21,000,000.00	R 0.00	R 5,000,000.00	R 6,000,000.00	R 10,000,000.00	R 525,000.00	R 525,000.00	R 525,000.00
water	Mhlontlo	Mbalisweni WS	New	R 8,000,000.00	R 0.00	R 5,000,000.00	R 3,000,000.00	R 0.00	R 200,000.00	R 200,000.00	R 200,000.00
				R 99,000,000.00	R 34,777,962.00	R 37,000,000.00	R 32,000,000.00	R 30,000,000.00	R 2,475,000.00	R 2,475,000.00	R 2,475,000.00
Sanitation	Ntabankulu	Tabankulu: Nightsoil ponds	Extension	R 5,000,000.00	R 0.00	R 2,500,000.00	R 2,500,000.00	R 0.00	R 100,000.00	R 100,000.00	R 100,000.00
Sanitation	Ntabankulu	Mzimvubu admin area Sanitation	Extension	R 3,000,000.00	R 1,500,000.00	R 1,000,000.00	R 1,000,000.00	R 1,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Ntabankulu	Ntabankulu Ward 1 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 1,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Ntabankulu	Ntabankulu Ward 2 Sanitation	New	R 2,500,000.00	R 0.00	R 1,000,000.00	R 500,000.00	R 1,000,000.00	R 50,000.00	R 50,000.00	R 50,000.00
Sanitation	Ntabankulu	Ntabankulu Ward 7 Sanitation	New	R 2,000,000.00	R 0.00	R 500,000.00	R 500,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Ntabankulu	Ntabankulu Ward 3 Sanitation	New	R 2,000,000.00	R 0.00	R 500,000.00	R 500,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Ntabankulu	Ntabankulu Ward 4 Sanitation	New	R 2,000,000.00	R 0.00	R 500,000.00	R 500,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Ntabankulu	Ntabankulu Ward 8 Sanitation	New	R 2,000,000.00	R 0.00	R 500,000.00	R 500,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00

Sanitation	Ntabankulu	Ntabankulu Ward 9 Sanitation	New	R 2,000,000.00	R 0.00	R 500,000.00	R 500,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
				R 23,500,000.00	R 1,500,000.00	R 8,000,000.00	R 7,500,000.00	R 8,000,000.00	R 470,000.00	R 470,000.00	R 470,000.00
water	Ntabankulu	Ntabankulu: Mfundisweni - Water Supply	Extension	R 4,000,000.00	R 3,500,000.00	R 4,000,000.00	R 0.00	R 0.00	R 100,000.00	R 100,000.00	R 100,000.00
water	Ntabankulu	Ntabankulu: Xhama - Water Supply	Extension	R 1,300,000.00	R 2,000,000.00	R 1,300,000.00	R 0.00	R 0.00	R 32,500.00	R 32,500.00	R 32,500.00
water	Ntabankulu	Nyokweni W.S.P / Bonvini W.S.P	DWAF Budget Maint	R 10,000,000.00	R 1,800,000.00	R 5,000,000.00	R 5,000,000.00	R 0.00	R 250,000.00	R 250,000.00	R 250,000.00
water	Ntabankulu	Mfundisweni Centre Reticulation	New	R 2,000,000.00	R 0.00	R 2,000,000.00	R 0.00	R 0.00	R 50,000.00	R 50,000.00	R 50,000.00
water	Ntabankulu	Umkimvubu Regional Water Supply	New	R 11,000,000.00	R 0.00	R 2,000,000.00	R 3,000,000.00	R 6,000,000.00	R 275,000.00	R 275,000.00	R 275,000.00
water	Ntabankulu	Mzintlaba Regional Water Supply	New	R 13,000,000.00	R 0.00	R 2,000,000.00	R 5,000,000.00	R 6,000,000.00	R 325,000.00	R 325,000.00	R 325,000.00
water	Mhlontlo	Dungu Water Supply	DWAF Budget Maint	R 11,000,000.00	R 0.00	R 0.00	R 5,000,000.00	R 6,000,000.00	R 275,000.00	R 275,000.00	R 275,000.00
				R 52,300,000.00	R 7,300,000.00	R 16,300,000.00	R 18,000,000.00	R 18,000,000.00	R 1,307,500.00	R 1,307,500.00	R 1,307,500.00
Sanitation	Nyandeni	Maqanyeni Sanitation	DWAF Budget Maint	R 4,000,000.00	R 986,000.00	R 2,000,000.00	R 2,000,000.00	R 0.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Nyandeni	Mdina Sanitation (ward 15,21,22)	Extension	R 2,500,000.00	R 1,000,000.00	R 0.00	R 0.00	R 2,500,000.00	R 50,000.00	R 50,000.00	R 50,000.00
Sanitation	Nyandeni	Nyandeni Ward 6 Sanitation	Extension	R 4,000,000.00	R 500,000.00	R 1,000,000.00	R 2,000,000.00	R 1,000,000.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Nyandeni	Nyandeni Ward 7 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 1,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Nyandeni	Zibungu Ward 20 Sanitation	New	R 4,000,000.00	R 0.00	R 1,000,000.00	R 2,000,000.00	R 1,000,000.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Nyandeni	Ngqeleni Town Sewage Treatment Works	Upgrade & Rehabilitation	R 5,500,000.00	R 0.00	R 2,000,000.00	R 1,500,000.00	R 2,000,000.00	R 110,000.00	R 110,000.00	R 110,000.00
Sanitation	Nyandeni	Nyandeni Ward 18: Coza Sanitation	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 11	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 10	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 9	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00

Sanitation	Nyandeni	Nyandeni Ward 4	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 2	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 1	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 3	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 23	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 17	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 14	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 19	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Nyandeni	Nyandeni Ward 12	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
				R 49,000,000.00	R 2,486,000.00	R 16,000,000.00	R 17,500,000.00	R 15,500,000.00	R 980,000.00	R 980,000.00	R 980,000.00
water	Nyandeni	Libode: Ext 4 - Bulk services	Upgrade & Rehabilitation	R 3,000,000.00	R 0.00	R 3,000,000.00	R 0.00	R 0.00	R 75,000.00	R 75,000.00	R 75,000.00
water	Nyandeni	Kei DC: Ngqeleni - Water supply to 27 villages	Extension	R 10,000,000.00	R 0.00	R 5,000,000.00	R 0.00	R 5,000,000.00	R 250,000.00	R 250,000.00	R 250,000.00
water	Nyandeni	Nyandeni: Cwele Water Supply	Extension	R 10,000,000.00	R 650,000.00	R 5,000,000.00	R 5,000,000.00	R 0.00	R 250,000.00	R 250,000.00	R 250,000.00
water	Nyandeni	Nyandeni: Libode - Noxova Water Supply	New Source Development	R 5,000,000.00	R 0.00	R 0.00	R 5,000,000.00	R 0.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Nyandeni	Nyandeni: Nomadolo - Water Supply	Extension	R 5,000,000.00	R 0.00	R 0.00	R 0.00	R 5,000,000.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Nyandeni	OR Tambo: Buthongweni - Water Supply	New Source Development	R 11,000,000.00	R 3,000,000.00	R 4,000,000.00	R 7,000,000.00	R 0.00	R 275,000.00	R 275,000.00	R 275,000.00
water	Nyandeni	Nyandeni: Mankosi Reticulation	Extension	R 5,000,000.00	R 6,000,000.00	R 0.00	R 5,000,000.00	R 0.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Nyandeni	Libode GWS - Mhlanganisweni	DWAF Budget Maint	R 6,000,000.00	R 500,000.00	R 6,000,000.00	R 0.00	R 0.00	R 150,000.00	R 150,000.00	R 150,000.00
water	Nyandeni	Mandlovini WS	DWAF Budget Maint	R 2,000,000.00	R 371,011.00	R 2,000,000.00	R 0.00	R 0.00	R 50,000.00	R 50,000.00	R 50,000.00
water	Nyandeni	Mhlanga Bulk WS	DWAF Budget Maint	R 10,000,000.00	R 0.00	R 0.00	R 0.00	R 10,000,000.00	R 250,000.00	R 250,000.00	R 250,000.00

water	Nyandeni	Dumase Water Supply	New	R 5,000,000.00	R 0.00	R 5,000,000.00	R 0.00	R 0.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Nyandeni	Thekwini Water supply	New	R 5,000,000.00	R 0.00	R 0.00	R 5,000,000.00	R 0.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Nyandeni	Coza Water Supply	New	R 10,000,000.00	R 0.00	R 5,000,000.00	R 5,000,000.00	R 0.00	R 250,000.00	R 250,000.00	R 250,000.00
water	Nyandeni	Upper Corana Bulk Water Supply	Extension	R 5,000,000.00	R 0.00	R 0.00	R 0.00	R 5,000,000.00	R 125,000.00	R 125,000.00	R 125,000.00
water	Nyandeni	Ngqeleni Town Bulk Water	Upgrade & Rehabilitation	R 4,500,000.00	R 0.00	R 4,500,000.00	R 0.00	R 0.00	R 112,500.00	R 112,500.00	R 112,500.00
water	Nyandeni	Second Falls East (Ward 2, part of 5)	New Cross Border	R 15,000,000.00	R 0.00	R 0.00	R 0.00	R 15,000,000.00	R 375,000.00	R 375,000.00	R 375,000.00
				R 111,500,000.00	R 10,521,011.00	R 39,500,000.00	R 32,000,000.00	R 40,000,000.00	R 2,787,500.00	R 2,787,500.00	R 2,787,500.00
Sanitation	Port St Johns	Port St Johns: Mthumbane - VIP Toilets	Extension	R 1,000,000.00	R 370,000.00	R 1,000,000.00	R 0.00	R 0.00	R 20,000.00	R 20,000.00	R 20,000.00
Sanitation	Port St Johns	Port St Johns: Lujecweni - Sanitation	Extension	R 1,000,000.00	R 300,000.00	R 1,000,000.00	R 0.00	R 0.00	R 20,000.00	R 20,000.00	R 20,000.00
Sanitation	Port St Johns	Ncanda Sanitation	Implemented (Under construction)	R 3,000,000.00	R 500,000.00	R 1,500,000.00	R 1,500,000.00	R 0.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Port St Johns	PSJ Ward 4 Sanitation	Extension	R 2,000,000.00	R 500,000.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Port St Johns	PSJ Ward 10 Sanitation	Extension	R 2,000,000.00	R 500,000.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Port St Johns	PSJ Ward 2 Sanitation	Extension	R 2,000,000.00	R 500,000.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Port St Johns	PSJ Ward 12 Sanitation	Extension	R 3,000,000.00	R 500,000.00	R 1,500,000.00	R 1,500,000.00	R 0.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Port St Johns	PSJ Sewage Scheme Phase 1: Sludge Disposal Dam	Upgrade & Rehabilitation	R 6,000,000.00	R 0.00	R 0.00	R 2,000,000.00	R 4,000,000.00	R 120,000.00	R 120,000.00	R 120,000.00
Sanitation	Port St Johns	PSJ Ward 1 Sanitation	New	R 1,000,000.00	R 0.00	R 0.00	R 0.00	R 1,000,000.00	R 20,000.00	R 20,000.00	R 20,000.00
Sanitation	Port St Johns	PSJ Ward 11 Sanitation	New	R 1,000,000.00	R 0.00	R 0.00	R 0.00	R 1,000,000.00	R 20,000.00	R 20,000.00	R 20,000.00
Sanitation	Port St Johns	PSJ Ward 13 Sanitation	New	R 2,000,000.00	R 0.00	R 0.00	R 0.00	R 2,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Port St Johns	PSJ Ward 3 Sanitation	New	R 1,000,000.00	R 0.00	R 0.00	R 0.00	R 1,000,000.00	R 20,000.00	R 20,000.00	R 20,000.00
				R 25,000,000.00	R 3,170,000.00	R 8,000,000.00	R 8,000,000.00	R 9,000,000.00	R 500,000.00	R 500,000.00	R 500,000.00

water	Port St Johns	Port St Johns: Regional Water Supply Scheme	Extension	R 20,000,000.00	R 6,000,000.00	R 15,000,000.00	R 5,000,000.00	R 0.00	R 500,000.00	R 500,000.00	R 500,000.00
water	Port St Johns	Ext of Lusikisiki to cover ward 11	Extension	R 6,000,000.00	R 0.00	R 0.00	R 6,000,000.00	R 0.00	R 150,000.00	R 150,000.00	R 150,000.00
water	Port St Johns	Ext of PSJ Regional Scheme 12 & 13	Extension	R 16,500,000.00	R 0.00	R 1,000,000.00	R 5,500,000.00	R 10,000,000.00	R 412,500.00	R 412,500.00	R 412,500.00
water	Port St Johns	Ext of Umzimvubu 14 villages W/S to cover ward 5	Extension	R 9,000,000.00	R 0.00	R 0.00	R 2,000,000.00	R 7,000,000.00	R 225,000.00	R 225,000.00	R 225,000.00
				R 51,500,000.00	R 6,000,000.00	R 16,000,000.00	R 18,500,000.00	R 17,000,000.00	R 1,287,500.00	R 1,287,500.00	R 1,287,500.00
Sanitation	Qawukeni	Qaukeni: Lusikisiki - Eradication of a Bucket System	Extension	R 3,000,000.00	R 800,000.00	R 3,000,000.00	R 0.00	R 0.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qawukeni: Flagstaff - Eradication of a Bucket System	New Site Development	R 1,900,000.00	R 2,000,000.00	R 1,900,000.00	R 0.00	R 0.00	R 38,000.00	R 38,000.00	R 38,000.00
Sanitation	Qawukeni	Fama D Sanitation	DWAF Budget Maint	R 4,000,000.00	R 1,200,000.00	R 2,000,000.00	R 2,000,000.00	R 0.00	R 80,000.00	R 80,000.00	R 80,000.00
Sanitation	Qawukeni	Mfinizweni Sanitation	Implemented (Under construction)	R 3,000,000.00	R 1,000,000.00	R 1,000,000.00	R 1,000,000.00	R 1,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qaukeni Ward 9 Sanitation	New	R 6,000,000.00	R 0.00	R 2,000,000.00	R 4,000,000.00	R 0.00	R 120,000.00	R 120,000.00	R 120,000.00
Sanitation	Qawukeni	Dubane Ward 14	DWAF Budget Maint	R 2,000,000.00	R 2,600,000.00	R 0.00	R 0.00	R 2,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Qawukeni	Qaukeni Ward 13: Goboza Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 2,000,000.00	R 0.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qaukeni Ward 10 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 2,000,000.00	R 0.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qaukeni Ward 2 Sanitation	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Qawukeni	Qaukeni Ward 8 Sanitation	New	R 2,000,000.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 0.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Qawukeni	Qaukeni Ward 23 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 2,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qaukeni Ward 5 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 2,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qaukeni Ward 22 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 2,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qaukeni Ward 1 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 2,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qaukeni Ward 20 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 2,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00

Sanitation	Qawukeni	Qaukeni Ward 4 Sanitation	New	R 3,000,000.00	R 0.00	R 1,000,000.00	R 0.00	R 2,000,000.00	R 60,000.00	R 60,000.00	R 60,000.00
Sanitation	Qawukeni	Qaukeni Ward 21 Sanitation	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Qawukeni	Qaukeni Ward 3 Sanitation	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Qawukeni	Qaukeni Ward 24 Sanitation	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Qawukeni	Qaukeni Ward 12 Sanitation	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
Sanitation	Qawukeni	Qaukeni Ward 25 Sanitation	New	R 2,000,000.00	R 0.00	R 0.00	R 1,000,000.00	R 1,000,000.00	R 40,000.00	R 40,000.00	R 40,000.00
				R 57,900,000.00	R 7,600,000.00	R 19,900,000.00	R 18,000,000.00	R 20,000,000.00	R 1,158,000.00	R 1,158,000.00	R 1,158,000.00
water	Qawukeni	Flagstaff: Bulk water supply	Upgrade & Rehabilitation	R 8,000,000.00	R 0.00	R 5,000,000.00	R 3,000,000.00	R 0.00	R 200,000.00	R 200,000.00	R 200,000.00
water	Qawukeni	Flagstaff: Enkululekweni - Water reticulation	Extension	R 2,000,000.00	R 1,200,000.00	R 2,000,000.00	R 0.00	R 0.00	R 50,000.00	R 50,000.00	R 50,000.00
water	Qawukeni	Wild Coast DC: Lusikisiki: Mfinizweni - Water supply	Extension	R 6,000,000.00	R 5,000,000.00	R 6,000,000.00	R 0.00	R 0.00	R 150,000.00	R 150,000.00	R 150,000.00
water	Qawukeni	Lusikisiki: Reticulation	Extension	R 11,000,000.00	R 5,000,000.00	R 4,000,000.00	R 7,000,000.00	R 0.00	R 275,000.00	R 275,000.00	R 275,000.00
water	Qawukeni	Qaukeni: Nkonzo & Mhlumba - Water Supply	New Source Development	R 2,000,000.00	R 0.00	R 2,000,000.00	R 0.00	R 0.00	R 50,000.00	R 50,000.00	R 50,000.00
water	Qawukeni	Lusikisiki Ground Water (Ward 14, 25, 24)	New	R 12,000,000.00	R 0.00	R 5,000,000.00	R 7,000,000.00	R 0.00	R 300,000.00	R 300,000.00	R 300,000.00
water	Qawukeni	Mkambati Regional (Spes Bona Weir)(Ward23,22,20,19,18)	New	R 18,000,000.00	R 0.00	R 1,000,000.00	R 7,000,000.00	R 10,000,000.00	R 450,000.00	R 450,000.00	R 450,000.00
water	Qawukeni	Flagstaff Regional W/S ward 11,5,17 and part of 6 (Mzintlana River)	New	R 19,000,000.00	R 0.00	R 4,000,000.00	R 5,000,000.00	R 10,000,000.00	R 475,000.00	R 475,000.00	R 475,000.00
water	Qawukeni	Flagstaff Regional W/S (ward8,9,10,6) Bala Weir	New	R 19,000,000.00	R 0.00	R 4,000,000.00	R 5,000,000.00	R 10,000,000.00	R 475,000.00	R 475,000.00	R 475,000.00
				R 97,000,000.00	R 11,200,000.00	R 33,000,000.00	R 34,000,000.00	R 30,000,000.00	R 2,425,000.00	R 2,425,000.00	R 2,425,000.00
Water	ORTDM	Water balancing	New	R 32,000,000.00	R 0.00	R 4,000,000.00	R 5,000,000.00	R 5,000,000.00			
				R 129,000,000.00	R 142,192,799.00	R 339,500,000.00	R 348,500,000.00	R 348,500,000.00	R 23,739,000.00	R 23,739,000.00	R 23,739,000.00



