

## **MAYOR'S FOREWORD**

The presentation of the annual report of the Elundini Municipality for the year ended 30 June 2008 marks another landmark in the history of the municipality. This report follows up on the 2007 annual report, which was acknowledged as not compliant to the legislated format and content, but nevertheless informative.

The year has seen a number of policies and systems being adopted and implemented. Importantly, there has been an improvement in the interface between council and the communities through the IDP and budget hearings. This has enabled the municipal council, the political office bearers and the municipal administration to be abreast of the socio economic and infrastructure challenges facing the communities that we serve.

The improved Auditor General report for the 2008 financial year bears testimony to the continuously improving good governance practices in the municipality. We have to improve the collection of revenue to accelerate service delivery.

We are proud of the achievements that we have registered thus far. This annual report is an attestation to the progress that has been made. We are also mindful of the challenges that continue to plague the municipality and the communities that it serves. These are not insurmountable challenges and, with the correct institutional capacity and adequate resources, a better life for all beckons.

I must take this opportunity to express my sincere gratitude to the honourable Madam Speaker, the Executive Committee and the municipal council as well the administration for all their efforts during the past year.

**Councilor B Salman**

**Mayor**

**30 January 2009**

## **CHAPTER 1 : INTRODUCTION AND OVERVIEW**

### **POLITICAL STRUCTURE**

In terms of section 9 (b) of the Municipal Structures Act (117 of 1998), the Elundini Municipality has a collective executive system with a ward participatory system.

The executive committee is composed of five (5) members appointed by the Council on a proportional basis. The Mayor is the chairperson of the executive committee.

The Elundini Municipal Council consists of 32 members in total, half of which were elected in terms of the system of proportional representation and the remaining councilors represent (sixteen) 16 wards. The political parties represented in the municipal council are as follows: -

- African National Congress                      29 Councilors (90,625%)
- United Democratic Movement              02 Councilors (6,250%)
- African Peoples' Convention                      01 Councilors (3,125%) (Pan Africanist Congress up to 21 September 2007)

#### **Ward Committees**

In terms of section 72 – 78 of the Municipal Structures Act, Council has established 16 ward committees which are chaired by their respective ward councilors. Each committee has 10 elected representatives.

The ward committees are consultative community structures without any formal powers accorded to them. Where a ward committee is fully functional and effective, it is able to influence the decisions taken in Council.

The Elundini municipal ward committees have varying levels of effectiveness, with most of them having met the minimum quantum of at least 4 meetings per year. During the period 1 July 2007 to 30 June 2008, the ward committees met as follows: -

Ward No	Number of meetings	Average attendance
1	8	
2		
3		
4	10	
5	4	
6	3	
7	11	
8	6	
9	2	
10		
11	4	
12		
13		
14		
15		
16	12	

### Standing Committees

In terms of section 80 of the Municipal Structures Act, the Elundini Municipality has established various committees to assist the Executive Committee. The Elundini section 80 committees are aligned to the administrative departments and are chaired by members of the Executive Committee.

The following standing committees were operational during the year: -

Standing Committee	Chairperson	Area of responsibility
Financial Services	Councilor M P Leteba	Income, Expenditure, accounting , budgeting, Supply Chain Management, Asset Management
Corporate Services	Councilor N F Mphithi	HR Management and development, administration, council support, security services, traffic services, legal services, ICT

Community Services	Councilor D D Mvumvu	LED, poverty alleviation, housing, IDP, Spatial planning, land administration, Refuse collection
Technical Services	Councilor N R Lengs	Roads and storm water, water, sanitation, electricity, solid waste sites, public transport systems

## EXECUTIVE SUMMARY

This report assesses the Elundini Municipality's performance against planned targets in terms of the institutional scorecard for the 2007/2008 financial year. As per the requirements of the Municipal Finance Management Act (56 of 2003), the Annual Report consists of five components.

The **first component** is the introduction and overview which contains the Mayor's foreword, as well as demographic information and profile of the municipality. The demographic overview indicates that the Elundini Municipality is a typical rural municipality characterized by huge infrastructure backlogs, inadequate revenue base and limited economic opportunities, high levels of poverty and unemployment and a high incidence of illiteracy, exacerbated by lack of social amenities.

The **second component** deals with service delivery highlights and lowlights.

The **third component** reports on the substantial progress made by the Elundini Municipality regarding Human Resources and Organisational Management. It provides a detailed analysis of human resource capacity of the municipality as well as an overview of the systems and processes being implemented to ensure that human and organizational resources are managed in an effective and efficient manner.

The **fourth component** of the annual report provides the audited statements and related financial information for the year ended 30 June 2008.

The **final component** of the Annual Report details the performance management system that has been implemented and defines targets and indicators contained in the Service Delivery and Budget Implementation Plan.

**OVERVIEW OF THE ELUNDINI MUNICIPALITY**

The Elundini Municipality is located in the east of the Ukhahlamba District Municipality and shares boundaries with the following local municipalities: Umzimvubu to the northeast, Ntabankulu to the east, Mhlontlo to the southeast, Sakhisizwe to the southwest and Senqu to the west. Lesotho is situated on its northern border. Elundini Local Municipality covers an area of 5064km<sup>2</sup> and is divided into 16 wards.

**Locality Plan**



Elundini has three towns; namely, **Mount Fletcher, Maclear** and **Ugie**, and is characterized by remote rural villages situated in the foothills of the Maluti Mountains and Southern Drakensberg range.

The R56 runs from Elliot through Elundini municipal area linking the three main towns with KwaZulu Natal.

The largest infrastructural backlogs in the District are found in Elundini Municipal Area and only 36% of the labour force is employed. There is a high level of dependency on government grants and subsidies. Mainly communal and some limited commercial farming are practiced in this Municipal area.

The investment by PG Bison during last year into the timber manufacturing services will have a positive impact economically and in development of bulk infrastructure, that will benefit the area as a whole. The municipality’s IDP seeks to address strategic opportunities that will be created by this new initiative.

**Population Figures**

The Elundini Municipality has a population of approximately 137 580 people residing in 3 3248 households (census 2001). This population accounts for 40.31% of the total population residing in the Ukhahlamba district, making it the most populated local municipalities in the district.

**Total Population and Households Figures (2001 Census)**

Name	Population	Population as % of District	Population as % of Province	No. of Households	Households as % of District	Households as % of Province
Ukhahlamba District Municipality	341 342	100.00%	5.30%	84 698	100.00%	5.60%
Elundini Municipality	137 580	40.31%	2.14%	33 248	39.25%	2.20%

**Population Projections**

Based on the modelling done by the Dept of Health (District Health Information System) and using the statistical models provided by StatsSA, the projected population of Elundini is listed in the table below:

***Projected Population***

Area	Projected population	
	2006	2009
Elundini	135,390	133,813
<b>Ukhahlamba</b>	<b>336,828</b>	<b>334,673</b>

*Dept of Health DHIS Dec 2006*

While these figures are disputed (even by the Dept of Health who have the best interaction with community based statistics and who have identified a severe undercounting especially of children) these are taken as to represent the Ukhahlamba district area.

It is critical to note that based on current modelling it is expected that the population will be decreasing in the area due to the affects of out migration as well as due to the impact of HIV and Aids.

**Rural vs Urban Population**

According to the 2001 Census 77% of households are rural in nature, this includes rural villages and farm households. This dynamic is shifting with the phenomenon of urban In-migration occurring in Elundini Municipality. This is especially evident in the town of Ugie, where the town’s population has increased from 8 344 in 2001 to approximately 16 355<sup>1</sup> in 2004. This figure has probably increased with the addition of 2 130 new housing units planned for Ugie, which will accommodate approximately 10 650 people. The establishment of the timber manufacturing plant has particularly had a pull effect on the town of Ugie and the neighbouring Maclear, which has the effect of overstressing the already strained infrastructure.

---

<sup>1</sup> Ugie Water Services Master Plan, 2005, Sintec



**Urban and rural household information (2001 Census)**

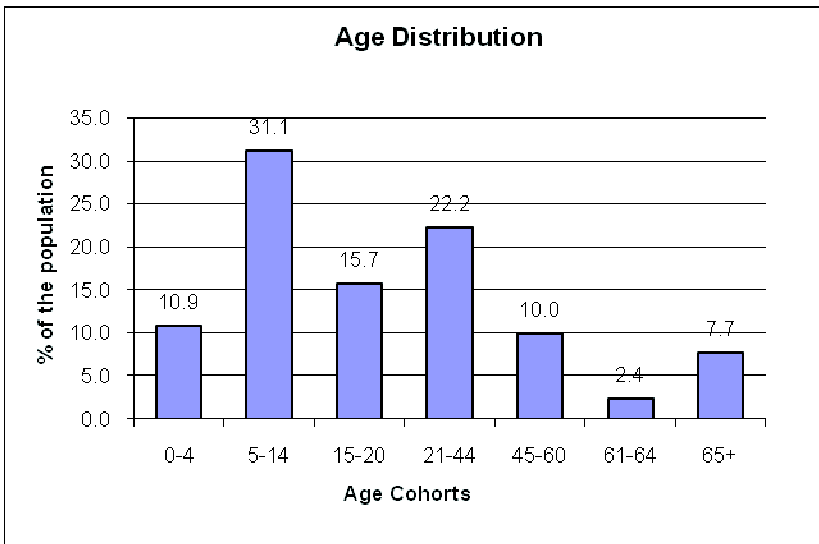
Name	No. of Rural households	% of total households	Rural hh as % of province	No. of Urban households	% of total households	Urban hh as % of province	Total No. of Households
Ukhahlamba District Municipality	58325	68 %	6.86%	26373	32%	3.98%	84698
Elundini Municipality	25792	77%	3.03%	7456	22%	1.12%	33248

**Age and Gender**

Approximately 50.3% of the municipal population falls in the 15-65 age category which can be seen as the economically active sector of the population, with 42% of the population below the age of 15.

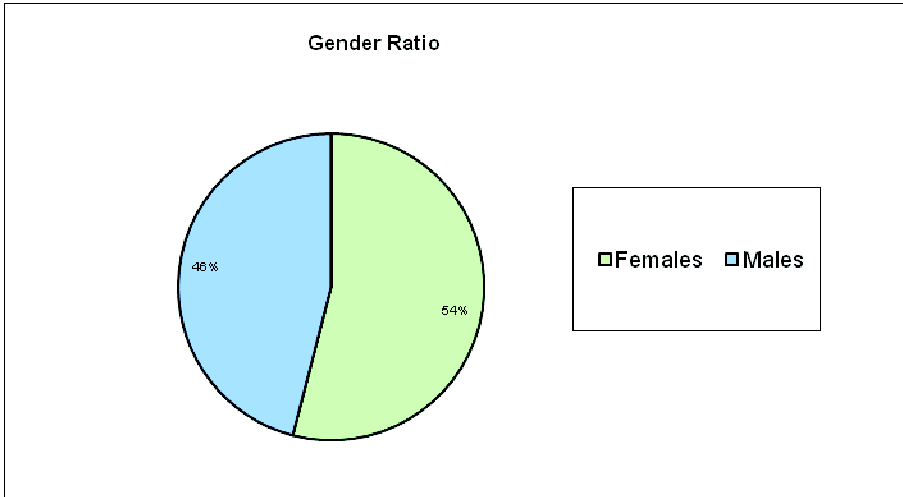
This suggests continuing population growth in the district with a need for educational facilities and a focus on education and skills training.

**Age Distribution – Elundini Municipality (2001 Census)**



The overall male – female ratio is approximately 46% male to 54% female

**Gender Ratio – Elundini Municipality (2001 Census)**

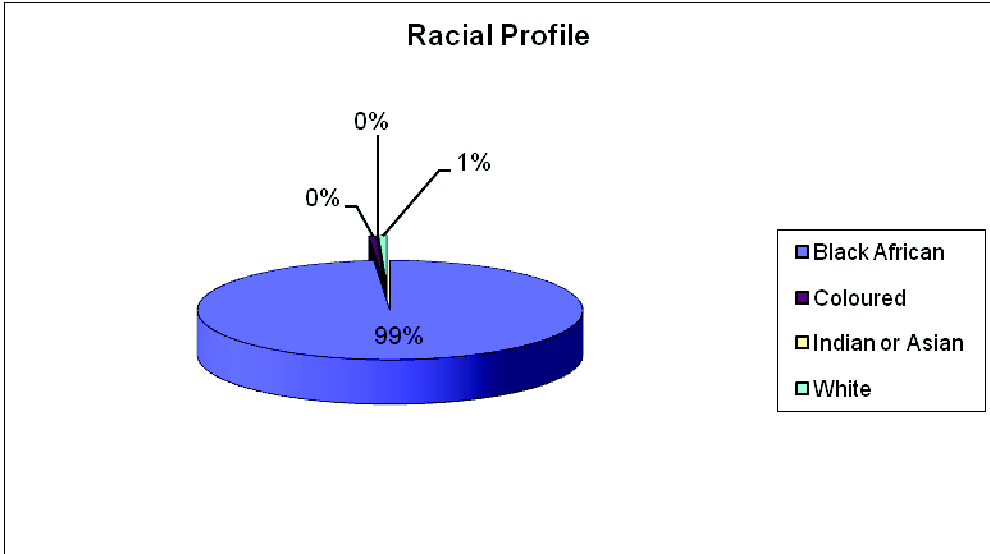


This may be ascribed to migrant and commuter labour which has resulted in many households having a woman as the head of the household and the chief breadwinner living away from the home. This will impact on the type of development that will occur.

**Racial Profile**

The majority (99%) of the population are Black Africans.

**Racial Profile –Elundini Municipality (2001 Census)**



The main economic drivers for the Elundini Municipality are Agriculture, Tourism and Forestry.

## **CHAPTER 2: PERFORMANCE HIGHLIGHTS AND SERVICE DELIVERY LOWLIGHTS**

During the 2008 financial year, the Elundini Municipality's focus was on accelerating service delivery as the new Council had managed to stabilize the municipal administration and has over the previous financial year managed to recruit the full contingent of section 57 managers.

In all the municipality's efforts, the affront to service delivery has always been the lack of adequate financial, human and material resources to address socio economic and infrastructure needs of the local community.

The most significant highlight of the year was the official opening of the R1,5 billion PG Bison timber manufacturing plant by the Premier of the Eastern Cape Province. In terms of the heads of agreement between the Provincial Government and PG Bison, PG Bison has made the following commitments: -

### **a. Direct**

- Investment of R1,3 billion
- Processing: Sawmill, chipboard factory, door factory
- Forestry: Seeding nursery, expansion of existing plantation and 12000 ha of new plantation under Eucalyptus
- Associated activities: Transport of timber and timber products
- Residential: 75 units of residential housing initially required for senior staff
- Creation of 3000 direct jobs, locally sourced

### **b. Indirect**

- Truck stops
- Workshops
- Filling stations
- Schools

- Expansion of retail outlets
- Tourism and hospitality
- Investment in municipal facilities
- Creation of 10 000 direct jobs

The global economic situation which engulfed the world during the second half of the financial year has had the effect of slowing down the attainment of some of these milestones.

Government, on the other hand, has consistently continued to provide the infrastructure necessary to support the investment in the timber manufacturing plant and all the ancillary economic initiatives that PG Bison seeks to undertake in Elundini Municipality. Approximately R67 million additional funding has since been approved by the Provincial Government for the development of a truck stop and a commercial park in Ugie.

### **Roads and stormwater**

Construction of roads was primarily funded by the Municipal Infrastructure Grant (MIG). MIG also funds a unit whose primary objective was to administer and manage MIG funded projects. A business plan for the establishment of the Project Management Unit was approved by DPLG-MIG in April 2008. The municipality had a three year capital implementation plan for construction of roads. The district municipality completed an integrated transport plan which also included Elundini Municipality. The following road projects were implemented:

Ward no	Project name	Length	Status at 30 June 2008
12	Sethathi to Mashata gravel access road	8km	Construction stage
9	Surfacing of Mount Fletcher internal streets		Construction stage
13	Kuebung gravel access road	4.5km	Construction stage
8	Ntabelanga to Nkamane gravel access road	8km	Construction stage
13	Gobo to Esixhotyeni gravel access road	4.7km	Construction stage
13	Nxotshane gravel access road	1.9km	Construction stage
10	Zwelitsha, Tsolobeng and Sondaba gravel access roads	4.2km	Construction stage
9	Ilisolomzi gravel access road	5.5km	Complete
3	Peter Mokaba river crossing	1 bridge	Complete
	Mparane gravel access road		Complete
1,5 & 6	Upgrading of gravel access roads – phase 1		Complete

There was very minimal maintenance of roads which was carried out internally and it was primarily done in the urban areas. The municipality owns a grader and TLB. The machinery often went to the rural area to assist. There was no roads maintenance plan. There was an area wide road maintenance programme which was implemented by Department of Roads and Transport on district roads. DRT also introduced a programme of household contractors for minor road maintenance. Backlog on construction of gravel access roads was estimated to be at 1280km and construction of blacktop roads to be at 15km.

## **1. Electricity**

The municipality has a distribution license for Maclear and Ugie urban areas with small areas in townships that belonged to Eskom. Ballenden and Robb Electrical Consulting Engineers are the electrical engineers for the license.

### **UGIE URBAN**

There was no sub station in Ugie. The municipality received bulk electricity supply from Eskom which was 2 300 KVA (22kv). There were 6 22kv/400v transformers supplying town and the municipal complex. At Prentjiesberg, there was a 22kv/11kv feeder transformer which feeds three 11kv/400v mini-sub transformers. The PG bison plant was supplied directly by Eskom. The townships were supplied by twenty two 22kv/400v transformers.

The electrician was mostly carrying out overload transformer faults in townships due to insufficient capacity of the system (there is currently 0.45kva average demand instead of 1,6kva average demand), changing faulty town and township meters, street light repairs, new household connections.

### **MACLEAR URBAN**

The municipality received bulk electricity supply from Eskom which was 2 300 KVA (22kv). The municipality utilised the old sub station which had a 22kv/11kv main transformer. The town was supplied by three 11kv feeders where feeder1 had sixteen 11kv/400v transformers, feeder2 had five transformers and feeder3 had 1 transformer. The townships were supplied by one 11kv feeder which had twenty three 11kv/400v transformers.

### **MOUNT FLETCHER**

The electricity network belongs to Eskom both in urban and rural area. On the low side, approximately 25000 households in Mt Fletcher have no prospects of ever seeing electricity service delivery, at least not by 2014, as ESKOM and the Department of Minerals and Energy have not managed to ensure that proper funding and / or planning have been made. At least

three letters written to the department during the financial year, and several meetings held with ESKOM, have not elicited any positive response from either party.

The following electrification projects were carried out during the year under review: -

PROJECT NAME	FUNDED BY	APPROVED BUDGET	WARD	STATUS QUO
Prentjiesberg electrification of 195 erven	ELM	R 4 875 916.39	2	Under construction
Maclear substation 22kv/11kv	NER	R 13 478 268.89	3	Under construction
Maclear metering: replacement of 270 meters	NER	R 140 000.00	3	Under construction

## **Water and Sanitation**

Although Elundini Municipality is proven to be well endowed with this resource, it is unfortunate to note that a significant majority of our rural people have no access to clean water. This situation is mainly attributable to the inadequate MIG allocation to the Ukhahlamba District Municipality, whose primary responsibility is the delivery of .

The improvement in the delivery of water in the urban core (Mt Fletcher town, Ugie and Maclear) is a direct result of the engagement of additional technical staff ,the rehabilitation of the Mt Fletcher reservoir and the construction of new infrastructure in Ugie as a result of the PG Bison investment in the town.

## **Integrated Development Planning (IDP)**

IDP is a five year strategic plan of the municipality which is reviewed on an annual basis. The 2008/09 IDP review has followed this route in terms of Local Government Systems Act 32 of 2000, read with Municipal Planning and Performance Management Regulations. This is developmentally oriented planning with the following objectives:

- (i) Achieve the mandate of Local Government set out in section 152 of the Constitution (Act 108 of 1996)
- (ii) Gives effect to Municipal Development duties as required by section 153 of the Constitution.

- (iii) IDP is further used to ensure contribution of other organs of state towards progressive realization and implementation of the fundamental rights as per chapter 2 of the Constitution (Bill of Rights). Because Local Government is at the cutting edge of service delivery, as a government closest to the people, it coordinates all public, parastatal and private development initiatives etc. that occur within its area of jurisdiction. It is upon this responsibility that IDP is reviewed and aligned to National, Provincial and District development priorities and implemented in concert with budget allocated to such development over a Medium Term Expenditure Framework (MTEF).

Elundini Municipality covers sixteen (16) wards with three (3) of these being semi urban, with more than 88% of residents living in rural areas. Needless to say the process followed, but it is important to note, that public participation as well as intergovernmental relations are critical elements to ensure implementation of the will of the people. This strengthens deepening of democracy and accountability of the municipality to its constituency.

The IDP and budget process plan identifies roles and responsibilities for everyone involved in the process. It sets out mechanisms and procedures for community participation, action programme, time frame and cost estimates involved in the plan

IDP is an “all government” plan coordinated by the municipality and it provides municipal decision making mechanism with regard to priorities, budget and spatial development allocation and distribution.

It is important to note that all residents of Elundini have to participate in the preparation and compilation of their IDP through their elected representatives at ward level. This is one of the most powerful tools to ensure that all development needs are made known to government institutions and agencies.

#### **Key issues for 2009/10 IDP review**

- To improve on the IDP review based on the MEC’s comments, IDP assessments, research engaged in by the municipality with respect to:
  - Statistics
  - Identified weaknesses
  - Strengthened alignment of programmes to available budget
  - Factoring in the outcomes of the strategic planning session the municipality had with a variety of relevant stakeholders.
  - Newly developed policies and procedures
- Identify and acquire suitable land for development
- Improve intergovernmental relations with all relevant stakeholders
- Constant capacitation of councilors on their roles and responsibilities in the IDP.

## **Solid Waste and Environmental Management**

### **Solid Waste**

In terms of priority objectives set in the National Waste Management Strategy, the Municipality has been tasked to develop Integrated Waste Management System with a view to optimize waste management, in order to maximize efficiency and minimize negative environmental impacts and financial costs. The activity consists of its primary form of collection, transportation and waste disposal.

The municipality has three waste disposal sites in each of the urban centers. All three require that the municipality complies with the legislation and conditions stipulated in the permits issued.

During the year under review waste collection and disposal only happened in urban centers to the exclusion of townships. Approximately 11% of the total population receive the service. It remains a challenge to extend the services beyond the urban boundaries due to extensive geographical distances and absence of equipment and personnel to provide the services.

Here again the Constitution reminds of human rights and dignity to live in a healthy, safe and secure environment.

#### **Strategic Objectives:**

- Improve rendition of waste management services to reach most residents and to eliminate backlogs.
- Collect, transport and dispose waste in compliance with permits provided by DWAF and National Legislation.
- Ensure clean and sanitary environments.

### **Environmental Management**

This function is regulated by the National Environmental Management Act, Ukhahlamba Environmental Management Plan (2003), Disaster Management Act, Soil Conservation Act amongst others. As alluded to supra, healthy, safe and secure environment should be maintained at all times.

#### **Strategic Objectives**

- Facilitate and promote prevention of degradation of land and decrease soil erosion.
- Facilitate and promote prevention of water reserves pollution that occurs through sewerage spills and poor waste management.
- Facilitate and promote prevention of fires, especially in forest and grassland areas.



- Advocate management and harnessing of urbanization and growth of informal settlements, as they increase pressure on the environment and stretch infrastructure beyond capacity limits.
- Ensure environmental impact assessment before major construction or earthworks

### **Key issues for 2008/2009**

- To improve collection, transportation and disposal of waste. Section 78 assessment needs to be undertaken with a view to employ best possible approach, be it a public/public, public/private partnership. This will further ensure compliance with legislation, the permit issued by DWAF as well as DEDEA's regulatory framework.
- Ensure compliance with National Environmental Management Act, while meeting the objectives set above.

### **Housing Development Programme**

This is a Provincial competence, which municipality has a responsibility to co-ordinate ensuring that eligible beneficiaries participate and benefit from the programme accordingly. Further to that, housing is one of a number of instruments used to attain job creation endeavors, using Expanded Public Works Programme (EPWP) and thereby benefiting the locals with emphasis on designated groups (youth, women and people with disabilities).

Housing development is amongst the main service delivery items, because it is visible and quantifiable and gives verifiable impact towards Elundini's vision of "A better quality of life for all". The municipality is and will always be judged, amongst others by housing delivery programme irrespective of whose competence and function this is.

It is factual that no completed housing development in Mt Fletcher due to land invasion that consumed all the available urban land as far back as 1994. At the time only urban housing development was considered by government policies.

### **Strategic Objectives:**

- Facilitate improved quality of houses built.
- Facilitate rural housing delivery to the needy.
- Compile database of new entrants to housing acquisition for timeous eligibility verification.

### **Key issues for 2008/09**

- Facilitate approval of new housing development applications

- Facilitate implementation and construction of housing projects
- Ensure engagement of local contractors in housing delivery
- Ensure EPWP approach and designated groups inclusion in construction.

## **Spatial Planning**

This function is vested with Elundini in terms of the Municipal Demarcation Board and Local Government: Municipal Structures Act 117 of 1998. High level of professionalism has to be practiced and maintained in ensuring that planning regulations, by-laws, procedures and policies are implemented.

This key performance area is hardest hit, for there are rudimentary systems, policies regulations and procedure manuals guiding performance and operations. It is concerning that only one person is appointed in this division. This is an unacceptable scenario which could leave the institution without memory

## **Strategic objectives**

- Populate the division with the requisite skilled personnel
- Identify suitable land for various land uses and development applications.
- Guide and manage spatial development within the municipal boundaries.
- Update and maintain planning records from time to time, including mapping.
- Document, keep and manage professional service providers' contracts, their implementation plans and progress reports.

## **Key issues for 2008/9**

- Improve processing and record keeping of developmental applications
- Enforce adherence to building control regulations and by-laws
- Facilitate formalization of informal settlements in urban areas
- Formalize and develop operational procedure manuals for cemeteries, parks and pounds.

## **Community Facilities**

### **Library and information services (Provincial Competency).**

This is a function that the municipality performs on an agency basis, on behalf of the responsible authority. Ideally this arrangement should be preceded by a Service Level Agreement which stipulates roles and responsibility of each party and annual conditional grant. No Service Level Agreement is in force between the two institutions. Operations have been carried out in an ad hoc and informal fashion.

Further to this, the municipality has to maintain other facilities like halls, parks, cemeteries and sports facilities, while operating and maintaining municipal pounds. For cemeteries and community halls which should provide sources of revenue, no formal processes and procedures are in place. There are three formal cemeteries that generate some limited revenue. This is so because of very high levels of poverty. Many people prefer to bury their loved ones in the informal cemeteries where no charges are instituted.

With respect to the community halls only two are in a good condition. All four town halls are in a bad state and as such little or no revenue is realized from them. Due to budgetary constraints three of them stand in the MTEF queue waiting to be facelifted in 2010/11.

Regarding pounds, there are three existing pounds two of which are in a process of relocation and upgrading i.e. Maclear and Ugie. Some form of revenue is received from all three. Dealing with these facilities is attended to under spatial planning due to their spatial relevance.

It is worth noting that creation of public infrastructure like sports grounds, public toilets community halls etc is the function of MIG.

### **Objectives of public facilities**

These facilities are utilized by communities on a day to day basis and as such should be:

- Kept in an acceptable condition
- Generate some form of revenue for the institution.

### **Key issues for 2008/09**

- Facilitate service level agreement between the department of Sports Recreation Arts and Culture (DSRAC) and the municipality, with respect to libraries, Heritage sites and sports facilities.

- Implementation of the Service level agreement by the two parties jointly.
- Development of operation and maintenance plan for other facilities e.g. community facilities.
- Formalise informal cemeteries and enhance their operation and maintenance plans.

### **Local Economic Development (LED)**

Local Economic Development (LED) is an outcome based local initiative and driven by local stakeholders. It involves identifying and using primary local resources, ideas and skills to stimulate economic growth and development. LED is an on going process, rather than a single project or a series of steps to follow. LED encompasses all stakeholders in a local community, involved in a number of different initiatives aimed at addressing a variety of socio-economic needs of that community.

Local Economic Development initiatives always take place in the context of the regional national and global economies. There are no physical boundaries to LED hence these larger changes impact on local economies in different ways. It is therefore important to design LED initiatives in such a way which assists local area to respond to the context alluded to creatively.

Four major roles are a responsibility of the Municipality. These are:

- Coordination: using the IDP as a tool to draw together these developmental objectives, priorities, strategies and programmes of a municipality.
- Facilitation: improve investment environment in the local area through, for example streamlining the development process or improve planning procedures and zoning regulations.
- Stimulation: Municipality has a role to stimulate business creation or expansion for example municipality may provide premiums at low rental to SMMEs.
- Entrepreneurship or Development: In this role the municipality takes on the full responsibility of operating a business enterprise (which Elundini is not in favour of) Nearly every effort to develop a local economy will require some input, participation and support from the municipality.

N.B. Like the IDP, LED implementation covers all municipal departments, and not only confined to the department under which the function falls.

### **Strategic Objectives**

- Creation of employment opportunities for local communities
- Alleviation of poverty from the local households
- Redistribute resources and opportunities to the benefit of all local residents
- Promote sustainable economic development within Elundini's area of jurisdiction.

The White Paper on Local Government introduces the concept of development local government which is defined as:

***“Local Government committed to working with citizens and groups within the community to find sustainable ways to meet their social economic and material needs, and improve the quality of their lives”.***

### **Key issues for 2008/09**

- Establishment of LED forum and development of sector plans (tourism forestry agriculture)
- Implement LED strategy as per the implementation plan
- Mobilization of resources for the implementation of the tourism plan as well as ensuring participation of communities in tourism.
- Partnerships with investors in the area, and desirably local chambers of commerce and business.
- Stimulate SMME development and encourage establishment of downstream industry with respect to forestry.
- Facilitate SMME skills development in forestry agriculture tourism and business development.
- Coordination and mobilizing of funding towards micro level interventions e.g. new afforestation in communal areas and agriculture development.

### **PERFORMANCE REPORT**

This part of the report will attempt to highlight achievements in the various key performance area, the challenges encountered, which led to variances in performance and planned measures to address challenges and constraints.

### **Integrated Development Plan (IDP)**

#### **a) Achievements**

The IDP was successfully reviewed, followed the process plan as adopted by the Council. Timeframes and requirements were met The IDP to some extent complied with legal prescripts like, timely publications of the IDP processes, council resolutions for all the process steps up to the adoption of the reviewed IDP.

## **b) Challenges**

Performance audit by the Auditor general raised some queries regarding community participation. This relates to the unavailability of evidence regarding publication of the draft IDP for comment for a period of 21 days.

This omission has been due to non-compliance with Municipal planning and performance Management regulations 2001.

There is still lack of appreciation and understanding of IDP by a large portion of our communities, particularly those in rural areas. This is attributed to two factors i.e. low level of education and poverty which lead to non-participation in the affairs of local government.

General lack of interest and understanding of the developmental role of local government and the resultant benefits of deciding on “own” development are factors to contend with. Other societal sectors including government sector departments, businesses, NGO’s etc still do not find it important and imperative to participate in local government affairs; thereby promoting their service delivery initiatives and mandates.

## **c) Measures to address challenges (Remedial Actions)**

Strict compliance with applicable legislations and together with constant information sharing, vigorous communication with communities through their legal structures cannot be over emphasized if the municipality has to succeed in ensuring that democracy is deepened in our area.

Intergovernmental fora have to be enforced from the Presidency (Presidential Coordination Council, PCC) to the Premier’s Coordination Forum (PCF) and District Mayor’s Forum (DiMaFo). If relations cannot happen at these high levels, it is worse at local level. The municipality has been very vocal about this constraint.

## **2. Solid waste and Environmental Management**

### **a) Achievements**

Interim measure negotiations were held with PG Bison to clear the drive way for the Ugie solid waste site, while exploring public/or public/private partnership over the possibility of outsourcing the long term management of solid waste sites. For this initiative council resolution was secured. Mid year, the solid waste site management function was located in the technical services department due its technical nature and lack of capacity to manage the function in Community Services Department.

Regarding refuse collection and removal function which remained with Community Services Department, an operational plan was drawn and approved by the Council.

A register of Environmental Impact Assessments (EIAS) and the Records of Decision (RODs) was developed and is updated on an ongoing basis – as and when a study has been commissioned on current earthworks related projects.

#### **b) Challenges and remedial Actions**

Failure to implement the council approved refuse collection and removal operation plan. This was due to “purported” labour force dissatisfaction, as there was no extra remuneration accompanying the plan.

Addressing the matter – disciplinary measures were preferred against the perpetrator albeit the process took too long. At the end of the financial year the function was located within technical services department for the purpose of completeness of the cycle and consideration of solid waste management.

Regarding Disaster Management and Fire fighting Services, our performance was reactive to occurrences rather than planned. This was due to the District’s non-response to our proposed Service Level Agreement and conditions. This is District function and we share fire fighting services with the District Municipality.

The municipal manager started engaging his district counterpart to ensure that in the next financial year the service level agreement will be signed and enforced.

#### **Housing Development Programme**

Although there has been no new public housing development within the municipality, strides have been made to unlock the jams experienced in the past. List of unclaimed and unoccupied houses in Ugie was compiled, after the registered house owners could not be located. The aim was to de-register the old owners and afford ownership opportunities to new beneficiaries.

This process could not happen timeously due to:

- Some houses were occupied by non-owners to avoid deterioration of houses themselves as well as vandalism.  
Some houses were occupied by the victims of a storm that left some owners homeless. Because of sensitive nature surrounding the process of de-registration extreme caution was followed and it paid, because when it was finally concluded, there was absolute understanding without any complaints and accusations leveled against the municipality.
- New (prospective) beneficiaries had been identified.
- A blocked RDP housing project in Mt Fletcher has been unblocked through installation of communal stand pipes (water).
- Two rural housing applications have been lodged with the Housing Department during January 2008 –Ngcele and Katkop are awaiting approval. Such approval was dependant on assessment of bulk infrastructure by the District Municipality according to a response to our follow up with the Provincial Housing Department.
- Facilitated a meeting with Batlokoa Traditional Institution, with a view to negotiate peri-urban land release for housing development with the chief.
- At Ugie 120 planned sites are available for social housing under Breaking the New Ground (BNG) policy.
- The spatial Development Framework specifically identified areas suitable for housing development in the urban centers of Elundini, spelling out bulk infrastructural requirement, upon whose absence housing development will not take place.

### **Challenges and measures to address them.**

No new public housing constructed within the municipality due to:

- i. Non-availability of virgin land for housing development in both Maclear and Mt. Fletcher, with commonage land exhausted
- ii. Remainder of the land was invaded by informal settlements.
- iii. Absence of bulk infrastructure services remains another major hindrance to development.

Regarding land invasion by informal settlements; the municipality is currently upgrading and formalizing these. This is quite a lengthy and cumbersome process which will ultimately culminate into the dwellers of the settlements receiving title deeds.



For new housing development in Mt. Fletcher, planned negotiations with the Traditional Authority adjacent to town have commenced.

Rural housing development has been identified by the municipality during IDP engagements with the communities, as an alternative to urban (only) housing development – negotiations will be pursued with all traditional authorities at Elundini as a facilitative process towards housing development.

## **Spatial Planning**

### **(a) Achievements**

Detailed Spatial Development Framework was completed as planned and was submitted to the Department of Local Government for their comments. The plan provides spatial development guidelines. According to MEC's assessment it is quite a good plan.

Medium income residential sites have been advertised to the public for purchase, giving preference to Elundini residents in Ugie, while business/commercial development has been facilitated through advertisement of suitable sites in the urban centres. The aim is to have a long term lease with prospective developers, at no cost to the Municipality. It should be noted though, that availability of bulk infrastructure services is key to the envisaged development.

Planning and survey yielded mixed landuse layout for 206 sites in Mt. Fletcher and further subdivision and survey of residential sites (15) in Maclear was approved by Council.

### **Challenges and measures to address them:**

- Lengthy and cumbersome formalization of human settlement process.
- Environmental Impact Assessment (EIA) process is dependant on the Department of Economic Development and Environmental Affairs (DEDEA) – sometimes there are delays experienced in such a process resulting in spatial planning implementation delays.
- Shortage of skilled staff in some disciplines like spatial planning, land survey etc. is a hindrance to accelerated service delivery.

The Municipality has committed herself to succession planning as well as targeting scarce skills through skills development facilitation. This will assist in ensuring that lengthy processes are overcome by having dedicated personnel to such processes.

Further to this, the Municipality has established favorable relationship with DEDEA and there is improvement regarding the time taken to attend to EIAs.

### **Community facilities and pounds**

This key performance area is characterized by routine operations which require constant improvement in operational approach; including drawing up a procedure manual and maintenance plans, in the case of community halls, pound management and sports facilities.

Revenue collected from pounds and hall rentals needs to improve as appropriate tariffs are applied and improved maintenance is enhanced.

Regarding libraries and cemeteries, reference is made to the “issues for 2008/09” in page 9.

MIG allocation (in respect of upgrading and refurbishing community halls in urban centers) has been too minimal, such that these facilities will only be attended to in 2010/11 financial year. This is a big challenge. Lack of cooperation by DSRAC regarding need for identification of new sportsfields or facilities prevents MIG allocation and prioritization of these facilities.

### **Local Economic Development and Poverty Alleviation**

#### **Achievements**

LED Strategy and Tourism Sector Plans have been completed and approved by Council. These set direction in terms of implementing recommendations of the strategy and the plan.

Strategic alliances and partnerships have been established with Asgisa (Pty) Ltd (Tsitsa River Basin multidimensional project, major agricultural programmes, afforestation, the Department of Agriculture’s “food basket”, programme that consolidates poverty alleviation initiatives and programmes)

Thina Sinako is a European Unions donor for economic development initiatives. A number of projects are funded by Thina Sinako and supported by Elundini Municipality in kind - for example Inxu cooperative which hosts poultry abattoir and related products has created some job opportunities for the locals.

Cooperatives pilot project is another example which started as compilation of LED and poverty alleviation projects database. Challenges that were encountered, motivated the initiation of the pilot project which involves National Department of Agriculture and Department of Trade and Industry.

Cooperative establishment is the new trend that National Government promotes for Economic Development and Poverty Alleviation Programmes, aiming at creation of an umbrella body, the Chamber or Secondary Cooperative that supports the registered projects (Primary Cooperatives) through training, finding markets, providing seed funding etc.

We successfully implemented “Welcome to” signs on all entrances to Elundini and the administrative units.

Advertisements for parks upgrading were done but could not be implemented.

### **Challenges and measures to address them**

- Absence of dedicated LED unit or dedicated personnel performing the function has been a major setback.
- Lack of support to the municipal endeavors by chambers of business and commerce and commercial farming fraternity is crippling the economic development attempts by the municipality.
- Lack of cooperation of local tourism product owners and the non-grading of their accommodation establishments, does not assist tourism promotion and visitor attraction to Elundini.

The establishment of viable and vibrant LED unit can go a long way in ensuring that LED is the economic growth and development mainstay it should be.

Other challenges that are beyond municipal control, require a great deal of engaging all relevant stakeholders, sharing and networking with other municipalities that boast better experience in the areas of our challenges.

### **Youth Development**

Although a concerted effort was made to establish a youth council for the Elundini Municipality, the council quickly became dysfunctional, and this resembled an ineffectual special programmes unit that was not able to give support to the Council.

Although there were intentions to operationalise the Elundini Youth Centre in Mt Fletcher, such were thwarted by ESKOM’s unwillingness and/ or inability to supply electricity to the centre. As a result, the operational budget set aside for the youth centre remained unused during the financial year.

On the positive side, the municipality facilitated the development of the youth sector development plan, which is a proper foundation for the re-establishment of the Elundini Youth Council.

### **Gender Mainstreaming**

As at the end of the financial year, a draft gender mainstreaming policy had been developed. A women's caucus and women's economic empowerment had also been established. It is critical, going into the future, to develop terms of reference for these structures.

### **HIV and AIDS**

During September 2007, the municipality facilitated the re-launch of the Elundini Local Aids Council which remains functional thanks to the timely appointment of a SPU officer whose one core function is HIV and AIDS coordination.

The development of a HIV and AIDS strategic plan was put on hold on the advice of the Ukhahlamba District Municipality that a district wide strategic plan needed to be finalized first. Going into the next financial year, the issue of a local strategic plan will be paramount.

## **CHAPTER 3: HUMAN RESOURCE AND OTHER ORGANISATIONAL MANAGEMENT**

### **Human Resources**

This function serves as a support service to the municipality. Its primary objectives include: -

- Management of the employees conditions of service in terms of the relevant collective agreement and policies;
- Design and implement an organizational structure aligned to the municipality's powers and functions and the IDP;
- Facilitate the training and development of personnel including councilors
- Maintenance of a human resources environment that is conducive to and that promotes organizational stability and harmony;

- Implementation of the Task Job Evaluation System

### Employment Equity

As a designated employer, the Elundini Municipality during the year adopted an employment equity policy and an EE plan.

The status of employment equity in the municipality as at June 2008 is as follows: -

Racial Classification	Males	Females	Total	Percentage – racial grouping (%)
Africans	130	54	184	93
Coloureds	7	0	7	3,5
Indians	0	0	0	0
Whites	4	3	7	3,5
Total	141	57	198	100
Percentage – gender distribution	71,2	28,8	100%	

### Age Grouping

AGE	A		C		W	
	F	M	F	M	F	M
27-35	20	24	0	0	0	0
36-40	12	75	0	1	0	0
41-50	17	12	0	2	3	4
51-65	5	19	0	4	0	0

## Staff turnover

<b>Resignation</b>	OG Letsholonyane (M) K Mdiniso (F) L David (M)
<b>Deaths</b>	T Sompempe (M)
<b>Dismissal</b>	A Mati (F)
<b>Retirement</b>	J Qombo (F) G Mankayi (F) N Vundisa (F)

## Educational Profile

OCCUPATIONAL CATEGORY	MALE			NQF	FEMALE		NQF
	A	C	W		A	W	
Sections 57 Managers	4			6-7	1		8
Professionals	9	1	2	4-6	3		5-6
Technicians	6		1	5-6	1		4-5
Clerks	4		1	4-6	22	3	4-6
Service & Sales workers	4			4-5	2		4-5
Operators	11			2-4			
General workers	98	6		0-2	23		0-2
<b>TOTAL</b>	<b>132</b>	<b>7</b>	<b>4</b>		<b>52</b>	<b>3</b>	
<b>GRAND TOTAL</b>	<b>198</b>						

## EXPLANATORY NOTES

NQF LEVEL	Level of qualification
0	Less than Std 7 or no Education at all
2	STD 7
3	STD 8
4	STD 10
5	N6
6	National Diploma & Junior Degree
7	Four year university Degree
8	Master's Degree

A	C	W
Africans	Coloureds	Whites

### Number of Industrial Actions

No Industrial actions that took place during this period.

### Trainings Conducted

### CAPACITY BUILDING

FIELD	NO. OF STAFF	SERVICE PROVIDER
1. Welding	4	Ikhaya College
2. Minute Taking	3	ITO Focus
3. Events Management	8	Le Mark Training
4. Waste Water Process Operations	3	Asante
5. Housing Development & Training	4 Councillors & One official	Wits Business School

6. Pound Management	4	SPCA Mthatha
7. Project Management	1	Belgravia
8. Records Management	1	Unisa
9. IDP	1	Mcintosh Xaba and Associates
10. OHS	4	Lisho Events Management
11. Strategic Management	9	WSU
12. OHS	50	Phambili Management Training
13. Batho Pele Principles	18	WSU
14. Records Management Workshop	2	Eastern Cape Provincial Archives.
15. Water and Sanitation Learnership	4 (community members)	Asante
16. Accommodation Services Learnership	17 (community members)	NSF Project.

## BURSARY ASSISTANCE

NAME	DEPARTMENT	JOB TITTLE	COURSE PURSUED	INSTITUTION
Mr V. Matyeni	Corporate Services	Unit Head	Diploma in Labour Law	Global Business Solution
Ms TT Mati	Corporate Services	Committee Clerk	Diploma in Public Management	UNISA
Ms B. Maqhubela	Corporate Services	Registry Clerk	Diploma in HRM	UNISA
Ms T. Pula	Corporate Services	Registry Clerk	Diploma in Office Management	UNISA
Ms L. Ghu	Technical Services	Secretary	Diploma in Local Government Management	Belgravia



## Disclosures Concerning Councilors and Top Management

Name	Position	Total Earnings	Arrears owed to Municipality
B Salman	Mayor	504,225	-
LS Baduza	Speaker	410,421	2,700-35
DD Mvumvu	Executive Committee	217,529	50,643-64
NR Lengs	Executive Committee	217,529	4,579-55
MP Leteba	Executive Committee	217,529	-
NF Mphithi	Executive Committee	213,691	-
D Mqamelo	Executive Committee	218,543	-
K Gashi	Municipal Manager	755,080	121-70
L Fokazi	Chief Financial Officer	669,413	63-20
S Matubatuba	Corporate Services	669,413	730-00
L Mqokoyi	Community Services	662,971	1,360-05
G Letsholonyane	Technical Services	664,358	-

The following municipal debts were being serviced on a monthly basis as follows: -

Name	Total Debt	Monthly Repayment
D.D. Mvumvu	50,644	5,000

**CHAPTER 4: AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION**

**Report of the Audit Committee**

The Audit Committee consists of the members listed hereunder and meets four times per annum as per its terms of reference. During the current year, four meetings were held: -

Name of Member	Number of meetings attended
Mr. Christopher Nkukwana (Chairperson)	4
Mr. Pooven Chetty	2
Mr. Quinton Williams	4
Ms Liesl Dart	4

**Audit Committee Responsibility**

The Audit Committee has noted the weaknesses in its terms of reference as reported by the Auditor General.

The Audit Committee is satisfied that it has complied with section 166 of the Municipal Finance Management Act ( Act 56 of 2003). The Audit Committee also reports that it has regulated its affairs in compliance with the Audit Committee charter and has discharged all its responsibilities as contained in the charter.

**Effectiveness of Internal Control**

The municipality has conducted a risk assessment and developed a risk remediation plan as well as an internal audit plan for the 2008 financial year. The internal audit plan was developed based on the municipality’s risk profile.

The internal audit reports presented and discussed during the financial year indicated instances where controls were found to be inadequate or ineffective, especially with the prepaid revenue and employee files. Recommendations were provided by internal audit and management had made commitments to implement corrective action

The Audit Committee has noted the report of the Auditor General and has tasked management to prepare a comprehensive plan to indicate how the municipality will address the issues raised in the report.

**Evaluation of financial statements**

The Audit Committee has: -

- Reviewed and discussed with the Auditor General and the Accounting Officer the audited annual financial statements to be included in the annual report; and
- Reviewed the Auditor General’s management letter and management response. The Audit Committee has tasked the Accounting Officer to engage with the Auditor General in those areas where there is a divergence of ideas.

The Committee concurs and accepts the conclusions of the Auditor General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor General.

---

**Chairperson of the Audit Committee**



































## ACCOUNTING OFFICER'S OVERVIEW OF THE STATE OF FINANCIAL AFFAIRS

### Comments on the financial position of the municipality

The municipality's financial position depicts that we rely most on government grants to finance both operational and capital needs. This is evidenced by the fact that included in our budget for the year under review, approximately 60% of the total revenue is received from government grants. This is due to the low revenue base of the municipality of which different strategies including the implementation of the Municipal Property Rates Act of 2004 by 01 July 2009 are underway. It must however not be forgotten that the municipality is pre-dominantly rural in nature with approximately 80% of the households residing in rural areas.

Of the total current liabilities of R30,4 million; R21,4 million of those relates to project funds that have not yet been utilized at year end. Such project funds are fully financed by their own call accounts opened with various financial institutions thus eliminating the risk of utilizing them for other non-related matters. The municipality's financial position for the year under review can be summed by way of the following ratios: -

- Current ratio : 2.1 : 1
- Acid test ratio : 2 : 1

### Major operational expenses

Included in total expenditure incurred for the year under review are the following major operational expense categories: -

	<b>Budget 2008</b>	<b>Actual 2008</b>	<b>Actual 2007</b>
Salaries, wages and allowances	28,706,763	27,454,405	23,440,692
Purchases of electricity	5,541,939	4,433,224	3,643,129
Provision for bad debts	0	36,985,154	0
Repairs and maintenance	4,129,079	2,590,126	1,638,383

**Management of debtors**

During the year under review, the municipality approved its credit control and debt collection policy. By-laws giving effect to the implementation of these policies were only promulgated in August 2008. A debt collection company was appointed in December 2008 to assist with the recovery of long-outstanding debts.

The ageing of debtors as at 30 June 2008 is depicted in the table below.

	<b>30 June 2008</b>	<b>30 June 2007</b>
<30 days	1,247,854	617,369
<60 days	1,171,013	548,111
<90 days	1,074,899	489,582
<120 days	1,039,717	629,117
<150 days	1,036,732	468,255
<180 days	36,985,154	29,569,289
<b>TOTAL</b>	<b>42,555,369</b>	<b>32,321,822</b>

In order to assist indigent consumers with full subsidization of their accounts, the municipality has embarked on a registration drive through-out its jurisdiction. Also a draft bad-debts write-off policy has been developed that will serve as a basis of writing off all irrecoverable debts.

**Management of creditors**

For major supplies, the municipality has opened accounts with suppliers that are repayable over a 30 day period. For small and emerging suppliers and contractors, payments are made within a period of seven days from date of receipt of invoice. The following were the major creditors at year end: -

<b>Name of Creditor</b>	<b>Balance – 30 June 2008</b>
Auditor General	519,842
Darson construction	1,511,147
Mtati projects	423,295
Sebata municipal Solutions	181,755
Syntell	200,350
Swift travel & tours	119,681
Jackson's – Ugie	185,556

Payments to all these creditors were made subsequent to the end of the financial year.

**Major Grants received during the financial year and spending there-of**

These are depicted in Appendix A to the annual financial statements.

**CHAPTER 5: PERFORMANCE MANAGEMENT AND SDBIP**

During the year under review, the municipality developed and implemented a performance management system as required by the Municipal Systems Act (Act 32 of 2000) and the Municipal Planning and Performance Regulations (2001). The regulations stipulate that a “municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review and reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players”

In terms of the Municipal Finance Management Act (Act 56 of 2003), the municipality also developed a service delivery and budget implementation plan which was linked to the performance management system.

The following table depicts the municipality’s performance in terms of the municipal scorecard and SDBIP:-

<b>Key performance area</b>	<b>Deliverable</b>	<b>Timeframes</b>	<b>Progress</b>	<b>Comments</b>
<b>Organizational design</b>	Review organizational structure to achieve alignment with the IDP	<ul style="list-style-type: none"> <li>• Finalise funding – Sep 2007</li> <li>• Appoint a service provider – Nov 2007</li> <li>• Obtain approval for new structure – Feb 2008</li> <li>• Filling of identified posts – June 2008</li> </ul>	<ul style="list-style-type: none"> <li>• Funding approved November 2007</li> <li>• Service provider appointed on 9/11/2007</li> <li>• Organizational structure approved 30 May 2008</li> </ul>	<ul style="list-style-type: none"> <li>• New structure could not be approved timeously as it had to be aligned with the IDP</li> <li>• Filling of posts will happen during the 2008/2009 financial year</li> </ul>
<b>Employment equity</b>	Design and implement an employment equity plan and policy	<ul style="list-style-type: none"> <li>• Finalized and council approved EE plan and policy – September 2007</li> <li>• Submit EE Report to DOL – Oct 2007</li> </ul>	<ul style="list-style-type: none"> <li>• EE policy approved by Council on 10 April 2008</li> <li>• Training and equity committee launched on 2 October 2007</li> <li>• Employment equity report submitted to DOL on 19 November 2007</li> <li>• Employment Equity Plan approved by</li> </ul>	<ul style="list-style-type: none"> <li>• Council meeting did not sit as scheduled on 24 June 2008 – therefore could not approve the EE Plan within the FY.</li> </ul>

			Council on 11 July 2008	
<b>Skills development</b>	Appoint a SDF, perform a skills audit, develop a skills plan, develop a database of community skills	<ul style="list-style-type: none"> <li>• SDF appointed – Sep 2007</li> <li>• Skills audit completed – Sep 2007</li> <li>• WPSP completed – Sep 2007</li> <li>• WPSP submitted to SETA – Dec 2007</li> <li>• SETA funds claimed – Dec 2007</li> <li>• Establish a database of community skills – Nov 2007</li> </ul>	<ul style="list-style-type: none"> <li>• SDF appointed 1/8/2007</li> <li>• Skills audit completed 5/6/2007</li> <li>• WPSP submitted to SETA 29/6/2007</li> <li>• Community skills database establishment is an ongoing process</li> <li>• Training and equity committee has been established</li> </ul>	<ul style="list-style-type: none"> <li>• There has not been much progress in the development of a community skills database – the project has been rolled over to the 2008/9 financial year</li> </ul>
<b>IDP</b>	Ensure reviewed IDP fully reflective of organizational and community priorities and within timeframes	<ul style="list-style-type: none"> <li>• Review IDP process plan – Sep 2007</li> <li>• Align to the budget planning – Sep 2007</li> <li>• Final draft IDP – March 2008</li> <li>• Approved IDP – June 2008</li> </ul>	<ul style="list-style-type: none"> <li>• IDP and budget process plan adopted on 21/9/07</li> <li>• IDP tabled before Council on 31 March 2008</li> <li>• IDP approved by Council on 30 May 2008</li> </ul>	
<b>Performance management system</b>	Revised , approved and implemented PMS; Devolvement of PMS to sectional head level; integration of	<ul style="list-style-type: none"> <li>• Integration of PMS with SDBIP – July 2007</li> <li>• Municipal scorecard adopted by Council – July</li> </ul>	<ul style="list-style-type: none"> <li>• A complete integrated performance management system was adopted by</li> </ul>	



	PMS with SDBIP	<p>2007</p> <ul style="list-style-type: none"> <li>• Reviewed policy documents adopted by Council – July 2007</li> <li>• Performance agreements of the MM completed and signed – July 2007</li> <li>• Performance agreements of sectional heads completed and signed – July 2007</li> <li>• Community consultation completed – Oct 2007</li> <li>• Audit committee also serving as performance audit committee appointed – July 2007</li> </ul>	<p>Council on 23/7/2007</p> <ul style="list-style-type: none"> <li>• The system includes policy documents, the scorecard, performance agreements and performance plans</li> <li>• The SDBIP was approved by EXCO on 9/7/2007 and is integrated with the PMS</li> <li>• An audit committee to also perform a performance audit function appointed</li> <li>• Sectional heads have signed performance agreements</li> </ul>	
<b>IT/ICT</b>	Assessment of IT and ICT; New IT/ICT network installed and fully functioning	<ul style="list-style-type: none"> <li>• Service provider appointed – July 2007</li> <li>• LAN/WAN networks installed – Sep 2007</li> </ul>	<ul style="list-style-type: none"> <li>• Cabling of offices completed 24/4/2008;</li> <li>• Supply of servers completed on 7/1/08</li> <li>• Configuration of domain and</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of adequate TELKOM infrastructure</li> </ul>

			<p>servers for emails etc completed by 25/3/08</p> <ul style="list-style-type: none"> <li>• Additional networks for remote sites completed 22/6/08</li> <li>• Website fully developed and up and running – officially launched on 31/1/2008</li> <li>• New equipment (computers) purchased and has been distributed to various offices</li> </ul>	
<b>Water services</b>	Finalisation and implementation of a WSA – WSP service delivery agreement	<ul style="list-style-type: none"> <li>• Monitoring business plan development – on going and quarterly reports</li> <li>• Finalisation of a WSA-WSP SDA – June 2008</li> </ul>	<ul style="list-style-type: none"> <li>• BP being developed by the WSA. Not finalised</li> <li>• Draft SLA available</li> </ul>	
<b>Electricity</b>	Implementation of alternative energy in areas outside ESKOM grid; Proper management of electrification projects; achieve	<ul style="list-style-type: none"> <li>• Determination of non grid areas – Dec 2007</li> <li>• Completion of indigent register for non grid areas – June 2008</li> </ul>	<ul style="list-style-type: none"> <li>• Business plan with specific wards to be provided with alternative energy solutions was approved by Council on</li> </ul>	

	adequate staffing levels and prevent electricity revenue losses	<ul style="list-style-type: none"> <li>• 60% business plan for non grid areas completed – June 2008</li> <li>• Upgrading of Maclear substation 80% completed – June 2008</li> <li>• Prentjiesberg Reticulation project completed – Dec 2007</li> <li>• Phase 1 Maclear upgrade completed – Aug 2007</li> <li>• Appointment of electricians – Sep</li> </ul>	<p>30/5/2008</p> <ul style="list-style-type: none"> <li>• Indigent register completed</li> <li>• Designs for Maclear substation completed and civil works in progress – estimated completion date per programme is 13 October 2008</li> <li>• Prentjieberg at 80% completion stage. There is a variation order request due to underestimated cables</li> <li>• Phase 1 Maclear completed</li> <li>• 2 Electricians appointed</li> </ul>	<ul style="list-style-type: none"> <li>• March 2008 report erroneously reported 95% completion on Prentjiesberg – but this was based on material in the bill of quantities, which was underestimated by the electrical</li> </ul>
--	---	---	---	---

		2007		consultant
<b>Solid Waste</b>	Proper management of solid waste sites	<ul style="list-style-type: none"> <li>• Talk to PG Bison – July 2007</li> <li>• Presentation of IWMP to MANCO – July 2007</li> <li>• Action Plan to section 80 committee – Aug 2007</li> <li>• Appointment of service provider to review IWMP and do s78 phase 1 report as a combined TOR – Oct 2007</li> <li>• Review IWMP including requirements of s78 status quo analysis to accommodate new developments and new draft waste management bill – Oct 2007 – Mar 2008</li> <li>• Reviewed IWMP inc s78 phase 1 report to Council – Mar 2008</li> </ul>	<ul style="list-style-type: none"> <li>• Talks held and PG Bison have already cleared the driveway in Ugie;</li> <li>• Meeting arranged with PG Bison to explore partnership – held during 10/2007</li> <li>• Talks held with UKDM in relation to the possibility of outsourcing the management of solid waste sites – Council resolution already secured in relation to the long term management strategy i.r.o solid waste sites</li> <li>• Funding application submitted to National Treasury for a S78 study</li> </ul>	
<b>Environmenta</b>	Develop a register of	<ul style="list-style-type: none"> <li>• Register of current</li> </ul>	Completed	

<b>l management</b>	EIA RODs	projects – July 2007 <ul style="list-style-type: none"> <li>• Update EIA ROD register – Ongoing and quarterly reports</li> </ul>		
<b>Roads and storm water</b>	Develop a roads management system; perform an assessment of access roads; develop a 3 year MIG infrastructure plan; develop a roads construction programme; implement a PMU; develop an ITP	<ul style="list-style-type: none"> <li>• Roads management system completed – Sep 2007</li> <li>• Assessment of access roads to populate the roads management system – June 2008</li> <li>• Roads management plan for access roads – June 2008</li> <li>• Road construction programme indicating specific roads, SOW, costs, timeframes and procurement done – July 2007</li> <li>• Road construction completed – March 2008</li> <li>• Roads construction</li> </ul>	<ul style="list-style-type: none"> <li>• Software available</li> <li>• Started but not yet completed</li> <li>• 1% the proposal was advertised and is in the bidding process</li> <li>• Roads registered in the MIS and under implementation</li> <li>• ITP completed and sent to Province</li> <li>• Business plan for PMU approved</li> </ul>	

		<p>programme for 2008/9 completed and submitted – April 2008</p> <ul style="list-style-type: none"> <li>• Finalized SDA – Aug 2007</li> <li>• Completion of ITP – March 2008</li> </ul>		
<b>Housing</b>	Accelerated housing service delivery	<ul style="list-style-type: none"> <li>• Notice for people to occupy in media –temporary security measures – July 2007</li> <li>• Application for deregistration – Sep 2007</li> <li>• Beneficiaries identified – Oct 2007</li> <li>• Application for re-registration – Nov 2007</li> <li>• Houses occupied – Dec 2007</li> </ul>	<ul style="list-style-type: none"> <li>• Achieved through meetings. Most houses occupied by non beneficiaries for security purposes</li> <li>• Not done – Only succeeded in identifying the original beneficiaries in April 2008</li> <li>• New beneficiaries not yet identified</li> <li>• Not done</li> <li>• Not done</li> </ul>	<ul style="list-style-type: none"> <li>• Participatory process to locate the approved beneficiaries is cumbersome and took longer than expected</li> <li>• Delay by above process. Copy list of properties to be deregistered attached</li> <li>• Delayed by above process</li> <li>• Dept of Housing advised that we submit the lists of old and the new prospective beneficiaries simultaneously.</li> <li>• Letters to the dept available</li> </ul>

		<ul style="list-style-type: none"> <li>• Establish relations with DHLG&amp;TA – Aug 2007</li> <li>• Submission of 2 BPs to DHLG&amp;TA – Sep 2007</li> <li>• Facilitate meeting with traditional leaders – Sep 2007</li> <li>• Preparation of BPs – Dec 2007</li> <li>• BPs submitted to DHLG &amp; TA – Jan 2008</li> <li>• Monthly reports – July 07 to Jan 2008</li> <li>• Regular reporting – quarterly reports</li> </ul>	<ul style="list-style-type: none"> <li>• Have made several attempts to no avail</li> <li>• BPs had to be redrawn taking into account new subsidy quantum and new housing policy</li> <li>• Done</li> <li>• Dept of Housing completed phase 1 of scoping analysis for BNG in February 2008</li> <li>• Not done</li> </ul>	<ul style="list-style-type: none"> <li>• First submission made in January 2008</li> <li>• Dept's competence. Municipality to get go ahead when they have completed scoping</li> <li>• Municipality has no influence on this matter. Dept presented scoping exercise to extended portfolio committee 23/6/2008</li> <li>• Housing developments is at stand still in the municipality</li> </ul>
--	--	--	--	--

			<ul style="list-style-type: none"> <li>• Could not achieve the last two time frames as there has been a stalemate in housing developments from Provincial side</li> </ul>	
<b>Spatial and urban and rural planning</b>	Formalization of townships; Development of a detailed SDF; development of a zone design; implementation of social housing development	<ul style="list-style-type: none"> <li>• Beginning of EIA process – Sep 2007</li> <li>• Planning &amp; Survey – July 07 to March 08</li> <li>• Approval of detailed SDF – Dec 2007</li> <li>• Finalization of design options- Dec 2007</li> <li>• Facilitation of new applications –</li> </ul>	<ul style="list-style-type: none"> <li>• Received final EIA report,</li> <li>• Layout for hospital erven (ext 3 Mt Fletcher) received for 206 sites (mixed land uses), to be advertised and submitted to Council for approval</li> <li>• SDF tabled before Council 31 March 2008</li> <li>• Not done</li> <li>• 21 sites have been advertised to the public per Council</li> </ul>	<ul style="list-style-type: none"> <li>• Record of decision is still o/s from DEDEA</li> <li>• Plan available – No council resolution yet</li> <li>• Funder ECDC withheld project – we have no influence over</li> </ul>



		monthly reports	resolution	this
<b>Sports, parks and public places</b>		<ul style="list-style-type: none"> <li>• Equipment purchased – Aug 2007</li> <li>• Liaison with DSRAC re community needs – Aug 2007</li> </ul>	<ul style="list-style-type: none"> <li>• Equipment availed before end 2006/7- last batch purchased March 2008</li> <li>• No success in this regard DSRAC not attending IDP forum</li> </ul>	
<b>Traffic</b>	<ul style="list-style-type: none"> <li>• Appointment of budgeted staff</li> <li>• Full adherence to contractual terms</li> <li>• Firearms policy approved and implemented</li> <li>• Work policy and systems implemented</li> <li>• Improved road safety awareness programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Advertisement for new law enforcement officer – July 07</li> <li>• Appointment of law enforcement officer – Aug 2007</li> <li>• Place contractor on terms and implement breach of contract procedures – July 2007</li> <li>• All road signs/markings repaired within 72 hours (2 – 3 working days) on a continuous basis – July 07 – June 08</li> <li>• Acquisition of additional terminal – Aug</li> </ul>	<ul style="list-style-type: none"> <li>• Request to employ law enforcement officer submitted to Office of MM – 16/8/2007</li> <li>• Contract cancelled successfully 8/11/2007</li> <li>• Draft firearms policy in place</li> <li>• Work policy and system for traffic dept established</li> <li>• Meetings held and is a continuous process</li> </ul>	<ul style="list-style-type: none"> <li>• Firearms policy delayed as the municipality had to consider the possibility of disposing firearms</li> <li>• Police wanted licenses for the firearms</li> <li>• Licenses cannot be traced and only the firearms register was traced</li> </ul>

		<ul style="list-style-type: none"> <li>2007</li> <li>4 Schools visited per quarter – Quarterly</li> <li>1 meeting per quarter for Ugie, Maclear &amp; Mt Fletcher areas</li> </ul>		
<b>Cemeteries</b>		<ul style="list-style-type: none"> <li>Report on possible sites as identified – Dec 2007</li> <li>Planning for new cemeteries – Mar 2008</li> </ul>	<ul style="list-style-type: none"> <li>Sites identified for Maclear and Ugie – SDF and EIA will determine subdivisions of grave sites</li> <li>Depending on funding applied for from dplg</li> </ul>	
<b>Libraries</b>		<ul style="list-style-type: none"> <li>Finalization of draft SDA with DSRAC – Oct 07</li> <li>Approved SDA by Council – Nov 2007</li> <li>Quarterly progress reports – Mar 08 &amp; June 08</li> </ul>	<ul style="list-style-type: none"> <li>Not achieved</li> </ul>	<ul style="list-style-type: none"> <li>Draft SDA as Elundini initiative sent to DSRAC</li> <li>DSRAC had an SDA with UKDM hence no response</li> </ul>
<b>Disaster &amp; fire fighting</b>		<ul style="list-style-type: none"> <li>Finalization and approval of the SDA – Aug 2007</li> <li>Satellite office relocated – Nov 07</li> </ul>	<ul style="list-style-type: none"> <li>Copy of draft SDA obtained on 16/8. Lm has commented on the draft SDA – UKDM claiming that draft is with their legal division</li> <li>Satellite office will</li> </ul>	<ul style="list-style-type: none"> <li>Did not receive an amended version of the SDA</li> <li></li> </ul>

			not be relocated as per Council resolution	
<b>Commonage</b>		<ul style="list-style-type: none"> <li>• EIA completed – Dec 07</li> <li>• Subdivision completed – June 08</li> </ul>	<ul style="list-style-type: none"> <li>• EIAs done per application received – no blanket EIA for the commonage will be possible</li> <li>• Subdivisions are done as and when needed – cannot fix time for it</li> </ul>	
<b>SPU</b>		<ul style="list-style-type: none"> <li>• Youth sector development plan – Mar 08</li> <li>• Regular meeting of LAC and developed work programme – Sep 07, Dec 07, Mar 08, June 08</li> <li>• Database of disabled developed – Mar 08</li> <li>• Programme of projects developed – Oct 07</li> <li>• Ongoing implementation of programme – quarterly reports in Dec 07, Mar</li> </ul>	<ul style="list-style-type: none"> <li>• Draft youth sector development plan in place</li> <li>• LAC launched 19/9/07 – meeting held 15/10/2007</li> <li>• Database of disabled in place</li> <li>• Youth sector development plan has an implementation framework</li> </ul>	<ul style="list-style-type: none"> <li>• Original service provider terminated for lack of delivery</li> <li>• Most meetings of the LAC have failed due to poor attendance</li> <li>• Although forms for registration of disabled sent to all wards, some have failed to return them</li> </ul>

		<p>08, June 08</p> <ul style="list-style-type: none"> <li>• Appointment of staff – Dec 07</li> <li>• Business plan for SPU – Mar 08</li> </ul>	<ul style="list-style-type: none"> <li>• Special programmes officer appointed Nov 2007</li> <li>• Not done</li> </ul>	
<b>Community facilities</b>		<ul style="list-style-type: none"> <li>• Registration of assessed halls on the MIS – July 07</li> <li>• Assessment of use and condition of community halls still in need of refurbishment – Sep 07</li> <li>• Short and long term action plan on improvement of use and refurbishment needs of the assessed halls – Nov 07</li> </ul>	<ul style="list-style-type: none"> <li>• Mt Fletcher and Maclear T/Hall registered on the MIS</li> <li>• Mohoabatsane Community Hall currently being renovated</li> </ul>	
<b>Local Economic Development</b>		<ul style="list-style-type: none"> <li>• Completion of LED strategy – Sep 2007</li> </ul>	<ul style="list-style-type: none"> <li>• LED strategy completed end December 2007; workshop March 2008</li> </ul>	<ul style="list-style-type: none"> <li>• Service provider requested extension of time – hence the delays – Council resolution on 10 April 2008</li> </ul>

		<ul style="list-style-type: none"> <li>• Develop an implementation programme i.r.o the LED strategy, Tourism and sector plans – Dec 07</li> <li>• Submit quarterly reports on implementation programme – Mar 08 and June 08</li> <li>• SMME survey and identification of SMMEs in the area by Dec 2007</li> <li>• Establishment of SMME advice centre</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation programme i.r.o LED strategy in place – Tourism sector plan not approved yet</li> <li>• Commenced with some identified projects</li> <li>• SMME summit held in February 2008</li> <li>• Not done yet,</li> </ul>	<ul style="list-style-type: none"> <li>• Draft document on SMME details</li> <li>• Pending accommodation space and appointment of LED practitioner</li> <li>•</li> </ul>
<b>Municipal financial viability and financial management</b>		<ul style="list-style-type: none"> <li>• Compliance with s71 of the MFMA – July 2007</li> <li>• AFS completed and submitted in IMFO format – 31</li> </ul>	<ul style="list-style-type: none"> <li>• Section 71 reports from July to June 2008 have been submitted</li> <li>• Submitted to AG’s office on 31 August 2008</li> </ul>	

		<p>Aug 07</p> <ul style="list-style-type: none"> <li>• Full implementation of FMS – Sep 07</li> </ul>	<ul style="list-style-type: none"> <li>• Training on creditors, stores and cashbook modules already done</li> </ul>	<ul style="list-style-type: none"> <li>• Whilst in-house training is ideal for multi-skilling of employees, it has been established that the consultant contracted to perform such training in our area does not fully understand some of the modules especially the remaining ones. We are now in contact with Kimberley office for them to provide consultants that can fully perform training on the remaining modules. Accountant Expenditure was sent to Kimberley for cash book and G/L training in April '08 whilst</li> </ul>
--	--	---	---	---

		<ul style="list-style-type: none"> <li>• Payment of creditors within 30 days – Sep 07</li> <li>• Finalized indigent policy – Sep 07</li> <li>• SCM unit established – 30 Sep 2007</li> <li>• Non core assets identified – Sep 2007</li> <li>• Council decision on disposal of assets – 1 Dec 07</li> <li>• Assets disposed off – 1 Mar 08</li> </ul>	<ul style="list-style-type: none"> <li>• Most creditors are paid immediately an invoice is received</li> <li>• Approved by Council on 30 May 2008</li> <li>• Successful incumbent assumed duties in June 2008</li> <li>• Done</li> <li>• Done July 2007</li> <li>• Auction held during Dec 2007 and realized R130 000</li> </ul>	<p>one of the interns attended a creditors and stores module in Kimberley during May</p> <ul style="list-style-type: none"> <li>• Some invoices are submitted too late to the finance dept for issue of payment</li> <li>• Unfortunately he later resigned in July 2008</li> <li>• By law was</li> </ul>
--	--	--	--	--

		<ul style="list-style-type: none"> <li>• Implementation of credit control by-law – 31 Oct 07</li> <li>• Submission of a valuation roll – 28 Feb 08</li> <li>• Data cleansing of irrecoverable debts – Mar 08</li> </ul>	<ul style="list-style-type: none"> <li>• Workshop on draft by-laws Nov 2007. Although no by law, have effected electricity disconnections on defaulting consumers</li> <li>• Service provider appointed September 2007. Workshop conducted November 2007 on Property Rates policy. Community consultative processes on the policy January and February 2008. Certified valuation roll received in July 2008 and public inspection notice issued on 22 July 2008</li> <li>• In progress</li> </ul>	<p>promulgated in 31 July 2008</p> <ul style="list-style-type: none"> <li>• Political problems in ward 2 and ward 3, resulting in delays in the valuation of properties. Dplg has advised that the new valuation roll cannot be implemented w.e.f. July 2008 due to legislative provisions not adhered to.</li> <li>• This is to be linked with the indigent registration exercise that is underway. Having extracted the interest portion of all outstanding</li> </ul>
--	--	---	---	--



		<ul style="list-style-type: none"> <li>• Conversion of 2007 AFS to GRAP format – Mar 08</li> <li>• Compliance with national KPIs i.r.o. performance agreements and SDBIP – July 07</li> </ul>	<ul style="list-style-type: none"> <li>• As per Govt Gazette No 30013, GRAP compliance for low capacity has been postponed to 30 June 2010</li> <li>• SDBIP approved by EXCO – 9/7/08</li> <li>• Performance agreements signed between Council and S57 managers</li> </ul>	<p>debts from SEBATA system. The total of R18,1 million which equates 44% of the total o/s debtors</p> <ul style="list-style-type: none"> <li>• Plan to perform a partial conversion by 30 June 2009</li> </ul>
--	--	---	--	---

			<ul style="list-style-type: none"> <li>Quarterly performance reports submitted to Council</li> </ul>	
<p><b>Good governance, public participation and, accountability and transparency</b></p>		<ul style="list-style-type: none"> <li>Service provider for Audit Unit appointed – 1 July 07</li> <li>Functional Audit Committee – 1 July 07</li> <li>Support plan for Ward Committees – 1 Sep 07</li> <li>Needs analysis of by-laws completed</li> </ul>	<ul style="list-style-type: none"> <li>Service provider for internal audit services appointed</li> <li>Audit Committee appointed</li> <li>Risk assessment performed and report considered by Audit Committee on 24/1/08</li> <li>Meeting with Ward Committees &amp; CDWs on 12-13/7/2007</li> <li>Council resolution on 21/9/2007 to pay a stipend of R100 for attendance of ward committee meetings</li> <li>Service provider to formulate bylaws appointed 17/10/2007</li> <li>By laws passed by Council on 31</li> </ul>	<ul style="list-style-type: none"> <li>By laws will be promulgated on</li> </ul>

		<p>– 1 Sep 2007</p> <ul style="list-style-type: none"> <li>• Action plan to address outdated by-laws</li> <li>• CDWs appointed for remaining wards – 30 Sep 2007</li> <li>• IGR forum established – 30 Sep 2007</li> <li>• Adoption of report on roles and responsibilities – 30 Sep 2007</li> <li>• Public participation plan approved – 30 Sep 2007</li> </ul>	<p>March 2008</p> <ul style="list-style-type: none"> <li>• CDWs have been appointed for all the remaining wards</li> <li>• Not Done</li> <li>• Report on roles and responsibilities adopted by Council on 30/11/2007</li> <li>• Public participation plan – presented to ward committees and stakeholders during political outreach on 18 &amp; 20/9/2007 – approved by Council on 30/11/2007</li> <li>• Delegations Policy approved 10 April 2008</li> <li>• Not done</li> </ul>	<p>31/7/2008</p> <ul style="list-style-type: none"> <li>• Difficulties experienced in coordinating meetings with Govt Depts</li> </ul>
--	--	--	---	--

		<ul style="list-style-type: none"> <li>• Revised delegation system approved – 30 Nov 2007</li> <li>• Municipal code adopted – Dec 2007</li> <li>• Annual report for 2006/07 financial year – Jan 08</li> <li>• Oversight report on annual report adopted – 31 Mar 2008</li> <li>• Establishment of customer care system – 31 Mar 2008</li> </ul>	<ul style="list-style-type: none"> <li>• Annual report tabled before Council on 31/1/08</li> <li>• Oversight report adopted by Council on 31/3/2008</li> <li>• Suggestions/ complaints boxes installed in all units and a study visit to Greater Kokstad Municipality undertaken</li> </ul>	
--	--	--	---	--

