

NDLAMBE MUNICIPALITY



NDLAMBE MUNICIPALITY strives to be a growing and investment friendly region that provides sustainable, efficient, cost-effective, adequate and affordable services to all citizens in a healthy and safe environment by 2025.

ANNUAL REPORT 2011/2012

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Introduction and Overview of the Municipality

ANNUAL REPORT 2011/12







FOREWORD BY THE MAYOR:

“Together we can build better Communities”

Reconciliation means that those who have been on the underside of history must see that there is a qualitative difference between repression and freedom. And for them, freedom translates into having a supply of clean water; having electricity on tap; being able to live in a decent home, and have a good job; to have accessible healthcare. I mean, what’s the point of having made this transition if the quality of life of these people is not enhanced and improved? If not, the vote is useless! **(These words were said by Arch Bishop Desmond Tutu, in 1999)**

Section 152 of the 1996 Constitution of the Republic of South Africa clearly set out the objectives of local government. The Constitution of 1996 directs local government to be democratic and accountable to local communities; ensure provision of services to communities in a sustainable manner; to promote social and economic development; to promote a safe and healthy environment and to encourage the involvement of communities and community organisations in the matters of local government. Most importantly the Constitution which all we are subscribed to provides that a municipality must strive, within its financial and administrative capacity, to achieve the objects set out in Section 152 (1). Since the year 2000, the local sphere of government entered into a new phase of developmental local government. Developmental local government puts forward a vision of developmental local government which centers on working with local communities to find sustainable ways to meet their needs and improve the quality of their lives.

I am directed by Section 127 (2) of the Local Government: Municipal Finance Management Act, 56 of 2003 to inter alia table the municipal annual review

or report to full ordinary council within seven months after the end of a financial year. This is a legislative requirement which has to be adhered to, but we have to move beyond just complying with both Municipal Finance Management Act and Municipal Systems Act, 32 of 2000. This report gives an account of what has been achieved or not achieved during the period under review. Since the inauguration of the new municipal council on the 2nd of June 2011, we committed ourselves both political and administratively to work with our people to ensure faster improvement in rendering municipal services to our communities (**“Together we can do more”**). Since our election to office public participation has been improved, things started to be done differently and with some degree of speed, cleaning of verges improved including cutting of grass across the municipality improved dramatically, the annual municipal budget was increased by 9% instead of proposed 12% this decision was taken after due consideration of public comments and the fact that we are a caring municipality. The global economic melt-down affected our people the most and that consideration was taken during adoption of 2011/12 budget.

The year under review saw us directly interacting with our communities during “Mayoral Imbizos”. During these interactions the Municipal Integrated Development Plan (IDP) and Budget was discussed together with our communities. This demonstrated a level of commitment on our side and the positive reception we have received from our people across Ndlambe, it indeed inspired us, and hence I still maintain that “together we can do more”.

During the year under review we have strengthened our working relationship with our stakeholder i.e. Ndlambe Ratepayers Forum, Business Forum, Tourism and other community based organisations, during this process we have learnt from them about where we need to improve and in turn they understood our challenges. I must say that a solid relationship is built over many years, therefore I encourage our stakeholders and people not to despair rather work with us to improve the conditions in which our people live under.

Ndlambe Municipality strives to be a growing and investment friendly region that provides sustainable, efficient, cost-effective, adequate and affordable services to all citizens in a healthy and safe environment by 2025. I wish to make this clarion call that together we will walk this journey to 2025.

I wish to categorically and without any contradictions state that since 2001 this municipality has done fairly well in addressing service delivery challenges that we have inherited from the past apartheid regime. We have done fairly well on the following basic essential service delivery components: - piped water household connections, provision of electricity, provision of human settlements, employment creation, refuse removal and sanitation. If anyone challenges my assertion on Ndlambe Municipality impressive service delivery record since 1996, I invite those to read census 2011 Municipal Report: Eastern Cape Province, in the document facts and figures are clearly shown. However there is a lot that needs to be done to improve the lives of our people in the municipality, but I must mention that since census 2001, unemployment rate has decreased from 35% to 30% by 2011. This shows a significant drop and thanks to our strategies and the role that is played by the private sector (business), government departments and private individuals. We strive to achieve clean audit by 2014 from the qualified audit opinion, this is a national target and commitment that by 2014 all municipalities must achieve clean bill of health. For us to achieve the latter, financial controls will continue to be improved and strengthened, good governance principles be institutionalised, system of performance management be vigorously implemented in all levels of our organisational structure, customer care policy be fully implemented, credit control policy and revenue collection and above all strengthening of council's oversight role to achieve accountability.

However, it must be made clear that our main challenges going forward remain to be the following:-

- a) Roads;
- b) Water and sanitation;
- c) Waste management and
- d) Socio-economic disparities.

If all of us can adopt right or positive attitude, there is no doubt we can overcome these challenges. I therefore wish to borrow the wise word of Dr John Maxwell, in his book "The Winning Attitude" he writes;

Attitude.....

It is the "advance man" of our true selves.

Its roots are inward but its fruit is outward.

It is our best friend or our worst enemy.

It is more honest and more consistent than the words.

It is an outward look based on past experiences.

It is a thing which draws people to us or repels them.

It is never content until it is expressed.

It is the librarian of our past.

It is the speaker of our present.

It is the prophet of our future.

Good attitude among players do not guarantee a team's success, but bad attitudes guarantee its failure. **(By Dr John C Maxwell)**

Lastly, let me thank my colleagues (EXCO members & Councillors), the administration led by Adv. R Dumezweni, Section 56 Directors, Middle Managers, our work force (the man and women) who clean our streets, who cut grass, who attend to complaints of water and sewerage leakages to all of them equally I thank them, to thank also the leadership of both unions (SAMWU and IMATU) for their leadership guidance to their members during the year under review. I wish also to convey a word of gratitude to our communities we serve, our stakeholders, Community Faith Based Organisations, Non-Governmental Organisations, Business Community, our sector departments and our District Municipality. I wish also to thank our office support staff both in the office of the Municipal Manager and my office.

By: Councillor S R Tandani

Mayor

Ndlambe Local Municipality

Yearly Program Priorities Statement

Once again the time to compile an annual report has come. Obviously the Annual Report will provide a record of activities of the municipality, report on performance against the budget and by so doing accountability to the local community for the decisions made throughout the year by the municipality will be promoted. There must be a synergy between the objectives of the Integrated Development Plan, the budget and the targets of each section 57 managers performance contract and scorecard. The following is the list of those priority areas that the municipality committed to address in 2011/2012 financial year;

- Provision of water which complies with the water supply SANS standards
- Improving of the environmental health of the area in accordance with health legislation
- Utilisation of the natural resources or assets by the communities in a sustainable manner
- Implementation of the required traffic management measures to enhance safety on the roads
- Run educational campaigns to encourage preventative road safety awareness
- Run educational campaigns to encourage preventative fire and safety awareness
- Enforcement of fire regulations and by-laws to all public facilities
- Access of youth and community in general to suitable and affordable recreational and sport facilities
- Access to affordable graves that are well maintained and in close proximity to settlements
- Provide sufficient, affordable and well managed solid waste sites
- Capacitation of officials to meet performance targets
- Robust local compliance by Council
- Credible Integrated Development Plan
- Clean governance which results in clean audit
- Improve Local Economic Development
- Improve on revenue collection
- Improve communication with intra and extra stakeholders
- Expedite institutional development and transformation through IGR, by-laws and IDP
- Improve on e-governance programme so as to enhance public participation, service delivery and well-functioning of council
- Improve our human resource recruitment, development, relations and well-being and performance
- Intensify change management through employment equity and departmental strategic plans
- Access to affordable and well maintained public facilities, like halls, libraries etc.
- Rigorous improvement on Supply Chain Management
- Improve on our financial management by seeing to it that BTO staff are trained properly as it is an anchor control centre in the institution
- Improve on HIV/AIDS education
- Improve on special programme societal sectors so that they can be in the main stream of the economy and other facilities
- Expedite reticulation waterborne sewerage for all Ndlambe households

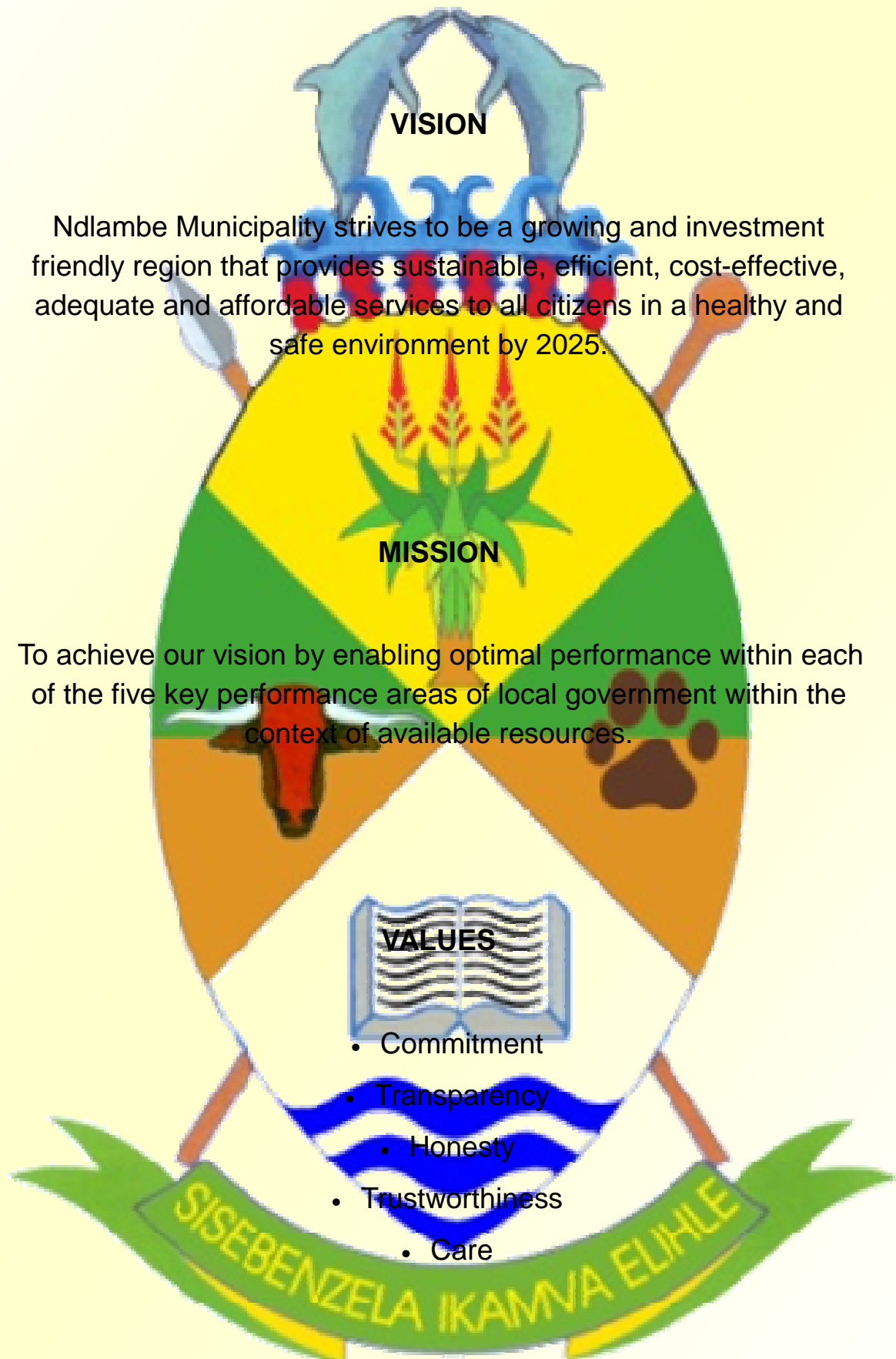
- Access to quality roads
- Improve access to houses and electricity

These priorities Council endeavoured to achieve and the section 57 scorecards and assessments thereof shows how far the municipalities progressed.

R.Dumezweni

MUNICIPAL MANAGER

2. Overview of the Municipality



3. Geographic Situation

The Ndlambe Municipality falls within the Cacadu District Municipality area, Eastern Cape Province. The Ndlambe Municipal area is bordered by the following Local Municipal areas:

Makana within the Cacadu District Municipality to the North

Sundays River Valley within the Cacadu District Municipality to the West

Ngqushwa within the Amatole District Municipal Area to the East

The Ndlambe Municipal area forms part of the Eastern Coastal Zone (one of the areas within the Cacadu District Municipality that has similar geographical characteristics and requires similar geographical guidance). This area can be described as an area with:

- A pristine coastal area
- Well preserved river mouths and inter-tidal areas
- Diverse vegetation
- Relatively low density development along the coast
- Major tourism potential



| Category | | Ndlambe | | | Cacadu | |
|---|----------------|--------------|-------|----------|-------------------|---------|
| Area (Km ²) | | 2, 000.81 | | | 58,243.93 | |
| Population (global insight) | | 69,288 | | | 403 846 | |
| Urbanization rate (%) | | 67.69 | | | 67.33 | |
| Density (People/km ²) | | 16.63 | | | 7.49 | |
| Demographic (%) | Black | 52 981/80.28 | | | 51.95 | |
| | White | 11 195/12.40 | | | 12.76 | |
| | Coloured | 5 056/7.28 | | | 35.01 | |
| | Asian | 56/0.04 | | | 0.28 | |
| Gender (%) | Female | 51.46 | | | 50.61 | |
| | Male | 48.54 | | | 49.39 | |
| Age (%) | 0 - 4 years | 7.91 | | | 8.95 | |
| | 5 - 19 years | 27.55 | | | 28.10 | |
| | 20 - 64 years | 55.99 | | | 56.49 | |
| | 65+ | 8.55 | | | 6.46 | |
| HDI | | 0.51 | | | 0.55 | |
| HIV Prevalence (2003 %) | | 20.20 | | | 20.20(Provincial) | |
| Functional Literacy (%) | | 54.02 | | | 60.18 | |
| Education Levels | | | | | | |
| Levels (for year 2009) | | African | White | Coloured | Asian | Age 15+ |
| No schooling | | 5 171 | 68 | 113 | 0 | 5 351 |
| Grade 0-2 | | 2 024 | 8 | 78 | 0 | 2 110 |
| Grade 3-6 | | 7 564 | 48 | 459 | 2 | 8 073 |
| Grade 7-9 | | 10 656 | 673 | 1 368 | 6 | 12 721 |
| Grade 10-11 | | 7 460 | 1 583 | 678 | 4 | 9 734 |
| Less than Matric | | 144 | 236 | 11 | 1 | 393 |
| Matric only | | 4 788 | 4 063 | 588 | 10 | 9 449 |
| Matric + certificate | | 1 223 | 1 845 | 162 | 10 | 3 240 |
| Matric + B Degree | | 265 | 1 076 | 7 | 5 | 1 352 |
| Matric + post-grad | | 265 | 1 076 | 7 | 5 | 1 352 |
| Household Monthly Income levels (%) | | | | | | |
| R0 R200 | | 6.02 | | | 3.76 | |
| R201 - R1 000 | | 23.80 | | | 18.49 | |
| R1 001 - R2 500 | | 25.61 | | | 26.09 | |
| GDP Per Capita (R'000) | | 16.02 | | | 19.62 | |
| Dependency Ratio (Household Grants) | | 1.79 | | | 1.48 | |
| Municipal Financial Grant dependency (2002/03) | | 12.76 | | | 78.77 | |
| Access to Basic services (% of households - 2001) | Water | 76.32 | | | 83.84 | |
| | Sanitation | 85.82 | | | 73.68 | |
| | Electricity | 66.63 | | | 71.88 | |
| | Refuse removal | 73.11 | | | 69.31 | |
| | Housing | 82.13 | | | 85.32 | |

5. Service Offerings

The Constitution confers the following areas of responsibility on local municipalities:

- Electricity delivery.
- Water for household use.
- Sewerage and sanitation.
- Storm water systems.
- Refuse removal.
- Fire fighting services.
- Municipal health services.
- Decisions around land use.
- Local roads.
- Abattoirs and fresh food markets.
- Parks and recreational areas.
- Libraries and other community facilities.
- Local tourism.

For more information you can contact us on;

Tel Fax

Municipal Offices Port Alfred: 046 624 1140 046 624 2669

Municipal offices Bathurst 046 625 0639 046 625 0054

Municipal offices Alexandria 046 653 0056 046 653 0490

Municipal offices Kenton-On-Sea 046 648 1304 046 648 2118

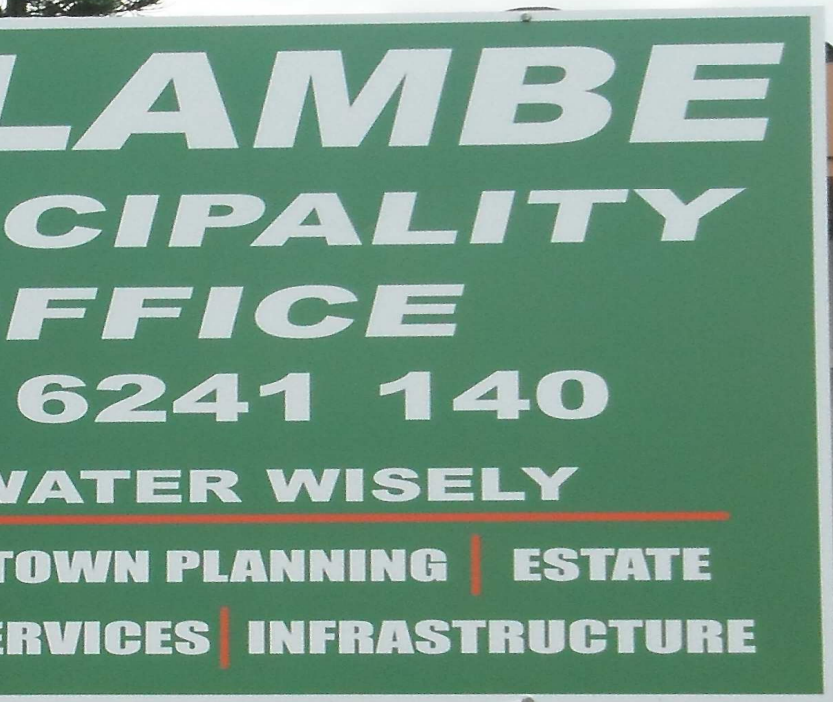
Municipal Managers offices 046 604 2774 046 624 1254

Or you can visit our website at - www.ndlambe.gov.za

Operations

(Service Delivery)





LAMBE
MUNICIPALITY
OFFICE
6241 140
WATER WISELY
TOWN PLANNING | ESTATE
SERVICES | INFRASTRUCTURE



Basic Service Delivery Highlights

1 Water services

1.1 Water services delivery strategy and main role-players:

The Regulator for all Water and Sanitation Services is the Department of Water Affairs.

Ndlambe Municipality is located within the Cacadu District Municipality and is home to some 80 000 people. The Ndlambe Municipality (NM) is the legislated Water Services Authority for the area.

Ndlambe Municipality was designated as the Water Services Authority (WSA). However Ndlambe performs the Water Services Provider (WSP) functions. The institutional arrangements profile consists of the following bulk & retail functions listed below.

Currently all the WSP functions and duties are conducted by Water Services Providers, Water Services Support Service Agent or the Municipality itself and are as follows:

- Water Services Authority: Ndlambe Municipality, with Community Protection Services doing all water quality control monitoring operations.
- Water Services Provider: Ndlambe Municipality, with Infrastructural Development doing all water provision, with the exception of the following operations :
 - ⇒ Alexandria Water Supply: P&S Consulting Engineers appointed to provide bulk water within a Water Services Support agreement
 - ⇒ Kenton/Bushmans Water Supply: Amatola Water Board appointed to provide bulk water within a Water Services Provider agreement
 - ⇒ Cannon Rocks/Boknes Water Supply: Gigima Engineering appointed to operate, maintain and manage

the Reverse Osmosis Plant

All other Water Supply Systems are managed and operated by Ndlambe Municipality's Infrastructural Development Directorate, as the Water Services Provider. These include the following:

- Port Alfred Water Supply System
- Kleinemonde Water Supply System
- Bathurst Water Supply System

Ndlambe Municipality operates and maintains all water supply systems within both Water Services Authority and Water Services Provider functions, with the exception of the Amatola Water Board (previously Albany Coast Water Board) supply footprint, where bulk water is supplied by the Amatola Water Board.

There are six (6) local water supply schemes which service the main settlements within the area. Port Alfred, Seafield and Bathurst are all fed mainly from surface water schemes whilst Boesmansriviermond, Kenton on Sea, Alexandria, Boknestrand and Cannon Rocks are supplied from ground water schemes.

Boesmansriviermond and Kenton on Sea augment their groundwater supplies with desalinated water through the Reverse Osmosis plant situated at Boesmansriviermond. The towns of Cannon Rocks and Boknes receive Reverse Osmosis processed water from borehole sources.

Potable, treated water is piped to all communities within Ndlambe, and is available to the vast majority of households. However, some of the Bathurst and Trappes Valley communities still rely on rainwater and private boreholes. The latter are considered for municipal supply within the IDP.

1.2 Levels and standards in water services:

Water service regulation is determined and monitored by Dept Water Affairs. Compliance is monitored and intervention strategies insisted upon by this organisation, should quality not be achieved. It is Council's objective to provide levels of Water Services which exceed RDP LoS.

It is also an objective of Council to achieve and sustain "Blue Drop" status throughout all water supply systems within Ndlambe, which is an approved level of management and supply within the regulator's policies. This quality and supply goal is being achieved by improving both water quality management and the quantity sustained by each system.

Levels and standards in water services provision are determined by the Department of Water Affairs. Adherence monitoring is done by this department, via Ndlambe Municipality, as the designated and appointed Water Services Authority. This includes quality control monitoring. All water supplied is intended to be of a quality which meets the requirements of Water Affairs. The quantity of this supply, although limited, does achieve and often exceeds the norms and guidelines as determined by the department.

The intention is to provide at least a reticulated water supply to all households, with full water-borne sewerage. This is the case in the vast majority of consumer households. Levels and standards of water are stringently monitored, to ensure a safe and sustained supply.

The Ndlambe Municipality defines low level access to water services as that of "RDP Standards", being a tap supply within 200m radius of all urban consumers, whilst high level access is considered when water supply is available within households. Presently only informal households receive a lower level water supply service, being either a yard tapstand or a communal tapstand.

Once formal top structure applications are approved, erven are serviced with formal reticulation to each house.

Low quality standard of water quality is when supply quality does not achieve standards as defined within SANS 241. A high quality standard would be the achieved maintaining of this level of supply. These standards include both quantity and quality of supply.

Stringent and regular monitoring of this resource is therefore essential to ensure that these objectives are achieved. Reporting and process control are regulated by the Department Water Affairs. Ndlambe officials strive to achieve standards and compliance goals, as determined.

It is a well known fact that the reliability of the yields and the quality of the water from the respective water sources is in general inadequate. Furthermore the capacity of the bulk infrastructure is also inadequate especially during peak holiday seasons when holiday makers flock to the coastal resort town and the demand for municipal water supply cannot be met. This challenge is being addressed through grant funded projects. The present status quo results in many of the households in the area augmenting the Municipal supplies by establishing private rainwater harvesting facilities, which Council encourages and enforces within the building application process.

The Municipality is committed to improving water services. Water quality is monitored within standards and guidelines established by the regulator, the Department of Water Affairs. Water samples ensure compliance standards are maintained. These are taken on a planned and regular basis. All results are submitted independently to the regulator via the Directorate Community and Protection Services.

If tests indicate that water quality is compromised, immediate intervention treatment and action is taken.

Further additional water samples are tested to ensure that interventions have succeeded and have been effective to comply and fall within the determined guidelines. This does not mean that improvements are not being considered, as training, development and control are continuous.

All formal urban footprints receive a high level access to water services, which is either in the form of a metered house connection or yard connection, in the case of some subsidised households. Informal settlements receive water services via communal tapstands.

1.3 Annual performance as per key performance indicators in water services

| Indicator name | Total number of household/customer expected to benefit | Estimated back-logs (actual numbers) | Target set for the FY under review (actual numbers) | Number of HH/customer reached during the FY | Percentage of achievement during the year |
|---|--|--------------------------------------|---|---|---|
| Percentage of households with access to potable water | 100% | 0% | 0 | | 100% |
| Percentage of indigent households with access to free basic potable water | 100% | 0% | 0 | | 100% |
| Percentage of clinics with access to potable water | 100% | 0% | 0 | | 100% |
| Percentage of schools with access to potable water | 100% | 0% | 0 | | 100% |
| Percentage of households using buckets | 0% | 0% | 0 | | 100% |

1.4 Major challenges in water services and remedial actions

The Municipality is committed to improving water service provision in its region despite the recent water service challenges, which include the following challenges and remedial action:

- Insufficient supply quantity to meet the growing demand
 - ⇒ Remedial actions include various Water Conservation projects. Water conservation and demand management practices are continually being assessed and improved, as funds become available.
- Aged infrastructure operating within extreme environmental conditions
 - ⇒ Remedial actions include that the entire infrastructural “as-built” within this sector is being assessed within a master plan.
- Poor quality of low cost house plumbing leads to leaks and subsequent loss.
 - ⇒ Remedial actions include loss control and the addressing of leaks in indigent households. This has been done on a wide scale throughout Ndlambe.
 - ⇒ Future low-cost house design will focus on the quality of all water and sanitation fittings included in the house construction.

- Source quality, where the main phenomena affecting the quality of the water in the region is the materialization (or salination) of the water in the main catchments due to the geology (marine origin) of the area.
 - ⇒ Remedial actions include the establishment and operation of Reverse Osmosis Technology, which, although expensive, is effective in addressing salinity issues and is now operational in Cannon Rocks, Boknes, Kenton-On-Sea and Boesmansriviermond.
- Massive peaks in demand, due to the transient nature of this consumer base.
 - ⇒ Bulk storage reservoirs have been prioritised within the Water Services Plan. Funding restrictions have delayed implementation.

It is the intention of the municipality to achieve and sustain “Blue Drop Status” within water services provision. This is a compliance monitoring system managed and implemented by the Dept Water Affairs, as the regulator. Ndlambe Municipality has, as a result of the above, identified a need for the development of an Infrastructure Master Plan for water services (water and sanitation). Funding has been allocated to the NM by the Development Bank of South Africa (DBSA). The objective of the project is to develop a water service infrastructure master plan with associated as built drawings of the existing infrastructure.

The information contained in the plan is to be captured on the TGIS system to enable the NM to have a tool to assess and control the development of the municipality in terms of water services. The master plan will also be used to guide the NM in its infrastructure expansion programme. The development of the Water Service Infrastructure Master Plan (IMP) where short, medium and long term proposals are defined will be the final product of the project. Key documents required to ensure the IMP is a relevant and empowering tool for the Ndlambe Municipality are the Integrated

Development Plan and the Water Services Development Plan.

Both these documents provide the developmental frame work for IMP to capture the detail of why, when and how water service infrastructure should be refurbished, upgraded and extended in Ndlambe Municipality. The contract for the development of the water service infrastructure master plan has been awarded and will be completed in the first week of August, 2012.

2 Electricity services

2.1 Electricity services delivery strategy and main role-players

Ndlambe Municipality renders electrical services in the towns of Port Alfred and Alexandria. Eskom supplies electricity in bulk to both components. Port Alfred town has one 11-kilovolt-supply point and Alexandria has one 11-kilovolt-supply point. Eskom supplies electricity to the rural areas outside Ndlambe, also Boknes, Cannon Rocks, Bushmans River, Marselle, Bathurst, Nemato, Alexandria, Ekuphumleni, Station Hill and Kleinemonde.

Ndlambe Municipality buys electricity in bulk from Eskom and is responsible for the distribution thereof within its approved areas of supply, under license from the National Electricity Regulator. Electricity is taken from Eskom at two intake substations, i.e. Port Alfred and Alexandria, and redistributed to the end consumer through a series of cables, lines and substations.

The directorate is responsible, and employs a service provider, namely, Manelec Services (Pty) Ltd, for:

- The construction and maintenance of the distribution network as well as providing new infrastructure to ensure a reliable and affordable supply of electricity to all;
- The effective management of revenue by ensuring all electricity supplied is billed for and reducing losses in order to cover operating and capital expenses;

- The provision of a reliable and acceptable level of public lighting to improve the safety and living standards of residents, including street and public lighting for Boknes, Cannon Rocks, Bushmans River, Marselle, Bathurst, Nemato, Alexandria, Ekuphumleni, Station Hill and Kleinemonde

The challenge experienced is a streetlight backlog in the areas that were formally under Eskom's management. The Municipality is dealing with this. Management of public lighting, including high mast lights, is normally shopped out to an annual tender service provider.

2.2 Level and standards in electricity services

The distribution and reticulation areas, excluding provision of electricity by Eskom, covers Port Alfred and Alexandria. Each consumer is considered a customer and has got access to electricity supply. The electrical supply to Port Alfred is of a high standard. The electrical supply to Alexandria, inclusive of Wentzel Park, needs upgrading.

2.3 Annual performance as per key performance indicators in Electricity services

| Indicator name | Total number of household/customer expected to benefit | Estimated backlogs (actual numbers) | Target set for the f. year under review (actual numbers) | Number of NH/customer reached during the FY | Percentage of achievement during the year |
|--|--|-------------------------------------|--|---|---|
| 1 Percentage of households with access to electricity services | 18913 | nil | nil | nil | nil |
| 2 Percentage of indigent households with access to basic electricity services | 100% | nil | 509 | 509 | 100% |
| 3 Percentage of indigent households with access to free alternative energy sources | Nil | Nil | Nil | Nil | Nil |

2.4 Major challenges in electricity services and remedial actions

In Port Alfred there are still numerous medium voltage feeders which were laid many years ago. These have now become inadequate to carry the required increasing load. This requires upgrading. The problem is not purely an overload one, but it also prevents safe management practice.

Due to a lack of funds we have not been able to upgrade these cables, which are now practically redundant. Alexandria is also at the stage where all MV cabling needs upgrading. Although the expansion of the town is not excessive, this should be considered in the near future. Funding should be prioritized to cater for the increasing loads.

3 Sanitation

3.1 Sanitation services delivery strategy and main role-players

Ndlambe Municipality operates and maintains all sewerage systems within both Water Services Authority and Water Services Provider functions. Water-borne sewerage is available to the majority of households.

There are five (5) waste water treatment works being fed from water-borne sewerage systems which service the following communities:

- Wentzel Park, Alexandria and Kwa-nonqobela
- Marselle and Harmony Park
- Ekuphumleni
- Port Alfred and Nemato
- Nolutkhanyo

The provision of sewerage services excluding reticulation infrastructure includes a large proportion of the households in Ndlambe. Water-borne sanitation services are not available to several communities, who rely on conservancy tanks and septic tank sewerage systems. Ndlambe provides the service for the removal of sewerage using a fleet of sanitation vacuum tankers. These vehicles and their operational staff are under continuous pressure to deliver services. Breakdowns, due to an aged fleet, create backlogs and a dissatisfied consumer base.

The following communities still rely on septic tank / soakaway systems or conservancy tanks:

- Cannon Rocks
- Boknes
- Boesmansriviermond
- Riversbend
- Kenton-On-Sea

- Seafield
- Bathurst
- Port Alfred and Nelson Mandela Township

These households are serviced by a fleet of sanitation tankers, several of which are well beyond their expected operating lifespan. Financial constraints dictate that Ndlambe must make do with this fleet.

All municipal toilet facilities, change rooms and other ablution facilities not connected to water-borne sewerage pipes are serviced by this fleet. Blockages are also attended to, often resulting from the inappropriate utilisation of the service.

It is the objective of Council to achieve and sustain "Green Drop" status throughout all of Ndlambe. This is a compliance monitoring system which is managed and implemented by the Dept Water Affairs. This quality and service goal is being achieved by improving management performance, which should lead to acceptable discharge water quality.

3.2 Level and standards in sanitation services

The Ndlambe Municipality Council has determined that water-borne sewerage be the minimum level of service to the consumer base. This decision, although well intended, places tremendous strain on the available water resources. Leaking toilets have been identified as a leading reason for water loss. Astute management practice is being instilled within the unit responsible for operation and maintenance of these systems.

3.3 Annual performance as per key performance indicators in sanitation services

| | Indicator name | Total number of household/customer expected to benefit | Estimated backlogs (actual numbers) | Target set for the f. year under review | Number of HH/customer reached | Percentage of achievement during the year |
|---|---|--|-------------------------------------|---|-------------------------------|---|
| 1 | Percentage of households with access to sanitation services | 100% | 9779 | 1200 | 1200 | 100% |
| 2 | Percentage of indigent households with access to free basic sanitation services | 90% | 5000 | 240 | 240 | 100% |
| 3 | Percentage of clinics with access to sanitation services | 8 | 0 | 0 | 0 | 0 |
| 4 | Percentage of schools with access to sanitation services | 18 | 0 | 0 | 0 | 0 |

3.4 Major challenges in sanitation services and remedial actions

Subsidised housing projects, as implemented by Dept Housing and Local Government, do not prioritise quality toilet systems within the allocated grants. These systems are prone to malfunctions and result in leaks and water wastage. This problem is being attended to within water conservation projects but is a frustration to this Water Services Authority.

Households not fortunate to have access to water-borne sanitation are required to have either septic tanks or conservancy tanks. The latter requires servicing by the municipality, using a fleet of sanitation tankers. This fleet is compromised due to replacement costs being too high for Council to afford, within available funds. Grant funding channels do not allow for the purchase of vehicles.

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4 Road maintenance

4.1 Road maintenance services delivery strategy and main role-players

The Ndlambe Municipality's role in regard to road maintenance service delivery is to maintain and service all internal urban road alignments that are not under the management of either the Provincial Roads Department or The South African Roads Authority.

The only role player for the roads network excluding that noted above is the Directorate Infra-structural Development. The role is to maintain the existing road network and to upgrade existing alignments as well as to establish new alignments as and when capital funds are available.

4.2 Level and standards in road maintenance services

The level and standards in road maintenance services is not what it could be. The roads are in a poor state due to the fact that alignments were established years ago by the former Town Councils, with little adherence to standard road construction practice. Suitable road materials are not readily available in the area, resulting in sub-standard materials being used. Secondly, lack of inadequate plant, equipment and financial resources makes it very difficult for the municipality

to upgrade the roads.

A general shortage of maintenance staff, necessary to maintain in excess of 280km of surfaced and gravel roads, is a continual challenge. The table below indicates the extent of the road network in the various towns within Ndlambe.

In 2004 Ndlambe received a grant from the DBSA and commissioned Consulting Engineers, Stewart Scott Inc. to prepare a Roads Management Programme. The report, received in 2005, indicates that an amount in excess of R 400 million was required to address essential road maintenance backlogs. An additional sum was also determined for capital investment in order to upgrade the existing road network and to establish new alignments.

It was established in this study that an amount of approximately R10 million per annum was required for road maintenance. With an annual total capital budget of just over R 3 million and a maintenance budget of R 2.8 million per annum the municipality is faced with a mammoth uphill task of maintaining the road network, with an escalating backlog.

| AREA | SURFACED (m) | GRAVEL (m) |
|---|---------------|---------------|
| Port Alfred & Nemato | 78623 | 56297 |
| Alexandria, Wentzel Park & Kwanonqubela | 19321 | 22704 |
| Cannon Rocks | 5220 | 7675 |
| Boknesstrand | 10177 | 3072 |
| Boesmansriviermond, Marselle & Harmony Park | 21176 | 14365 |
| Kenton-On-Sea & Ekuphumleni | 41335 | 4552 |
| Bathurst & Nolu-khanyo | 10579 | 38835 |
| Seafield | 9333 | 1140 |
| TOTAL | 168764 | 139640 |

4.3 Annual performance as per key performance indicators in road maintenance services

| Indicator name | Total number of household/customer expected to benefit | Estimated backlogs (actual numbers) | Target set for the f. year under review (Actual numbers) | Number of HH/customer reached during the FY | Percentage of achievement during the year | |
|----------------|--|-------------------------------------|--|---|---|---|
| 1 | Percentage of households without access to gravel or graded roads | 15% | 315km | 1.5km | 0 | 0 |
| 2 | Percentage of road infrastructure requiring upgrade | 87% | 315km | 1 km | 0 | 0 |
| 4 | Percentage of planned new road infrastructure actually constructed | 0 | 0 | 0 | 0 | 0 |
| 5 | Percentage of capital budget reserved for road upgrading and maintenance effectively used. | 0 | 0 | 0 | 0 | 0 |

4.4 Major challenges in road maintenance services and remedial actions

There is little doubt that Ndlambe Municipality faces numerous challenges when it comes to road maintenance services.

The majority of the existing road network was inherited when the demarcation process was formalised in 2001. This network was established by the former Town Councils, who did not adhere to general construction practice and standard road designs

The condition of the road network in Ndlambe is generally poor. This is due to several factors, including the following :

- Poor quality of available road building materials,
- The former Town Councils did not adhere to general construction practice and standard road designs
- inadequate or non-existent storm water control infrastructure,
- lack or complete absence of adequate plant and equipment and
- restricted financial resources.

Routine maintenance (day to day pothole repair, repair and unblocking of drains and blading of gravel roads) expenditure recommended by the 2004 Stewart Scott Inc. Road Management Programme for 2004/2005 was R 9.8 million. Escalating this by a conservative 7.5% per annum gives a figure of R16.3M for the current year in review (2011/12). The actual expenditure was R 9.65 million, a shortfall of almost 50%. The periodic maintenance (resealing of surfaced roads and regraveling of gravel roads) is recommended to have been in the order of R 5.5M for the current year in review and in the order of R30M to date since the recommended implementation of the road management programme. Due to budgetary constraints this scale of implementation has been impossible. The above figures would have been adequate just to maintain the status quo with regard to the condition of the road transportation network.

The capital expenditure recommended by the same Stewart Scott Inc. Road Management programme is R 24.2 Million for the year under review and to date it is recommended that R 74.21 million should have been invested in new and upgraded infrastructure by now. If we assume an average width of 6m for all roads then a replacement cost of R 2.5 million per km for surfaced roads and R 500 000 per km for gravel roads would not be unrealistic.

Based on these figures, our 172km of surfaced roads and 140km of gravel roads represent an asset on the ground with a replacement value in the order of R 500 million rand. Easily the single most valuable asset owned by the municipality. Given that the average design lifespan of a road is in the order of 10 – 25 years and given that this can be drawn out to 30 – 50 years with adequate and timely remedial and maintenance actions, it is clear from the above that the single biggest challenge with regards to the road network is to secure adequate funding from internal or external sources. This will be to reverse the deterioration of the current network and to enable the municipality to embark on a realistic upgrading programme for the social and economic benefit of all residents and visitors.

Recent periods of relatively heavy and sustained rainfall has impacted negatively on all road surfaces, mainly due to the poor or complete lack of stormwater drainage infrastructure. There has been a rapid deterioration in riding surfaces, as a result.

5 Housing and town planning

5.1 Housing and town planning services delivery strategy and main role-players

The strategy in delivering Town Planning services is derived from and determined by the various Town Planning Scheme Regulations, municipal policies, guidelines and strategic plans such as the Spatial Development Framework, Environmental Management Framework (EMF), various legislation relating to land use management, etc.

The major role players are the Architects who draw building plans, residents with their day-to-day enquiries, Regional and Town Planners and Estate Agents. The State Departments also have a consistent interaction with the Town Planning Section. The Municipalities role is also stipulated in the duties and functions of the Local Authority as found in the Municipal Systems

Act, Municipal Structures Act and the Constitution. The Municipality also has a responsibility to conduct its affairs in accordance with the BATHOPELE Principles which can be translated as people first. The corollary of the above is the speedy processing of all the Land Use Planning Applications to avoid unnecessary and protracted litigation against the Municipality.

- To ensure the effective allocation of limited resources to a large pool of potential development interventions.
- To provide a formal and practical method of prioritising housing projects and obtaining political consensus for the implementation thereof
- To ensure more integrated development through bringing together the relevant cross-sectoral role players to co-ordinate their development interventions. Municipality, Department of Housing, NHBRC, Contractors, Councillors & the Community
- That the Communities are empowered to constructively engage with the Municipality in identifying and fulfilling their housing needs.
- To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground
- To ensure that there is a definite housing focus for the IDP

5.2 Level and standards in Housing and town planning services

The major challenge is the existence of different Town Planning Scheme Regulations in the area of Ndlambe Municipality. The schemes were inherited by the Ndlambe Municipality during the amalgamation of the five TLC's in 2000. . The delays in the enactment of the Land Use Management Bill have prevented the Municipality from amalgamating the various schemes. The Land Use Management Act would have been the enabling piece of legislation for the amalgamation of the schemes.

Town and Regional Planners, SETPLAN, in Port Elizabeth have among the projects that will be implemented in 2010, the amalgamation of the schemes.

Lack of essential bulk services is a major challenge for Development in general

Capacity Building: To ensure that training, skills development and capacity building programmes and courses are provided to enhance the quality housing delivery by providing the necessary training to Municipal officials and Councillors as well as skills training to emerging contractors.

To eradicate existing shacks / squatter settlements

5.3 Annual performance as per key performance indicators in housing and town planning

| Indicator name | Total number of household/customer expected to benefit | Estimated backlogs (Actual numbers) | Target set for the f. year under review | Number of HH/customer reached | Percentage of achievement during the year |
|---|--|-------------------------------------|---|-------------------------------|---|
| 1 Percentage of households living in informal settlements | 14001 | 13 185 | 816 | 96 | 13% |
| 2 Percentage of informal settlements that have been provided with basic services | 14001 | 13 431 | 570 | 350 | 49% |
| 3 Percentage of households in formal housing that conforms to the minimum building standards for residential houses | 12 744 | - | - | 12 744 | 100% |

6 Spatial planning

6.1 Preparation and approval process of SDF:

The Department of Rural Development and Land Reform has undertaken to assist the municipality with the review of the Spatial Development Framework (SDF). The support will be financial and the appointment of Town and Regional Planners to guide the municipality through the process. A series of public participation process meetings have been held. The review process has not been completed and the consultants are expected to submit the draft SDF on 15 August 2012 and the final SDF is expected in December 2012

6.2 Land use management:

Because of the economic difficulties, residents are not willing to apply for change in land use (rezoning and consent use) before they commence with their land use (which is normally in conflict with the zoning of the property). Those that submit land use applications like subdivision do that as they always wish to sell the subdivided portion. They are also driven by adverse economic climate. There is also an outcry that the land use application fees are unaffordable.

6.3 Major challenges in spatial planning services and remedial actions

One of the challenges that face the Town Planning section is the lack of a qualified Town Planning practitioner. This lack leads to a loss of credibility in some of the Town Planning decisions. The Director: Infrastructural Development has undertaken to re-enforce capacity in the section and we intend to get empowerment through a process called Recognition of prior learning (RPL). Another challenge is the lack of credibility in the 2006 Spatial Development Framework (SDF). This is caused by the fact that it was approved in the in-committee meeting with insufficient public participation. In the 2012/2013 SDF, all approval will be done after sufficient public participation. This will obviate the problem mentioned above.

7. Environmental Conservation

Synopsis

This section's Mission is the: "PROTECTION, PRESERVATION AND SUSTAINABLE UTILIZATION OF FAUNA; FLORA AND OUR NATURAL RESOURCES TO BENEFIT PRESENT AND FUTURE GENERATIONS"

Key performance areas:

- Blue Flag beach management (All beaches)
- Environmental Education
- Environmental Compliance (Marine; Estuaries; Terrestrial)
- Nature Reserve Management

7.1 BLUE FLAG BEACH MANAGEMENT

7.1.1 KELLY'S & KARIEGA FLAG BEACHES

STAFF

- Senior Conservation Officer's portfolio covers Blue Flag beaches; Beaches and Nature Reserves, the position was vacant from July 2012 till end of March 2012.
- Council appointed a contractual position, to assist with Blue Flag Beach Management from October 2011 up until March 2012. One permanent staff member in that of a Blue Flag beach attendant and one permanent staff member working every alternative weekend and public holidays.
- Assistance from SANPARK Working for the

Coast with the Kariega Blue Flag beach.

- Appointed 6 contractual lifeguards, 3 x Kelly's Beach and 3 x Kariega Main Beach.
- Vacancies were in this section were filled on 1 April 2012 namely that of Environmental Education Ranger and that of Senior Conservationists: Reserves and Beaches.
- The Commonage Ranger and Manager: Environmental Conservation position has become vacant as from 1 April 2012 and by end of June 2012 have not been filled.

BLUE FLAG STATUS BEACHES

- Ndlambe municipality applied for two full status beaches namely that of Kelly's Blue Flag Beach (7th season in a row) and Kariega Main Beach (3rd season in a row).
- In August 2012 it was confirmed that Ndlambe municipality won the bid to host the 2011/2012 National Blue Flag Launch, to be hosted at Kariega Main Beach, Kenton-on-Sea on 25 October 2011.
- Donations from Kenton Bushmans Chamber of Business; KOSRA, BKEC and Sunshine Coast Tourism and Events Authority amounting to R26 500 assisted Ndlambe to host the successful launch that had the Deputy-Minister of Environmental Affairs and delegates from all participating municipalities in attendance.
- At the National launch Ndlambe received two Blue Flags, namely that of Kelly's Beach (Ward 10) and Kariega Main Beach (Ward 4) and that the Royal Alfred Marina has been awarded Pilot Blue Flag Marina Status.



Deputy-Minister of Environmental Affairs awarded 2 Blue Flags to Ndlambe municipality

- The Blue Flag season for the past financial year started on 1 November 2011 up until 30 April. Inspections were carried out by the Blue Flag South Africa Inspector 2012.
- During this period 3 unann. During all these inspections obtained 4 and 5 star status for both beaches.

| BEACH VISITED BY HOLIDAY MAKERS | NUMBER OF VISITORS (15 Dec – 5 Jan) |
|---------------------------------|--|
| Kelly's Beach | 12 324 |
| Kariega Main Beach | 20 629 |

- Counts according to Coastcare monitors:

| BEACH VISITED BY HOLIDAY MAKERS | NUMBER OF VISITORS (5 Jan – 31 Jan) |
|---------------------------------|--|
| Kelly's Beach | 5348 |
| Kariega Main Beach | 2946 |

Kariega Main Blue Flag Beach & Kelly's Blue Flag Beach during December festive season :



BLUE FLAG LIFEGUARDS

- 3 Contractual lifeguards were appointed for the duration of the Kelly's season. They are from the Port St Johns area and they have been with us for 4 seasons.
- 3 Contractual lifeguards were appointed for the duration of the Kariega Main Beach season, from the Port St Johns area and this is their second season after starting in middle January 2010 with us.

WATER SAMPLING

- Water samples were taken on a 2 weekly basis throughout the duration of the season and 100% of all samples taken were far below the minimum requirements for Ecoli and Streptococci as per Blue Flag standards.

COASTCARE TEAM

- DEA Working for the Coast Projects started in:
- Starting date: July 2011 for the SANPARKS (Kenton-on-Sea to Sundaysriver mouth). Number of beneficiaries: 36
- Starting date: August 2011 for the MBB Consulting Services (Kenton-on-Sea to Keiskamma) Coast-care programme. This MBB Working for the Coast project is shared between Ndlambe municipality and Ngwusha municipality. Number of beneficiaries: 54

The duration for both projects is 2 years (up until March 2013)

NEW YEARS DAY "BEACH BUDDIES" CLEAN-UP 2011/2012



From 30 December 2011 up until 3 January 2012 the anti-litter campaign, Beach buddies, took place at Kariega Main Beach.

Roleplayers:

This was again a huge success. Partnerships were entered into between the following roleplayers, and the project was managed by Ndlambe Environmental Conservation:

- Ndlambe Environmental Conservation (co-ordinators)
- Ndlambe Environmental Health
- Ndlambe Parks & Refuse
- KOSRA
- BKEC
- Coastcare / SANPARKS

Staff compliment from 30 December 2011 – 3 January 2012:

- 4 x SanparksCoastcare staff: Access control in the form of an "expanda barrier" limiting the number of vehicles.
- 4 x SanparksCoastcare Ablution attendants (2 x male ablution and 2 x female ablution attendants)
- 4 x SanparksCoastcare Parking attendants / security
- 2 x SanparksCoastcare Cleaning staff
- 2 x SanparksCoastcare Monitors
- 20 x Beach Buddies (10 x Ekhuphumleni; 10 x Marselle)
- 1 x Manager: Environmental Conservation
- 1 x Beach Supervisor
- 1 x Environmental Health Inspector
- 5 x Night guards/ cleaners
- 2 x Casuals : Access control for 2 nights and assisting Coastcare team and general maintenance work

Operational hours from 30 Dec 2011 – 3 January 2012:

| DAYS | COASTCARE | MAN HOURS | NIGHT GUARDS/ CLEANERS | MAN HOURS | BEACH BUDDIES | MAN HOURS | CASUALS | MAN HOURS |
|--------|-------------|-----------|------------------------|-----------|---------------|-----------|-------------|-----------|
| DEC 30 | 07.30-17.30 | 72 | 18.00-06.00 | 60 | 05.30-17.30 | 240 | 07.30-16.30 | 16 |
| DEC 31 | 06.30-17.30 | 136 | 17.30-05.30 | 60 | 05.30-17.30 | 240 | 17.30-05.30 | 24 |
| JAN 1 | 06.30-17.30 | 136 | 17.30-05.30 | 60 | 04.30-16.30 | 240 | 17.30-05.30 | 24 |
| JAN 2 | 06.30-17.30 | 136 | 17.30-05.30 | 60 | 04.30-16.30 | 240 | | |
| JAN 3 | 07.30-17.30 | 136 | 18.00-06.00 | 60 | 05.30-17.30 | 240 | | |

Coastcare funding:

- The funding of Coastcare was covered entirely by the implementers ie. Sanparks.
- As it is an EPWP, there is no overtime allowed. We therefore devised a plan where the team would be split in 2 and work on a shift system.
- They would also have extended breaks during the day in order for them to be present for the whole time whilst the flag is up but only work the allowed hours per day.
- Weekends and public holidays were worked on half day basis, with 1 team doing morning and the other afternoon but receiving full day compensation.
- This agreement worked very well and no problems were encountered at all during the busy period.

KOSRA and BKEC financially contributed towards the program and paid:

- Beach Buddies = R10 350,00.
- Meals for teams x 2 = R900,00.

Litter collected:

- A total of 3 skip bins were collected over the Beach Buddies program:
- A total of 1200 black bags were used over the period.
- 21 Skinny bins were placed on the beach.
- 2 x Bakkie loads of litter was transported by means of 4x4 off beach
- 6 x portable toilets were hired from 31 December 2011 till 3 January 2012 to relief pressure off ab-lutions during peak periods.

1 & 2 January 2012 Beach Buddies Kariega Main Blue Flag Beach Clean-up campaign



In summary:

- Although litter decreased in volume this year, it was much more widespread. Litter was picked up from Kariega parking lot, up Eastbourne road, down all 3 roads leading to Kariega beach, slipway and half way up Kariega drive to the primary school.
- Broken glass increased dramatically from 2 bags swept up last year to 11 bags this year.
- All teams (Coastcare, Beach buddies and casuals) would assist in the cleanup of the beach and parking area in the morning whereafter they would perform their roles as mentioned above.
- Everyday once Kariega beach was clean, a team of 5 beach buddies was sent to Middle beach to help the other Coastcare team to clean the parking lot and beach on that side.
- The rest of the team were divided into teams and allotted areas to clean and keep clean ie. 5 on the beach, 5 in parking lot and road to access control and 5 beyond access control up roads and down to slipway.
- All the teams worked very well and can be commended for their hard work.

FESTIVE SEASON LIFEGUARDS

- An advert was placed in the major newspapers in November 2011 indicating the position of 15 lifeguards for the festive season period.
- Only 7 CV's were received of which only 4 were submitted prior to the closing date as per advert. The names and ID numbers were forwarded to Lifesaving SA to confirm that potential candidates were qualified and re-tested.
- SA Lifesaving confirmed that the 4 names met the criteria as per advert and Lifesaving SA standards. Contracts were entered into with the 4 lifeguards from 12 December 2011 up until 3 January 2012.
- 1 lifeguard was placed at Kariega to assist Blue Flag lifeguards over the busy period and the other 3 were placed at East Beach in Port Alfred.
- It was decided that no lifeguards were to be placed at Bushmans, Boknes, Cannon Rocks, Kleinemonde and Fish River.
- This followed after a failure of people to apply for the positions as advertised and we were also not able to successfully head-hunt any lifeguards either.
- This was due to a lot of clubs not having done retests before season started as well as a cleanup is in progress in SA lifesaving as there has been a lot of fraudulent SPA and LA certificates which have entered the market.
- Signs were erected at all beaches advising that there were no lifeguards on duty and swimming is at own risk.
- West Beach was manned by 1 casual who acted in the capacity of Beach Marshall to prevent people from swimming there and advising bathers to go to Kelly's where there are lifeguards present.
- The Marshall was employed for the period 28 Dec 2011 till 6 Jan 2012, starting at 10h00 each day, up until 18h00 (08h00 per day achieved) as it is after 10h00 and after 16h00 that most people end up in difficulty.

- He did a sterling job especially on 1st and 2nd January when vast numbers of people descended onto West Beach.



Blue Flag Lifeguards with Beach Marshall (3rd from left)

- We also would like to thank Councillor Ross Purdon (Ward 10 councillor) for being at West Beach on 1 January 2011 and assisting our Beach Marshall in trying to keep bathers out of water.
- The Kelly's Blue Flag lifeguards assisted the Beach Marshall to prevent bathers from entering the water at West Beach from 17h30 till 19h30 on 1st January 2012 and from 17h30 till 20h00 on 2nd January 2012



West Beach and the The "Krantz" picnic area on 1 January 2012

8. ENVIRONMENTAL

COMPLIANCE

8.1 STAFF

- The Environmental Law Officer that was only appointed on 1 April 2012
- An Honorary River Control Officer was appointed on a contractual basis to assist with random boat patrols on the Kowie river and other rivers as required.
- The River Control Officer for Ndlambe was also appointed on 1 April 2012.

8.2 PARTNERSHIPS

There is a continued partnership and close working relationship between the Ndlambe Conservation Unit and:

- SAPS
- Ndlambe Traffic
- Multi Security
- SAPS Dog Unit (Endangered Species Protection)
- SANPARKS

8.3 PROTECTION OF SPECIES

- On a sad note, 2 White rhino were killed for their horns at the end of February 2012 and a third one's horn was chopped off on Kariega game Reserve outside Kenton-on-Sea. Our conservation section visited the crime scene that was managed by the Species Protection Unit and the Environmental Management Inspectorate.
- The cutting down of Milkwood trees are administered by the Department of Forestry and for the Ndlambe region the office is based in Port Elizabeth.
- The issuing of permits for protected species such as Cycads, Oribi as well as hunting; transport and possession permits are administered by the Department of Economic Development and Environmental Affairs (DEDEA) based in Grahamstown.

8.4 BOAT AGENCIES

- The Small Boat Harbour company and Boesmans Kariega Estuary Care were the 2 Boat registration Agencies that sold boat licenses to boat users on the rivers in Ndlambe.
- Total number of boat licences sold to date for the 2011/2012 season are as follows:

| Agencies | No of Licenses: 2011/2012 |
|--------------------------------|------------------------------|
| Port Alfred Small Boat Harbour | |
| Boesmans Kariega Estuary Care | |

- Patrols were carried out on rivers (using the Ndlambe patrol vessels at our disposal) by the Acting ELO, Auxillary River Control Officer, Mr Craig Naude and partnership with Honorary Fishery Control Officers and from 1 April 2012 to 30 June 2012 the newly appointed River Control and Environmental Law Officer conducted patrols, that are as follows:

| Area of operation | No. of Patrols 09/10 | No. of Patrols 10/11 | No. of Patrols 11/12 |
|------------------------------|-------------------------|-------------------------|-------------------------|
| Round Hill Nature Reserve | 14 | Daily | Daily |
| Kap River Nature Reserve | 10 | Daily | Daily |
| Fish River Nature Reserve | 23 | Weekly | Weekly |
| Fish River | 8 | 3* | 3* |
| Kowie River | 26 | 44** | 57 |
| Kariega River | 16 | 28** | 38 |
| Boesmans River | 15 | 26** | 45 |
| Joan Muirhead Nature Reserve | 6 | 2* | 4* |
| Eric Putney Section | 8 | 2* | 5* |
| Boknes and Cannon Rocks | 3 | 2* | 3* |



River patrol vessels and participants in Boat race

For noting:

- Daily patrols continuing regarding fencing; poaching and game census in the Kap river and Round Hill Nature Reserve.
- Boat patrol statistics are from November 2011 to end of June 2012.
- Kap Reserve is patrolled on a daily basis by the Rangers and continual night patrols and operations were carried out when required.
- Position for River Control and Environmental Law Officer was only filled on 1 April 2012.

8.5 EVENTS

- Ndlambe Compliance Unit authorize and monitor compliance during events on the Kowie and other rivers and beaches, by conducting patrols and boating control:
 - ⇒ Border Inter-City Canoe Race – Kowie (August)
 - ⇒ University Boat race – Kowie (September)
 - ⇒ SA School Boat Race – Kowie (December)
 - ⇒ Cannon Rocks Kite surfing competition (January)
 - ⇒ Kenton Xtreme – Kariega (May)

9. NATURE RESERVE MANAGEMENT

9.1 STAFF:

- The Senior Conservationists portfolio was only filled on 1 April 2012.
- One Ranger position is vacant and there are 2 rangers and one lodge attendant that are permanent staff members in the reserve section.

- Facilities that generate income at the Kap River Reserve. These facilities are:
 - ⇒ Guest Lodge; Fig tree campsite; Canoe trail; Hiking trail; Fisherman Cottage; Fish River camping ground

Accommodation (days / facilities booked) for December 2011 / January 2012:

9.2 RESERVE MANAGEMENT:

- A Strategic Plan was compiled for the Nature Reserves namely:
 - ⇒ Kap River reserve
 - ⇒ Great Fish River Nature Reserve
 - ⇒ Roundhill Oribi Reserve
 - ⇒ Ghiyo Wetland Reserve

| GUEST LODGE | FISH COT-TAGE | XHOSA HUT | FIG TREE | OR-CHARD | PHILL'S HOUSE |
|-------------|---------------|-----------|----------|----------|---------------|
| 21 | 7 | 4 | 6 | - | 9 |

Access control: Fish River Wetland reserve

- 4 x casual access control for the period 15 December 2011 up until 2 January 2012. 2 x casuals on duty from 05h00 – 13h00; 13h00 – 20h00. Money generated for access control for camping at Fish River Wetland reserve: R14 800,00

Game count latest statistics (May 2012):

- Regular game counts are carried out at both the Kap River and Roundhill nature reserves.
- Latest game count figures prior to that audit were done early in May 2012 and are listed below:

9.3 KAP RESERVE NATURE RESERVE

Count conducted on 23 May 2012 from 10h00 – 15h00. Count was conducted on a tractor due to no other suitable vehicle. Day was warm and sunny.

| Species | Male | Female | Sub Adult | Total |
|----------------|------|--------|-----------|-------|
| Giraffe | 3 | | | 3 |
| Zebra | | | | 54 |
| Red Hartebeest | 4 | 9 | | 13 |
| Reedbuck | 6 | 8 | | 14 |
| Blesbok | | 2 | | 2 |
| Impala | 38 | 68 | | 106 |
| Common duiker | 3 | 2 | | 5 |
| Blue duiker | 1 | 2 | | 3 |
| Bushbuck | 1 | 2 | | 3 |
| Grysbok | | | | |
| Lynx | | | | |
| Bushpig | | | | |
| Warthog | | | | 50 |

9.4 ROUNDHILL ORIBI NATURE RESERVE

The count was conducted on 3 May from 9h00 – 16h00 using the known location method. This count was done on foot and was a slightly over-cast day, pleasant conditions.

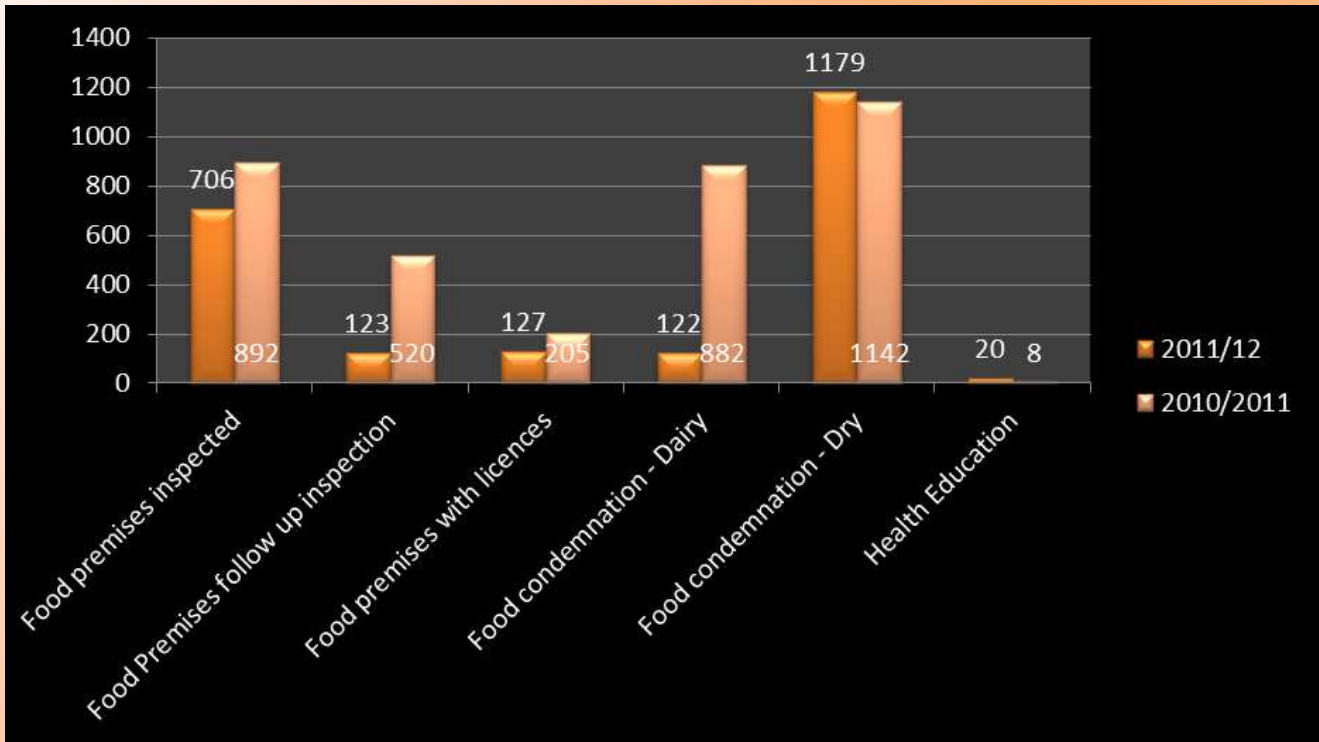
| Species | Male | Female | Sub Adult | Total |
|-------------|------|--------|-----------|-------|
| Bontebok | | | | 35 |
| Bushbuck | | | | |
| Springbok | | | | 11 |
| Zebra | | | | 51 |
| Duiker | | | | |
| Oribi | | | | |
| Blue duiker | | | | |

10. ENVIRONMENTAL HEALTH

10.1 Inspections

Inspection of food premises is one of the most important KPI's of Environmental Health Services. There is a decrease of food premises inspection in comparison with 2010/2011 financial year, which means that more focus and effort need to be put on food premises inspections.

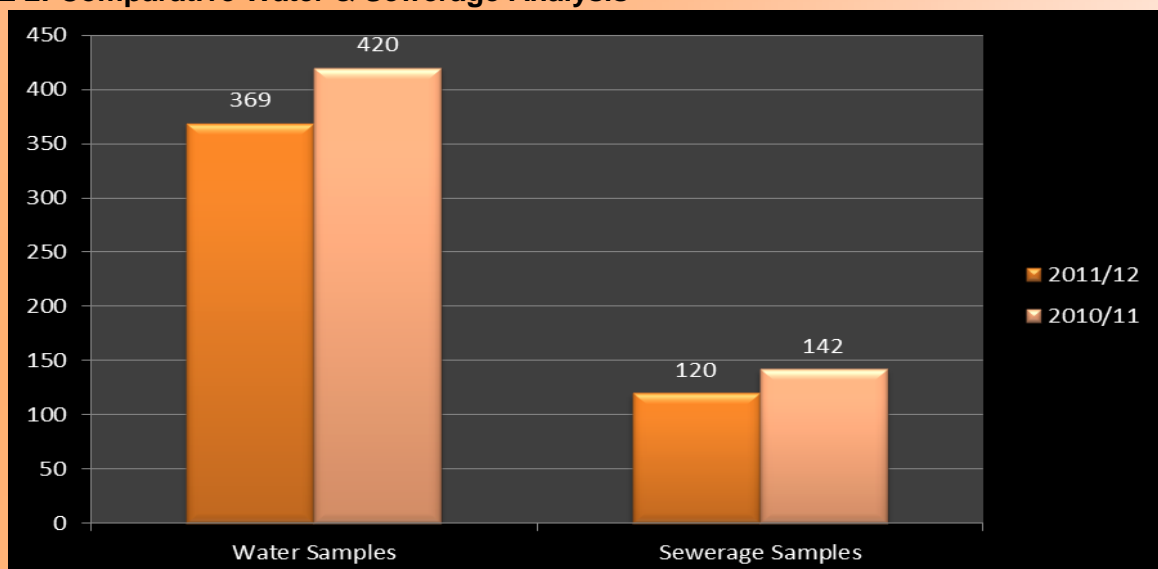
Figure 1: Comparative Analysis of Inspections carried out



10.2 Water Sampling / Sewerage Analysis

As part of the monitoring programme for water samples, the table below will show the comparison of 2010/2011 financial year and 2011/2012. There was a difference in number of samples taken this financial year as compared to the previous financial year. This was due to the fact that there were less samples that had to be re-taken because of non compliance with SANS 241.

FIGURE 2: Comparative Water & Sewerage Analysis

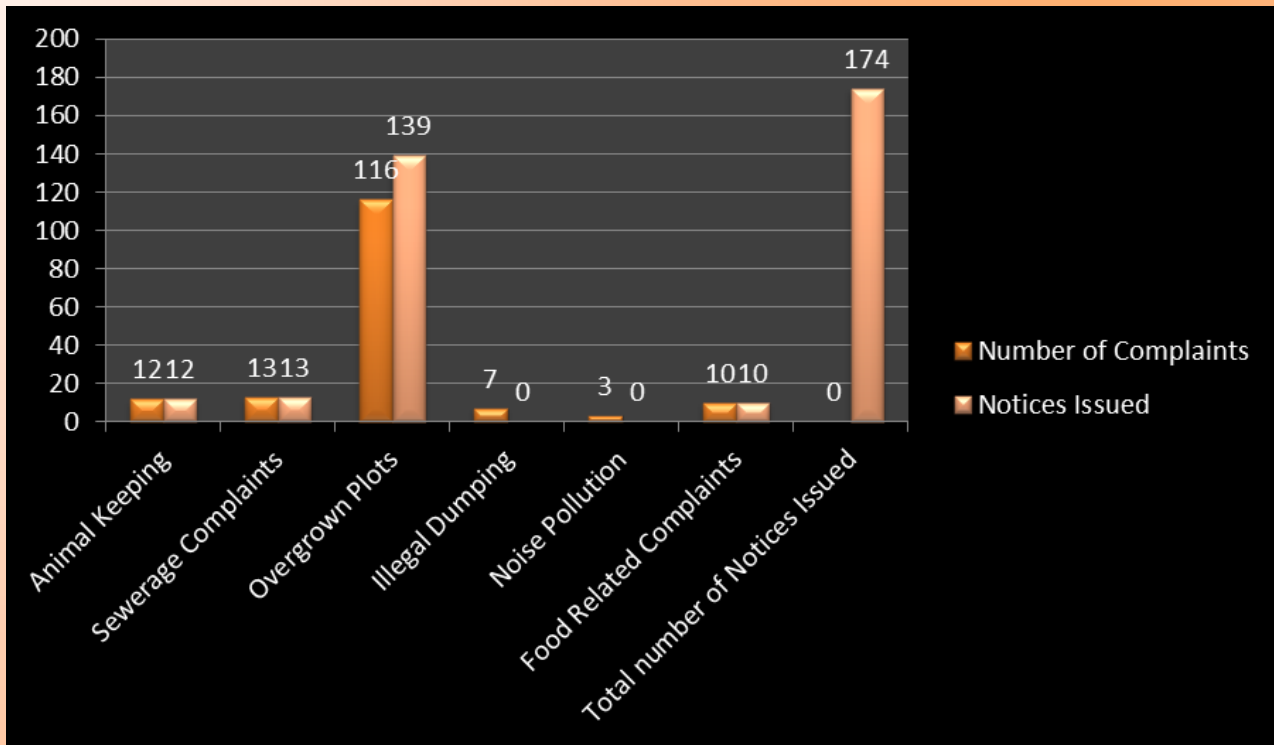


10.3 Environmental Health Related Complaints

Environmental health is concerned with all aspects of natural and built environmental that may affect human health.

The table below shows environmental health complaints received during the 2011/2012 financial year. Approximately one hundred and sixty one (161) environmental health complaints were attended to and are as follows:

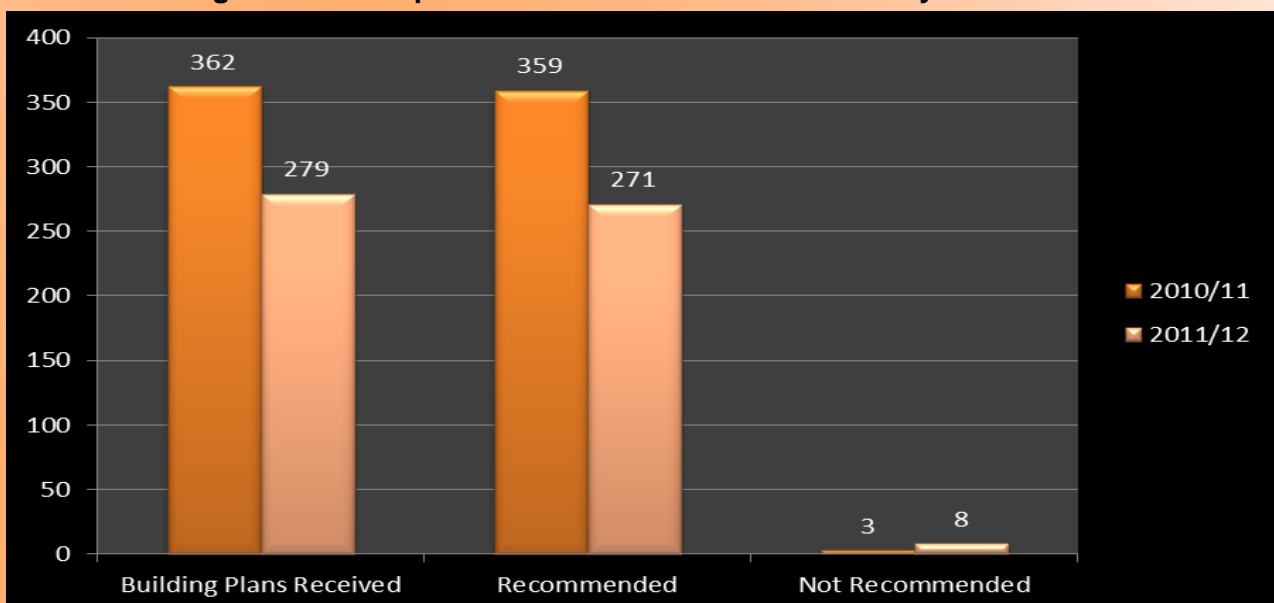
FIGURE 3: Environmental Health Related Complaints



10.4 Building Plans

Approximately two hundred and seventy one (271) building plans were scrutinized and recommended for approval in the financial year 2011/12.

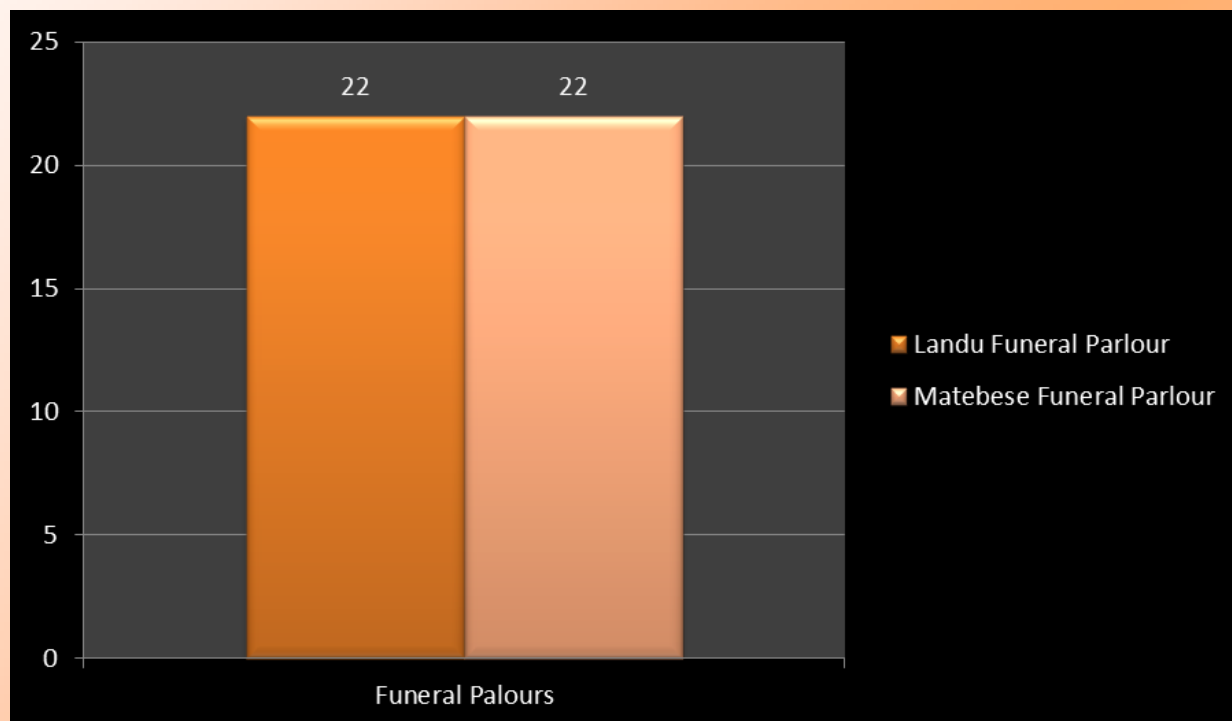
FIGURE 4: Building Plans – Comparative 2010/11 & 2011/12 financial year.



10.5 Funeral Parlours

The following funeral parlours were inspected, inspection were conducted to ascertain that the premises are in compliance with the applicable legislations including the regulation relating to funeral undertakers.

FIGURE 5: Illustrates the number of inspection conducted at the two funeral parlours below.



Exhumations

Only one (1) body was exhumed and re-interred during the 2011/12 financial year. This operation is carried out by authorized undertakers on behalf of the family. All attempts are made to ensure the operation is done in the presence of an environmental health practitioner and health legislations are strictly adhered to.

10.6 Challenges

- Accessing and responding to e-mails when out of Ndlambe office.
- Businesses operated in residential areas or RDP houses
- Keeping of Animals in residential areas
- Difficulties in finding addresses for Health and Hygiene Education on Diarrhea cases received from PA hospital.

10.7 Achievements

- Dedicated water sampling programme for Water Quality Monitoring
- Senior Environmental Health Practitioner has been appointed started in May 2012.
- Environmental Health Practitioners have received peace officers training.
- Cleanup Campaign 31st December 2011 till 03 January 2012.

Before Cleanup

Municipality provided two bakkies, private vehicle, skip truck, black plastic bags, hand gloves, brooms, rakes, five skip bins and four mobile toilets.



Participants on the cleanup



After Cleanup



Meetings

Only 19 meetings were attended by Environmental Health Practitioners in 2011/2012 financial year.

11. FIRE & EMERGENCY SERVICES

11.1 INTRODUCTION:

Together with the forward looking of Community Safety Plan and looking back at our Annual Report it allows us to fully comply with our requirements under or in terms of the Municipal Financial Management Act. No 56 of 2003, circular No.11 to report on our performance.

As Manager: Fire & Emergency Services of Ndlambe Municipality we are delighted to submit our 2011/2012 annual report which shows the annual activities and challenges we faced as a Fire Services:

11.2 INCIDENCE STATISTICS:

As you will see below there is a tremendous reduction in informal structures and special services with an increase of bush fires, rescues and formal dwellings compare to 2010/2011fiscal year.

| TYPE OF INCIDENT | TOTAL FOR 2011/2012 | TOTAL FOR 2010/2011 |
|----------------------|----------------------|----------------------|
| Industrial | None | None |
| Stores / warehouses | None | None |
| School | None | None |
| Informal structures | 17 | 27 |
| Formal structures | 24 | 13 |
| Buildings | 02 | None |
| Complex/ Flats | None | None |
| Transport | 12 | 13 |
| Grass, bush, rubbish | 62 | 46 |
| Special services | 14 | 42 |
| Rescues | 128 | 102 |
| Caravans | None | None |
| False alarms | 07 | 12 |
| Total | 266 incidence | 239 incidence |

11.3 FIRE PREVENTION:

11.3.1 PURPOSE:

Fire prevention is to prevent, eliminate and/or reduce hazards that contribute to the occurrence and spread of fire and other hazardous incidences. Fire prevention is the most important function of a Fire Service.

11.3.2 ADVANTAGES:

Fire prevention reduced overtime, vehicle wear & tear and unnecessary accidents whilst responding, loss of life, loss of life and destruction of property. As you will see there is a definite increase in development due to an increase in plans approved.

FIRE PREVENTION:

| TYPE OF SERVICE | 2011/2012 | 2010/2011 |
|--------------------------|---------------|---------------|
| Fire Safety Inspections | 250 | 133 |
| Re-inspection | 50 | None |
| Fire investigation | 3 | None |
| Consultation | 30 | 200 |
| Plans approved | 521 | 547 |
| Fire hydrant inspections | 371 | 581 |
| Control fire inspections | 5 | 10 |
| Overgrown plots | 10 | 20 |
| Schools (leaners) | 1817 | 1000 |
| Total | 3057.0 | 2495.0 |

11.4 TRAINING:

The minimum requirement training for a firefighter per month is 20 hours. Training is essential but due to a shortage of staff the commander cannot conduct specialized training, which requires more than one person to carry out this training.

11.4.1 STAFF TRAINING:

| ACTIVITIES | HOURS FOR 11/12 | MAN present 11/12 |
|--------------|--------------------|-------------------|
| Theoretical | 258 hours | 12 |
| Practical | 250 hours | 12 |
| Total | 508.0 hours | 24 |

11.4.2 PUBLIC TRAINING:

| ACTIVITIES | TOTAL FOR 11/12 | HOURS FOR 11/12 |
|--------------|-----------------|-----------------|
| Theoretical | 440.0 | 28.h |
| Practical | 200.0 | 6.0 m.h |
| Total | 640.0 | 34.h |

11.5 COURSES AND STATION VISITS:

| TYPE OF COURSES | NUMBER ATTENDED | WHERE GIVEN BY |
|---|-----------------------------|----------------|
| Fire awareness training | Kenton on Sea Primary (200) | Firefighters |
| Training regarding use and handling of fire extinguishers | 200 | Firefighters |
| Fire Fighter one | None | Rural Metro |
| Fire Fighter two | None | |
| Officer One | None | |
| Fire Management | None | |
| Fire Safety/Prevention | None | |
| Hazmat Awareness | None | Rural Metro |
| Hazmat Practical | None | |
| B.A.A Course | 4 | Rural Metro |
| Computer Course | None | |
| MIS in Service training | None | TGIS Planet |
| <i>SICK LEAVE</i> | 68 DAYS | |
| <i>LEAVE</i> | 155 DAYS | |

11.6 MEETINGS ATTENDED:

| TYPE OF MEETINGS | TOTAL FOR 2011 |
|-------------------------------------|----------------|
| Shift leaders meeting | 12 |
| Station meeting | 4 |
| SAESI meeting | 01 |
| IMC meeting | None |
| Disaster meeting | None |
| Bush clearing meeting | None |
| Imatu meeting | None |
| Fire Protection Association meeting | 2 |
| Training meeting Markhman | None |
| Events meeting for season | 8 |
| Fire Service Coordinating meeting | 1 |
| Caps report meeting | None |
| SAPS Cluster meeting | 1 |
| Risk meeting | None |
| Meeting with Director (Management) | 6 |
| Meeting with HR | None |
| Meeting attorney | None |
| TOTAL | 35.0 |

11.7 DEATHS:

| NUMBER OF DEATH & INJURIES | @ FIRE | @ RESCUES |
|----------------------------|-------------|-------------|
| Death | None | 11.0 |
| Injuries | None | 46.0 |
| TOTAL | None | 57.0 |

11.8 KILOMETRES TRAVELLED:

| KILOMETRES TRAVELLED | |
|----------------------|---------------------|
| EMERGENCY CALLS | 18 700.00 |
| FIRE PREVENTION | 2000.00 |
| GENERAL | 5 435.00 |
| PUBLIC TRAINING | 2000.00 |
| TOTAL | 28 135.00 km |

11.9 FIRE DEPARTMENT OPERATIONAL AND ADMINISTRATIVE CHALLENGES

| Staff matters | Challenges | Expected outcome/time frame/Assistance Required |
|-------------------------|--|---|
| FIRE PREVENTION | Issuing of Charges Issuing of Admission of guilty fines Risk Assessments Fire Safety inspections Fire Safety Lectures Fire investigation Fire Hydrants : Cleaning Flushing Paint- ing Marking | That a fire prevention officer be appointed. More firefighters to be appointed to assist with the day to day work. |
| FIRE FIGHTING | Bush fires, Informal and Formal Dwellings, Accidents And other emergencies. | We need personnel to assist we are beyond Shelton staff |
| OPERATIONAL | Daily Routines and daily work. | Some of the daily routines cannot be conducted due to shortage of staff. One incident hampers the whole days work. |
| TRAINING COURSES | Hazmat Awareness Hazmat Operational Fire investigation Fire services instructed Advance B.A.Course Firefighter One Firefighter Two B.A.A Course Officers Course | |

| Vehicles | Challenges | Expected outcome/time frame/Assistance Required |
|----------------------------|---|--|
| 5 x vehicles been scrapped | <p>Our workshop is not able to attend to our problems immediately due to their staff shortage.</p> <p>A (4x2) vehicle was converted into a rescue vehicle which was a skid unit.</p> <p>There are no vehicles at Alexandria, Bushmansriver and Bathurst.</p> <p>We cannot attend to bush fire due to the fact that we have no 4x4 vehicles with skid units.</p> | <p>That all fire vehicles be attended immediately when broken.</p> <p>We required urgently these vehicles as indicated below:</p> <p>4 x (4x4)</p> <p>1 x Major Pump</p> <p>2 x Water tankers</p> <p>2 x Rescue vehicles needed</p> <p>*There is no vehicle replacement policy due to the existing old fleet that was supposed to be replaced.</p> |

11.10 Budget Implementation 2011/2012:

| | Total | Expenditure to date |
|--|-------|---------------------|
| Operating budget | | |
| <u>Capital budget for Fire Service:</u> | NONE | |
| <u>Items:</u> | | |

12. PARKS & RECREATION – PORT ALFRED

GRASS CUTTING

- This section was given 9 weed-eaters from the Mayor, Mr Siphon Thandani. As can be imagined, this will greatly impact on service-delivery in this regard.
- Grass cutting continues daily and we have managed to cut the areas from East- to West four times a month.
- Grass verges and open spaces are being maintained constantly and continue to look neat and tidy.

STAFF

Our staff compliment is as follows:

- 1 x Supervisor
- 1 x gardener – responsible for all the gardens in town;
- 1 x chain-saw operator and 1 x assistant – responsible for all trees and trimming of hedges around town
- 1 x lawn mower operator – keeping cemeteries neat and tidy, and cutting verges in town
- 3 x tractor drivers – responsible for cutting all hedges, sports fields (3 in Nemato and 2 in town) as well as open spaces, and all parks
- 4 x truck loaders – their responsibility is loading branches and grass around Port Alfred
- 5 x weed eater operators – who are responsible for trimming and cutting of verges behind the tractors and also cutting banks
- 4 x rakers – rake grass behind the tractor
- 1 x truck driver
- We have three vacancies at present : 2 x general workers and 1 x tractor driver. These positions need to be filled as soon as possible to ensure continued service-delivery.

EQUIPMENT

- We have three tractors which are used to cut the East Bank, West Bank, Station Hill, Nem-

ato, Thorn Hill.

- It usually takes two months to cut an entire (West) side, depending on the number of tractors used.

CHALLENGES – STAFF & EQUIPMENT

There is a shortage of staff. Since 1998 we have had the same number of staff in the Parks and Recreation Section – this is of concern due to the huge growth of the town.

The machinery used (tractors) is old and we usually have at least one breakdown a week.

A challenge exists in that residents often cut down trees without prior permission from the Municipality. This results as a dumping scenario as my section is not also able to go and pick up the trees/shrubbery immediately. It would be appreciated if Councilors can make a point of advising residents.

VISION

- The Parks Superintendent would like to build play-grounds for children in Nemato and Thorn Hill.
- Erect a memorial wall in Nemato Cemetery.
- Upgrade all sports fields.

PROGRAMS

- During this past year, we undertook the “Mayor’s Program”.
- Cut and cleaned all the Cemeteries in Bathurst, both the old and the new.
- Clean up in Port Alfred.
- Special attention to the Station Hill entrance, Grahamstown Roads, Bathurst Street, Albany Road and Southwell Road.
- Attended to the East- and West Cemeteries in Port Alfred, Station Hill Cemetery and Nemato Cemetery.

CEMETERIES

- We have managed to extend and fence the Nemato Cemetery. It was necessary to employ 4 casuals whilst doing this work and materials such as 2,4m poles, cement, veldspan, wire and nails were purchased.
- The entire staff in the Parks Section was used in this initiative, as well as casuals and this took almost 6 weeks.
- After the fencing of the Nemato Cemetery, trees were planted there but these are being vandalized by the community.

We are managing to maintain the cemeteries and keep them nice and tidy.

| Cemetery | Number of Burials | Total |
|----------------------------|-------------------|-------|
| Nemato Cemetery | 221 | |
| East Cemetery | 52 | |
| Period June '11 – June '12 | | 273 |

CHALLENGES - CEMETERIES

The West Cemetery is already full, as is Station Hill Cemetery. The East Cemetery is filling rapidly and we need a cemetery for Thorn Hill.

PARKS AND RECREATION

Swings were planted next to robot park, poles were planted about the Park at the Town Hall in Port Alfred to ensure that people do not park on the grass.

POSITIVE FEEDBACK

Since the inception of the strategic plan, 95% of the staff is performing very well. There is however, a negative element in that there is a portion of the staff with an alcohol problem and this is currently being dealt with by our HR Department.

13. REFUSE & CLEANSING – PORT ALFRED

PUBLIUC ABLUTIONS

EAST CAR PARK:

- 7 New Cisterns were fitted to all toilets and general repairs were done to the ablution facility.
- Concern over the vandalism that is taking place at these facilities after hours and over weekends.

EAST PIER

- Ablutions were repaired.

JUBILLE PARK

- Pipes were replaced at urinal
- Barrel bolts and pad locks were vandalized and spades and rakes were stolen several times throughout the year.

SKI BOAT CLUB

- Replaced pipes urinals and basins
- Copper pipes were stolen and was replaced with poly cop pipe

STONE TOILETS

- Toilets, urinals etc repaired on regular basis.
- Main water supply interrupted - repaired on several occasions.

SHELLY BEACH

- Replaced broken fittings on ablutions throughout the year.

MIDDLE BEACH

- Replaced broken fittings on ablutions throughout the year.
- Manhole cover fitted.

WEST BEACH

- Repaired 2 showers; urinals; replace cisterns

ORIOLE ROAD

- Replaced broken / faulty ablution equipment

WHARF STREET

- Replaced broken / faulty ablution equipment

JUBILLE PARK

- Replaced broken / faulty ablution equipment

HEALTH DEPARTMENT OFFICE

- Replaced broken / faulty ablution equipment

KAP RIVER ABLUTIONS

- Repairing and replacing toilets

CLEANSING TEAMS

- CBD Staff attended to daily problem areas in Campbell Street, Biscay Road, taxi rank etc.
- Empty all bins at CBD and when necessary assist when condemned food to tip.
- CBD staff assists with collecting and delivering of chemical toilets and to all special functions.
- 1 x General Worker is responsible for cleaning the ablution facility at CBD but also assist at various areas such as main street, Southwell road to Beavers area.
- 1 x |General Worker is at CBD as a sweeper which he does daily at Ndlambe Main street, Biscay road and taxi rank area.
- 1 x General Worker is a designated cleaner at East Beach area. He also assists at Duckpond and uses boat to clean there but is also used to assists on refuse trucks.
- 1 x General Worker is designated cleaner at West Beach area. Also cleans public ablution at Oriole Road , West Beach, Middle Beach to Shelly Beach and has a big area to cover and keep clean and the troublesome area at Grand street area Zig Zag.

- One (1) staff member was appointed, also acts as a safety He assists as a sweeper at CBD area but has spent most of his time on refuse trucks
- General worker, Bherenci Matomela deals with all aspects relating to insecticides, repairs toilets and repairs chemical toilets and bins. Painting of chemical toilets, cleanse radiator of dozers using compressed air.

REFUSE & CLEANSING – PORT ALFRED

REFUSE REMOVAL

WARD 10

- 94+194+280+104+33
- 30 Businesses and 46 Streets

WARD 9 + 10

- 194+280+94+104+37
- 43 Businesses, 1622 Houses and 102 Streets

WARDS 6, 8 and 10

- 280+94+194+104+33

WARDS 6, 7, 10

- 104+194+94+280+33
- 72 Businesses, 1297 Houses and 78 Streets

WARDS 6,7,10

- 94+194+104+280+33
- 68 Businesses, 798 Houses and 50 Streets

ALL WARDS

MONTHLY: 988 Businesses, 20888 Houses and 1412 Streets

2011/2012 FY:11856 Businesses, 250656

Houses, 16944 Streets

EQUIPMENT & STAFF

- I have 2 compactors, each truck has 5 workers, skip truck used 1 worker and fleet 280 used 4 workers.
- When skip truck in workshop I borrowed skip truck at Kenton On Sea
- 1 x Case operator.
- Staff compliment of 18 workers.

PARKS & RECREATION; CEMETERIES & REFUSE COLLECTION – ALEXANDRIA

GRASS CUTTING

Grass cutting has been a challenge in Alexandria due to lack of resources such as:

- Weed eaters
- Lawnmowers
- Ride on Mowers and
- Bush cutters
- Tractor and trailer

During some seasons we were compelled to hire weed eaters to cut grass. In February 2012, we received 2 weed eaters and 2 mowers from the Fleet Manager. We are however unable to collect grass we cut as we don't have the tractor and trailer.

TREE CUTTING

Trees that are very low and it is difficult to drive through some of the streets with trucks. This to be addressed once equipment is secured.

STAFF

- Our staff compliment is as follows:
- 1 x Foreman
- 1 x Ride on mower operator
- 3 x Tractor drivers
- 3 x Weed eater operator
- 3 x Rakers
- 2 x Lawnmower operators

Staff Challenges:

- No chain – saw operator
- No gardener
- No tractor loader

We have three vacancies at present : 2 x general workers and 1 x tractor driver. These positions need to be filled as soon as possible to ensure continued service-delivery.

CHALLENGES – STAFF & EQUIPMENT

- There is a shortage of staff. Since 1998 we have had the same number of staff in the Parks and Recreation Section – this is of concern due to the huge growth of the town.

VISION

- Graves to be leveled so that the mower can cut in between them
- The store is in poor state, it needs major renovation.
- Store cannot accommodate a truck as the result our truck is parked in front of Police Station.

REFUSE – ALEXANDRIA

| LOCATION | TOTAL |
|--------------------|---------|
| 1.Business Centre | 19 200 |
| 2.Residential Area | 11 616 |
| 3.Wentzel Park | 37 440 |
| 4.Kwa Nonkqubela | 200 000 |

CHALLENGES OF REFUSE

- From July 2011 to March 2012 we experienced lots of problems because our truck was too small and old.
- From April 2012 things changed as we got a new truck and our routine was normal.
- Same applies with our bakkie which is too old as a result the foreman is unable to perform his duties

DUMPING SITE CHALLENGES

- It needs to be fenced as there is challenges relating to illegal dumping.
- When the dumping site is full, we find it difficult to get the bulldozer to clear it up. The bulldozer is shared with Bushmans, Seafield, Bathurst, Boknes and Cannon Rocks.

PUBLIC TOILET CHALLENGES

- We have only one public toilet and this is not enough, because on busy days people flock in it as a result it breaks every now and then.
- Last year we renovated it- plastering, painting, fixing of urinary system, basin and new burglars

CEMETERIES - ALEXANDRIA

| Cemetery | Number of Burials | Total |
|------------|-------------------|-------|
| Alexandria | 133 | 133 |

CHALLENGES - CEMETERIES

Cemeteries need to be fenced.

14. TRAFFIC SERVICES

INTRODUCTION AND OVERVIEW

The Traffic Department of Ndlambe consists of the following services;

- Law Enforcement
- Driving and Learner License testing (DLTC)
- Motor Vehicle Licensing and Registration (MVRA)
- Technical Section (Road Paintings and Signage)
- Traffic Contravention System (TCS)

THE ROLE OF THE TRAFFIC DEPARTMENT

Law Enforcement:

- There are four Traffic Officers that render law enforcement services throughout the entire Ndlambe Municipality area of jurisdiction.

- The services rendered include patrol duties, speed measuring, attend accident scenes, point duties, community projects (driver of the year), and education, serve warrants of arrests and escort duties at events.

DLTC (Driving Licence Test Centre):

- There are two testing centres within the Ndlambe Municipal area (Port Alfred and Alexandria). There are six members, two ENaTIS Clerks, three Traffic Officers and one Learner License Examiner that render these services.
- The services include the appointments for learner and driving licences, eye tests, testing of applicants, capturing of information relating to learner and driving licenses onto the National Traffic Information System (ENaTIS) and filing of documents.

Motor Vehicle Registration and Licensing (MVRA):

- There are two MVRA's within the Ndlambe Municipal area (Port Alfred and Alexandria). There are three ENaTIS Clerks who perform these duties.
- The services include the licensing and registration of vehicles, deregistration of vehicles, issuing of temporary permits and the application and issuing of duplicate registration documents.

Technical Section:

- There are three members who are responsible for the maintenance of road signage and road markings throughout the entire Ndlambe Municipal area of jurisdiction. These members do the painting of road markings on the roads and the erection of signage. The members are also responsible for the removal of illegal signage/banners.
- *TCS*: There is one member in this section who is responsible for the capturing of data onto the TCS system and the preparation of the court roles and control of warrants of arrests. This person is also responsible for the liaison between the court and the traffic department.

CHALLENGES

- During the financial year 2011/2012 the section faced many challenges. During February 2010 the eNaTIS Senior Clerk Mr J Human took pension and her post was left vacant at the Alexandria Motor Vehicle Licensing and Registration section.
- In order to deliver this service to the public it was decided that Mr S Mgudwa would be moved from Port Alfred to Alexandria on a temporary basis. During 2010 the vacant post of the eNaTIS clerk was split into two posts namely, clerk MVRA and a grade "F" DLTC clerk.
- These posts were advertised but during the short listing process and the intravenation of the unions, there was a decision taken that the post be readvertised catering for internal people. However up to date the posts are still vacant.
- During October 2010 two members operating on the eNaTIS were blocked by the Special Investigating Unit (SIU) due to the members using each others passwords. The SIU took eighty two driving license files (DL 1) from the Alexandria DLTC in order to investigate possible fraudulent activities that might have taken place. However from the SIU report received no fraudulent activities could be proven against the two members involved.
- The members were however not activated on the eNaTIS by the SIU after the investigation was finalized. To date no disciplinary action was instituted against the said members. The eNaTIS clerk MVRA was then placed back at Port Alfred to assist with administrative duties due to him not being able to gain access to the system.
- The examiner for driving license is currently still testing driving licenses at Alexandria. However he cannot access the eNaTIS system and the Chief Traffic Officer had to travel back and forth to Alexandria and Port Alfred on a regular basis to have this service continue. In the interim one of the DLTC examiners for driving licenses passed away during May 2010 which left this post vacant and still not filed.

The shortage of patrol vehicles is also a challenge that the law enforcement component is facing. The service delivery regarding response time to emergencies is delayed. Officers have to share vehicles meaning that visibility of traffic officers on our roads have become problematic.

SUMMARY

- The goals for the Traffic Department for 2012/2013 were to render an efficient and transparent service to the community and to reduce the audit queries that were raised.
- There was a 66% drop in the 2011/2012 income at the driving and learner license section compared to 2009/2010
- There was also an 80% drop in the income at the Motor vehicle license section from 2011/2012 compared to 2009/2010.
- The drop in income can be attributed to the short staff and downscaling of services at the Alexandria traffic department.

PARKS & RECREATION; CEMETERIES; REFUSE REMOVAL – KENTON ON SEA AND BUSHMANS

GRASS CUTTING CHALLENGES

- The section is short of weed eaters, lawnmowers and ride on mower which lead to limited grass being cut.
- Mowers were hired over the festive season to assist with grass cutting backlog.
- In February 2012, we managed to get 2 weed eaters and 2 mowers from Fleet Manager and we gave those two to Alexandria.
- Grass cuttings are only removed when a tractor and trailer are available and these have been limited over the period in question.

STAFF

Our staff compliment is as follows:

- 1 x Foreman

- 3 x Weed eater operator

STORES

The store is in poor condition. It needs renovation. There has been theft of diesel at the stores that are under investigation.

REFUSE CHALLENGES

- We didn't have a truck, we used tractor and trailer but in last 4 weeks on this financial year a compactor was purchased.

FEEDBACK - DUMPING SITE

- Dumping site has been fenced and the gate has been chained and since March 2012 we got a permanent worker, working extra 2 hours daily, there is no more fire, no more dumping in front of the gate

PUBLIC TOILET - CHALLENGES

We have eight (8) public toilets.

CEMETERIES

| Cemetery | Number of Burials | Total |
|---------------------|-------------------|-------|
| Kenton On Sea | 40 | 40 |
| Busmans River Mouth | 93 | 93 |

CHALLENGES - CEMETERIES

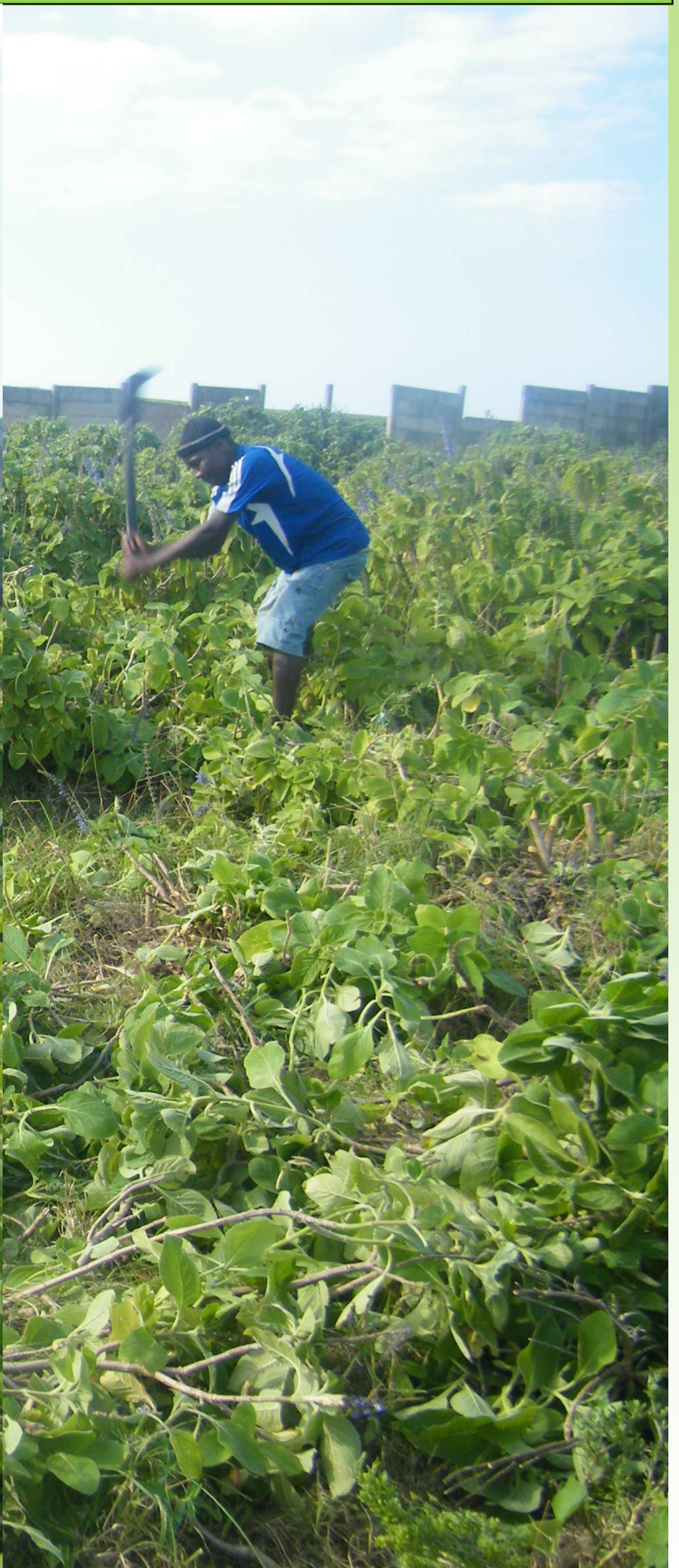
Cemeteries need to be fenced and cut Ekuphumleni new cemetery and Marselle cemetery.

15. Overall service delivery backlogs

| Basic service delivery area | 30 June 2011 | | | 30 June 2012 | | |
|--|--------------|-------------------|--------------------|--------------|-------------------|--------------------|
| | Required | Budgeted | Actual | required | budgeted | Actual |
| Water backlogs (6KL/month) | | | | | | |
| Backlogs to be eliminated (no. HH not receiving the minimum standard service) | Unknown | No capital budget | As per grant funds | Unknown | No capital budget | As per grant funds |
| Backlogs to be eliminated (%: total HH identified as backlog/total number of HH in the municipality) | +/- 10% | No capital budget | As per grant funds | Unknown | No capital budget | As per grant funds |
| Spending on new infrastructure to eliminate backlogs (R000) | Unknown | No capital budget | As per grant funds | Unknown | No capital budget | As per grant funds |
| Spending on renewal of existing infrastructure to eliminate backlog (R000) | Unknown | No capital budget | As per grant funds | Unknown | No capital budget | As per grant funds |
| Total spending to eliminate backlogs (R000) | Unknown | | | Unknown | Incl. Below | Incl. Below |
| Spending on maintenance to ensure no new backlogs (R000) | Unknown | R8.3M | R8.3M | Unknown | R9.2M | R9.2M |
| Sanitation backlogs | Required | Budgeted | Actual | required | budgeted | Actual |
| Backlogs to be eliminated (no. HH not receiving the minimum standard service) | | | | | | |
| Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality) | | | | | | |
| Spending on new infrastructure to eliminate backlogs (R000) | | | | | | |
| Spending on renewal of existing infrastructure to eliminate backlog (R000) | | | | | | |
| Total spending to eliminate backlogs (R000) | | | | | | |
| Spending on maintenance to ensure no new backlogs (R000) | | | | | | |

Local Economic Development





MUNICIPAL LOCAL ECONOMIC DEVELOPMENT

1 Brief presentation of LED strategy/ plan

Status on developing the LED strategy/plan

LED Strategy was formulated with the assistance of Thina Sinako, a European Union Agency in the Eastern Cape. The Strategy was presented to Council in October 2009 and adopted. The Strategy identifies four priority areas to promote local economic potential of Ndlambe, being:

- Agriculture
- Tourism
- SMME/ Enterprise Development
- Social Projects

Setting up a LED unit;

The LED Unit has been effectively operating with two fulltime officials, LED Manager and LED Officer: Agriculture. The positions of the Tourism Officer and the Senior Admin Officer have been vacant since 2009 and 2010 respectively. Some functions of SMME Development that deal with registration of entities and Tax Compliance have largely been handled by an Intern.

The availability of a LED expertise;

As indicated above, the institutional capacity of the LED Unit is an issue that needs serious consideration. The Unit is currently staffed by three people, The LED Manager, Agricultural Officer and an Intern that assists with registration of business entities and Tax Compliance issues of local enterprises.

LED stakeholder forum functionality (number of meetings held);

LED stakeholder forums are functionally based, for agriculture, tourism and for special interventions like the Ndlambe Economic Development Initiative (NEDI) which has been recently established to assist in the identification, formulation and funding of economic initiatives. NEDI has a Project Steering Committee that meets quarterly. There is also stakeholder forum for Chicory and Livestock farmers.

Funding opportunities of LED activities (indicative figures on Donors/funders and types of program)

| PROJECT | AMOUNT | FUNDER |
|---|---------|--|
| Ndlambe Tourism Infrastructure Project | 10 mil | National Department of Tourism (NDT) |
| Tourism Product Development | 100 000 | Cacadu DM |
| Chicory Production | 1,6 mil | Industrial Development Corporation (IDC) |
| Essential Oils/ Vegetable Production | 2 mil | Department of Economic Development and Environmental Affairs (DEDEA) |
| Ndlambe Economic Development Initiatives (NEDI) | 1,2 mil | Industrial Development Corporation (IDC) |
| SMME Development | 300 000 | Cacadu DM |
| SMME Development | 35 000 | Department of Local Government and Traditional Affairs (DLGTA - EC) |
| LED Institutional Building | 87 990 | Department of Local Government and Traditional Affairs (DLGTA - EC) |

2 Progress towards achieving the LED key objectives

2.1 Exploit comparative and competitive advantage for industrial activities

Ndlambe, like other areas in the Cacadu region and the Eastern Cape as large does not have mineral resources to generate economic activities within the area, it however has a natural resource in the form of land and a relatively moderate climate conditions to support agricultural activities and beautiful coastal beaches that boast of having Blue Flag Status. A draw card for tourism in the area .The competitive advantages of Ndlambe are Agriculture and Tourism. The municipality has since taken a decision to revive the agricultural activities in the area in an effort to improve economic growth. The first exercise of the process was to identify land pockets that could assist in re-engineering Ndlambe's economic growth through promotion and support of agricultural activities. Farms that need recapitalisation and mentoring support have been identified to maximise production levels for commercial farming.

PINEAPPLE PRODUCTION PROJECT- RELOCATION OF SUMMERPRIDE

With the pending relocation of the juice factory from East London to Bathurst, it is the view of the municipal LED to acquire as much land pockets to promote and support emerging farmers within the Ndlambe jurisdiction to be part of the pineapple production. It is also our intended wish that they not only get to be involved in the primary production of pineapple but also to be involved in the broader beneficiation of pineapple. The involvement will be in phases with the first phase being to provide support to the emerging farmers through provision of land and technical support to ensure good quality and increase in quantity volumes, resulting to increased profit margins.

It also has to be noted that the pineapple production only yields results in the second year of production, in the process high value crops that grow along side with pineapples have been identified to ensure that emerging farmers continue to generate income to improve local livelihoods within the area through creation of job opportunities which will ultimately lead to economic power.

PROGRESS TO DATE ON LAND POCKETS FOR AGRICULTURAL DEVELOPMENT

| Name of Farm | Location | Size | Farming Activities | Selling price | Infrastructure available | Process |
|--------------------|-----------|--------|---|---------------|---|---|
| 1. Lower Waterford | Southwell | 261 ha | Dairy Farming | 8,5 mil | Dairy farming equipment Sources of water Irrigation system Fencing | Valuation conducted |
| 2. Upper Waterford | | | Livestock | 2,1 mil | Borehole, electric water pump | Transection concluded. Waiting for care-takership from the department |
| 3. Armagh | Bathurst | 472 ha | Goat Farming Sable breeding | 5,5 mil | Sources of water Fencing | Valuation conducted |
| 4. Glenhope | Bathurst | 901 ha | Livestock Game farming Sources of water Fencing | 23 mil | | Valuation conducted |
| 5. Klipkuil Farm | Alexandra | | Gaming, arable land 5 water dams Fenced grazing camps | 46 mil | Game fencing Sources of water House | Funding for valuation approved |

| | | | | | | |
|---|--------------------|---------|--|---------|---|---|
| 6. Yendella Farm | Grahamstown (R67) | 1337 ha | Livestock farming Pineapple production | 10 mil | | Submitted to Dept. |
| 7. Glenfillan | | 781 ha | 21 Camps Stock fencing Livestock farming | 6,6 mil | | Funding for valuation approved |
| 8. Lynford's farm | Bathurst | 170ha | | | | Developing Business Plan for determining sale |
| 9. Merrick Clayton Farm (next to Kap River) | R72 | 125ha | Pineapple production | 4,6 mil | | Awaiting for Intention to Sell from the seller for submission to the Department |
| 10. Wolfscrag Farm | Southwell | 739ha | Livestock farming: cattle farming and game farming with accommodation for gamers | 11 mil | Borders Kowie River, dams and boreholes | Awaiting for Intention to Sell from the seller for submission to the Department |

TOURISM INFRASTRUCTURE PROJECT

Project Location:

Ward 2, Cannon Rocks, Ndlambe Municipality within Cacadu District Municipality

Project Funding:

Budget: R 10mil

No of temporal jobs during construction

96 jobs to be created in line with Expanded Public Works Programme (EPWP) Principles during construction phase.

Project Scope and activities

- Renovating 3 existing houses into accommodation facilities (sleeps 6 each) and furnish.
- Renovating and extending 1 existing house into conference facility (seats 40 people) and furnish.
- Construction of 2 new accommodation facilities (sleeps 6 each) and furnish.
- Construct new paved parking area (to accommodate 40 vehicles), walkway and driveway.
- Construction of new entrance control and refuse room

- Installing conservancy tanks for each unit
- Build new braai facilities for each unit.

Expected Results

- Upgraded and restored visitors accommodation to meet the required standards by SATA
- Tourism facility with facilities that meet the requirements of the South African Grading Council for a 3 Star facility
- Available marketing material about the Ndlambe Tourism Infrastructure and Heritage facility
- Increased number of visitors into the facility due to improved awareness and marketing as a preferred tourist destination
- Increased number of job opportunities from the SMME opportunities that will be available within the facility.

SMME opportunities

- Catering
- Housekeeping and Cleaning services
- Shuttle and guiding services
- Security services
- Landscaping and garden services

Management of the facility

The day to day running and management of the facility will be through a Private, Public Partnership (PPP) to ensure that previously disadvantaged communities are brought into the stream of Tourism as active participants in the running and management of the facility.

Progress to date

The establishment is almost 80% complete, with the two chalets on roofing stage and the boundary wall completed. The project is providing job opportunities to 96 people through the Expanded Public Works Programme (EPWP).

UPGRADING OF KAP RIVER NATURE RESERVE

Overall Project Objective

To develop and improve tourism products within Ndlambe Local Municipality to meet required tourism standards for packaging and showcasing to satisfy the tourists experiences and maximising economic benefits of the sector to local and previously disadvantaged people.

Specific Objectives

- To audit and develop a data base of tourism assets within Ndlambe Local Municipality
- To upgrade the Kap River Nature Reserve in accordance with the required tourism standards
- To package, profile and market Ndlambe Local Municipality as the Tourist Destination (web development and promotional material)
- To facilitate PPP for provision of tourism services and general management of the Kap River Nature Reserve.

Project Activities

- Upgrading of road to the accommodation site
- Upgrading of accommodation facilities with

furniture (Beds, linen and TV's)

- Upgrading of braai area
- Restoration and maintenance of Canoes
 - Profiling and marketing of the establishment
 - Landscaping and gardening

Expected Results

- Upgraded and restored visitors accommodation to meet the required standards by SATA
- Upgraded and enabling road infrastructure to and around the Reserve
- Designed and well maintained Reserve grounds
- Accommodation equipped with comfortable and clean bedding , furniture and TV's for enjoyment and relaxation
- Upgrade and improved maintenance of Canoes in the Reserve
- Available marketing material about the Reserve and activities offered displayed at strategic points

A business proposal for funding has been submitted to various potential funders.

Intensify Enterprise support and business development

The type of business development services (BDS) provided to SMME;

- Acquisition of Business Information Kiosk for easy access to business information and government funding programmes
- Business advise and counselling
- Registration of business entities and compliance with SARS requirements
- Record Keeping
- Development of Constitution for cooperatives
- Access to both financial and non- financial support agencies
- Capacity building training on Governance, Financial Management and Business Management

Public and private partnerships established

Developments are at an advance stage to have the Tourism Facility at Cannon Rocks managed by the PPP as the Management Agent that will be responsible for up keeping and maintaining set standards within the Tourism Industry.

Tristan Finance SA and the Russell Stone Group have entered into a partnership for establishing a commercial agricultural investment fund for the Western Cape; the partnership invitation has been extend to the Eastern Cape, Ndlambe Local Municipality on promotion of communal farming (cooperatives).

Number of new formal SMME established within the municipality

18 Business Entities that have been actively assisted and supported from all sectors. These are registered in the data base for potential job opportunities and future business and capacity development programmes.

Number of new employment opportunities through Expanded Public Works Programs and Public and Private Partnerships

The targeted group is being trained to provide necessary and required information in their communities. The programme is a two year programme with participants receiving a monthly stipend in line with Extended Public Works Programme (EPWP) guidelines.

In the first intake (2010), 20 participants were accepted into the programme and have undergone various training programmes which include the following:

- Electronic Document Management System (EDMS)
- Basic Computer Literacy Course
- Community House Building Certificate Course

The second intake (2011) 37 participants accepted into the programme. The second intake received training in the Northern Cape for Northern Cape (Military Base for 6 months, March – September 2012) Additional 100 participants have been taken for a training in the Western Cape in Simmonstown for 4 months. The total number of young people that are currently benefiting from the programme is 157 young people from around Ndlambe.

| PROJECT | NO EMPLOYED |
|--------------------------------|-------------|
| Beautification Programme | 202 |
| Ndlambe Tourism Infrastructure | 96 |
| Water Treatment Works | 35 |
| Ractification | 133 |
| Rainwater Alex | 113 |
| Sewerlines Marselle | 42 |
| Emergency Water | 30 |
| TOTAL | 651 |

Support Social investment program

NATIONAL RURAL YOUTH SERVICES CO OPS (NARYSEC PROGRAMME)

The Department of Rural Development and Land Reform is providing opportunities to unemployed and disabled young people to work in their com-

Annual performance as per key performance indicators in LED

| | Indicator name | Target set for the year | Achievement level during the year (absolute figure) | Achievement percentage during the year |
|---|--|------------------------------------|---|--|
| 1 | Percentage of LED Budget spent on LED related activities. | 100% | | 85% |
| 2 | Number of LED stakeholder forum held | 4 including sector specific forums | 100% | 100% |
| 3 | Percentage of SMME that have benefited from a SMME support program | 50 diverse sectors | 30 | 60% |
| 4 | Number of job opportunities created through EPWP | 400 | 298 | 75% |
| 5 | Number of job opportunities created through PPP | Planning phase | Planning phase | Planning phase |

Challenges regarding LED strategy implementation

CHALLENGES:

- Inadequate capacity within the LED Unit to implement the strategy, currently the unit has one LED Officer and an LED Manager to service the whole municipality, resulting in minimal impact on the effectiveness and performance of the Unit.
- Lack of resources to implement the projects that have been identified in the LED Strategy
- Over reliance on grant funding to implement LED Projects
- Availability of researched information and feasibility studies for implementation of sustainable LED initiatives
- Aging and unreliable infrastructure

PROPOSAL:

- Review LED Organogram to meet the mandate entrusted on the LED Unit(improve lives and create sustainable jobs)
- Filling of all the vacant posts that exist within the LED Unit with required technical knowledge and strategic networks to enhance its performance and impact
- Adequate internal budget
- MIG Funding (5% allocated for LED)
- Infrastructural Development

Good Governance and Public Participation





1 Overview of the Executive and Council functions and achievements;

This section of the annual report explains the framework of the institutional structures and resources that the Council established during the 2011/12 financial year so as to implement its strategies.

COUNCIL STRUCTURES

The relationship between the Council's political structure is as follows:

Council Members : 1 July 2011 – 30 June 2012

| COUNCILLOR | WARD | POLITICAL PARTY | PORTFOLIO |
|--------------------------|----------|-----------------|---|
| Councillor M Maphaphu | PR 5 | ANC | Speaker |
| Councillor S Tandani | Mayor | ANC | Exco Member |
| Councillor M Mateti | 1 | ANC | Portfolio Councillor: Community/Protection Services |
| Councillor C Metelerkamp | 2 | ANC | Chief Whip |
| Councillor L E Khoathani | 3 | ANC | Ward Councillor |
| Councillor Z Ngxingo | 4 | Independent | Ward Councillor |
| Councillor M E Msimang | 5 | ANC | Ward Councillor |
| Councillor M Tarentaal | 6 | ANC | Ward Councillor |
| Councillor N Xhasa | 7 | ANC | Ward Councillor |
| Councillor T Mazana | 8 | ANC | Ward Councillor |
| Councillor S Venene | 9 | ANC | Ward Councillor |
| Councillor R Purdon | 10 | DA | Portfolio Councillor: Corporate Service and Finance |
| Councillor S B Funde | PR 3 | ANC | Portfolio Councillor: Infrastructural Devel- opment |
| Councillor P Faxi | PR 9 | ANC | Proportional repre- sentative |
| Councillor K Ncamiso | PR 4 | ANC | Proportional repre- sentative |
| Councillor G Cannon | PR 1 | DA | Proportional repre- sentative |
| Councillor R Schenk | PR 6 | DA | Proportional repre- sentative |
| Councillor T Stander | PR 10 | DA | Proportional repre- sentative |
| Councillor N Donile | PR 8 & 9 | DA | Proportional repre- sentative |
| Councillor J Guest | PR 3 & 4 | DA | Proportional repre- sentative |

Executive Committee Members:

The Executive Committee is the principal committee of Council. This Committee must investigate and consider matters falling within the ambit as delegated in the delegation and where appropriate report and make recommendations thereon to Council except in respect of any matters specifically delegated to it or were specifically regulated otherwise.

The Executive Committee of the Ndlambe Municipality is made up of the following Councillors:

| Councillor | Portfolio |
|-----------------|-------------------------------|
| Clr. S. Tandani | Mayor |
| Clr. Purdon | Finance & Corporate Services |
| Clr. S. Funde | Infrastructural Development |
| Clr. Mateti | Community/Protection Services |

BID SPECIFICATION COMMITTEE

The Bid Specification Committee consists of the Municipal Manager, 4 Directors and the Head :Supply Chain Management. This Committee is established to compile the specification for each procurement of goods / services by the Municipality / Municipal entity.

BID EVALUATION COMMITTEE

The Bid Evaluation Committee consists of three Deputy Directors, the LED Manager and the Acquisition Officer. This Committee is established to evaluate bids in accordance with the specification for a specific procurement and the Supply Chain Management Policy of the Ndlambe Local Municipality.

BID ADJUDICATION COMMITTEE

The Bid Adjudication Committee consists of the Municipal Manager, 4 Directors and the Head: Supply Chain Management. This Committee consider the report and recommendations by the Bid Evaluation Committee and either depending on its delegation must make a final award as per the Evaluation Committee or another recommendation as opposed to the Evaluation.

The above three mentioned Committees are established and delegated by the Municipal Manager in his capacity as the Accounting Officer in the year under review but in the next financial year the Municipal Manager will no longer be part of both adjudication and specification.

LOCAL LABOUR FORUM

The Local Labour Forum is a forum instituted in terms of the Main Collective Agreement of the South African Local Government Bargaining Council. The forum is the representative of the employer as well as the organised labour (SAMWU and IMATU).

The following Councillors are sitting in the Local Labour Forum:

- Councillor C Metelerkamp
- Councillor M Tarentaal
- Councillor T Mazana
- Councillor T Stander

TRAINING AND DEVELOPMENT COMMITTEE

The Training and Development Committee of the municipality has been established in terms of the Skills Development Act.

The following Councillor is sitting in the Training and Development Committee:

- Councillor S Venene

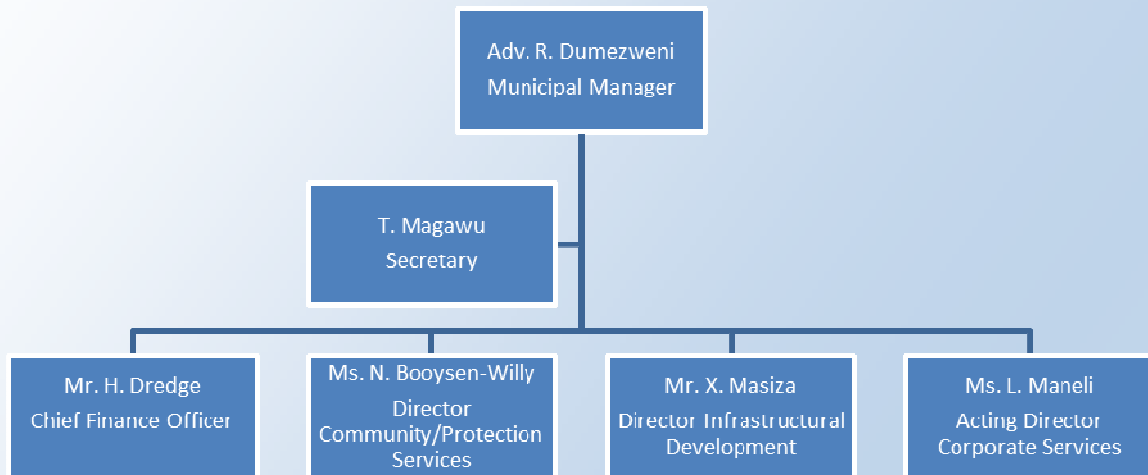
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The function of the Municipal Public Accounts Committee is to oversee and advise Council on annual report, issues raised by the Auditor-General, Performance information and all other matters that the Council would want them to investigate and give their opinion on.

AUDIT COMMITTEE

The function of the Audit Committee is to give an independent advisory to Council on issues pertaining to internal controls and financial information.

The Management Team's Organogram in 2011/12 was as follows:



2 Public participation and consultation;

2.1 Mayoral Imbizo's

The municipality have conducted Mayoral imbizo's throughout the Wards to interact with members of the communities at large .Methods that were used in making sure that people are aware of these meetings are:

- Advert was placed in the local news papers .
- Notices were placed in Municipal notice boards and in the strategic places of each ward.
- Loudhalling in all wards.
- Flyers

The following is the schedules as advertised in the local news paper and the municipal website:

DATE TIME STAKEHOLDERS VENUE

18 April 2011 14H00 IDP Rep forum & stakeholders Wentzels

of the following Wards Park Hall

Ward 1

Ward 2

Ward 3

19 April 2011 14H00 IDP Rep forum & stakeholders Jauka Hall

of the following Wards

Ward 5

Ward 6

Ward 8

Ward 9

20 April 2011 10H00 IDP Rep forum & stakeholders Civic Centre

of the following Wards

Ward 7

Ward 6 Seafeld Community

Draft IDP and Budget will be available for inspection at the following libraries during office hours (08H00-16H30) as from Monday the 11 April 2011.

- Alexandria Library
- Marselle Library
- Kenton Library
- Ekuphumleni Library
- Civic Centre (Registry Office)
- Free Stone Library

2.2 Parliamentary Question dealing with certain issues that concern the municipality:

The municipality is making sure that the issues raised through either Parliament question or Presidential hotlines are being dealt with. In the year under review there are no outstanding issues that were raised.

Customer satisfaction surveys

3 Ward committees' establishment and functionality

WARD COMMITTEES

Ward Committees were established after the Local Government Election in May 2011.

Notice was placed on the newspapers and due processes were followed of nomination forms, verification by IEC to check if the nominees reside in those wards. After that the ward committees were inducted and signed the code of conduct.

Ndlambe Council has 10 wards and each Ward has approximately 10 members.

The role of ward committees is:-

- To recognise the excellence in ward committee that go beyond their standards to ensure that the community's voice is heard
- To improve and encourage the commitment of ward committee members
- To measure the extent of functionality

and overall community participation in matters of local government

- To encourage and enable ward committees to learn from each other so as to raise the overall standards

WARD COMMITTEE AND CHAIRPERSON

| WARD COMMITTEE | CHAIRPERSON |
|----------------------|--------------------|
| Alexandria Ward 1 | Cllr M Mateti |
| Alexandria Ward 2 | Cllr C Metelerkamp |
| Marselle Ward 3 | Cllr E Khoathani |
| Kenton-on-Sea Ward 4 | Cllr Z Ngxingo |
| Bathurst Ward 5 | Cllr M Msimang |
| Port Alfred Ward 6 | Cllr M Tarentaal |
| Port Alfred Ward 7 | Cllr N Xhasa |
| Port Alfred Ward 8 | Cllr T Mazana |
| Port Alfred Ward 9 | Cllr S Venene |
| Port Alfred Ward 10 | Cllr R Purdon |

COUNCILLOR ATTENDANCE OF WARD COMMITTEE MEETINGS

- An attendance register forms part of Ward Committee Agendas;
- Ward Committee meetings are monitored on a regular basis by the Speaker, Director: Corporate Services. The attached table represents that ward committee meetings held as from July 2011 till June 2012,
- Ward Committee meetings are scheduled on a quarterly basis.

WARD COMMITTEE MEETINGS AND SCHEDULE: 2011 – June 2012

| WARD | Sep | Nov/Dec | Feb | May |
|------|-----|---------|-----|-----|
| 1 | Y | Y | Y | Y |
| 2 | Y | Y | Y | N |
| 3 | Y | Y | Y | Y |
| 4 | Y | Y | Y | Y |
| 5 | Y | Y | Y | Y |
| 6 | Y | N | N | Y |
| 7 | Y | Y | Y | N |
| 8 | Y | Y | Y | Y |
| 9 | Y | Y | Y | Y |
| 10 | Y | Y | Y | Y |

Ward Committees meet quarterly and their recommendations are forwarded to the Executive Committee Meetings and the feedback goes to the Ward Committee and the open minutes of the Executive Committee are available to public after being confirmed by the Executive Committee. After each sitting the stipend for Ward Committees was R50.00 and it was increased from January 2012 to R200.00.

The minutes of the Ward Committee meetings are only available after confirmation by the Wards and resolved by the Executive Committee.

Registry / Archives Section

Registry

- The Registry Office has applied to National Archives for approval of a new File Plan, the process has begun and National Archives has already disposed of the previous two File Plans as those were not disposed of before;
- The office of the National Archives have applied to Provincial Archives for the disposal of Ndlambe' current File Plan;
- The office are in the process of immigrating the current File Plan into the Directive R5 for the new and approved file plan, which will be completed once approval has been received;
- The process of adopting the new file plan will happen over an indefinite period as it is a lengthy process.

Benefits of IMIS

- The IMIS system is a very useful tool within Registry as it enhances the workflow, efficient and effective retrieval of documents promptly;
- It minimizes the Records Control Schedules as documents can be viewed electronically;
- The receiving of cheques / postal orders are recorded electronically which are

signed for by three officials.

Challenges of IMIS

- The challenge we experience with the use of the IMIS System is that not all departments use the system to its full capacity;
- The users do not use it frequently and forget their passwords;
- Users contact Registry to retrieve documents which is already on the IMIS System and can be retrieved by themselves (except for Confidential Human Resource matters)

LIBRARIES

Library plays a critical role as a resource and information centre for communities and citizens.

Libraries are also crucial in making sure that our communities are being capacitated and being kept knowledgeable on issues locally and globally.

The table below will demonstrate the number of functional libraries that we have in the Ndlambe area and also sight challenges that have confronted the section.

| NAME OF THE LIBRARY | CHALLENGES PER LIBRARY | INTERVENTIONS |
|----------------------------|---|---|
| Alexandria | Personnel Sinage ICT Infrastructure Upgrade infrastructure | DSRAC to second staff to the Libraries DSRAC will provide signage for all Ndlambe Libraries Build Toilet Structure for Public |
| Bushman'sriver Marcelle | Personnel Sinage ICT Infrastructure | DSRAC to second staff to the Libraries DSRAC will provide signage for all Ndlambe Libraries |
| Kenton | Personnel Sinage ICT Infrastructure Upgrade infrastructure | DSRAC will provide signage for all Ndlambe Libraries Build Toilet Structure for Public |
| Ekuphumleni | Personnel Sinage ICT Infrastructure Furniture | DSRAC to second staff to the Libraries DSRAC will provide signage for all Ndlambe Libraries |
| Port Alfred | Personnel Sinage Upgrade infrastructure | filling of Vacant Post and DSRAC to second staff to the Libraries DSRAC will provide signage for all Ndlambe Libraries Build Toilet Structure for Public |

| | | |
|-----------|---|--|
| Freestone | Personnel Sinage ICT infrastructure | DSRAC to second staff to the Libraries DSRAC will provide signage for all Ndlambe Libraries |
| Bathurst | Personnel Sinage ICT Infrastructure | Operating by volunteers only ,DSRAC to second staff to the Libraries |

The Municipality has taken an initiative of increasing its resource centres by renovating one of the Municipal buildings and converting it into a library called Nemato Library. The library is not yet functional in the year under review.

The total funding allocated for Ndlambe libraries in the financial year 2011/2012 was an amount of R972 000. Ndlambe Municipality felt very strongly that there is a need to increase the number of library facilities especially in the previously disadvantaged areas and the funding was committed to build a new structure as a library in Alexandria – Ward 1.

Finance and Administration





REPORT OF THE DIRECTOR: FINANCIAL MANAGEMENT



It is once again a privilege for me to present the report on the finance directorate of the Ndlambe Municipality for the financial year ending 30 June 2012.

The annual financial statements for the financial year ending 30 June 2012 were presented on the “GRAP accounting” basis once again and the important change for us was that Directive four no longer applied so all assets had to be accounted for in terms of GRAP 17. I am pleased with the entire finance team from the meter readers to the deputy director for the effort that they put into the changes that had to be made to meet the GRAP standards. The Auditor-General issued a qualified opinion on the financial statements of the Ndlambe Municipality for the financial year ending 30 June 2011 which is consistent with the opinion issued on the previous financial year’s statements. Such an opinion is not acceptable and issues raised in the report of the Auditor-General must be taken seriously and be addressed as a matter of urgency. It is very important that we receive an unqualified report for the financial year ending 30 June 2012 so that we can pre-prepare for a clean audit by the financial year ending 30 June 2014.

The Ndlambe Municipality had six matters that led to a qualified audit report for the financial year ending 30 June 2010 and had two matters that led to a qualified audit report for the financial year ended 30 June 2011. This in itself shows a remarkable improvement but is still not acceptable as our objective is an unqualified report.

The issues that led to a qualified opinion for the financial year ending 30 June 2011 were as follows;

Basis for qualified opinion

1 Unspent conditional grants and receipts

Supporting documentation, including a grant register and reconciliations, could not be provided by the municipality for the unspent conditional grants and receipts (balance of R19 231 211)

disclosed in note 10 to the financial statements. As a result, I could not obtain sufficient appropriate audit evidence for the completeness, existence, valuation and rights and obligations assertions, which has resulted in a qualification due to a material limitation of scope. The municipality's records did not permit the application of alternative audit procedures regarding this balance.

Managements Comments;

The Auditor-General is correct in his finding and it highlights the fact that all directorates involved with projects funded by means of a grant need to maintain a comprehensive grant register that sets out all grants received, payments made against grants, retention money held, commitments carrying over to the next financial year and the portion of grants not committed and are unspent.

All directorates that maintain grant registers should balance their grant registers to the financial records on a monthly basis to ensure that all records correspond at all times.

2Revenue – Government grants and subsidies

Included in the revenue stream for government grants and subsidies of R92 171 805, disclosed in note 14 to the financial statements, is an amount of R4 508 628 for which supporting documentation and calculations could not be provided by the municipality. As a result, I could not obtain sufficient appropriate audit evidence for the occurrence, accuracy, completeness, cut off and classification assertions, which has resulted in a qualification due to a material limitation of scope.

Managements Comments;

The issue raised is as a result of the VAT and interest recovered from grant expenditure booked to operating revenue. The total of the VAT and interest booked to revenue is in respect of all grant expenditure incurred during the year under review. However not all expenditure incurred during the year under re-

view is funded from grants received during the year under review. Certain of the expenditure is from unspent grants from the year prior to the year under review and as directorates did not submit roll-over budgets to Council so it is debatable as to in which financial year the revenue should be recognised.

Every effort will continue to be made to address the issues raised by the Auditor-General in both the audit report and the audit management letter. An audit check list was developed and is being monitored by the internal auditor to ensure that we improve in the areas identified. Further controls and action plans have been implemented by the finance directorate to ensure that the financial statements are prepared timeously and that we work towards a clean audit by the financial year ending 2014. To achieve a clean audit is going to be a challenge and all offices and directorates are going to have to pull together as a team to achieve the objective. The compilation of the financial statements and the audit undertaken by the auditor-general's office is no longer just a finance issue.

The demands on the finances of the Ndlambe Municipality continue to be significant as backlogs in services, aging infrastructure, and maintenance remain a serious challenge. Emphasis has to be put on enhancing our revenue streams and collecting debt due to the Ndlambe Municipality by consumer and ratepayers that have the ability to pay. Households that receive indigent grants that are in fact not indigent also need to be addressed.

The removal, once again, of an internally funded capital budget and the reduction in the maintenance budget as a means to balance the budget and limit the increase to our customer's needs to be seriously addressed. The aging infrastructure needs to be replaced and maintained. A capital budget from internal funding has to be part of the 2012/2013 budget and the 2012/2013 maintenance budget has to be increased to be able to address some of the urgent issues facing us.

A major challenge that continues to face the administration of the Ndlambe Municipality and highlighted in the Auditor-Generals management letter, is the implementation and compliance to regulations emanating from the Municipal Finance Management Act including but not limited to supply chain management issues, asset management and budget control.

What we set out to do in 2011/2012

It is a pity that not all things we set as goals for the 2011/2012 financial year could be achieved. The major reason for not achieving our goals was lack of funding, dispute over the appointment of staff and lack of all employees not adhering to controls. However, significant progress has been made in many of the areas we had identified and we just need to continue with our efforts. Funding remains an issue as finance finds it very difficult to access funding from internal funds, any government department or external funders.

The following plans formed the base of our service delivery budget implementation plan and finance turn-around strategy;

- To revise and complete the entire Municipality's asset register to be GRAP Compliance (Generally Recognised Accounting Practice) over a period of one year
 - ⇒ Everything except infrastructural assets have been dealt with and comply with GRAP standards. BAAUD were appointed to deal with the infrastructure assets and once the audit is concluded we will be in the position to see the areas in which we need to still improve.
 - ⇒ Funding needs to urgently be obtained to deal with the recognition and valuation of all infrastructure assets
- To maintain all Finance assets that are currently at our disposal
 - ⇒ This continues to happen with the budget that we have at our disposal. We would like to have all computers linked to UPS's during 2012/2013 financial year to protect all data and be able to vend pre-paid electricity at all times.
- To ensure financial resources are utilised in an economical, efficient and effective manner
 - ⇒ This is addressed on a continual basis but the use of paper and telephones remains a huge challenge. Telephones, e-mails, internet, fax-cimilies and photocopy machines are still not used economically. Monthly reports on the telephone usage is still not been received regularly from corporate services so private usage cannot be identified and recovered from the staff.
- To ensure that all revenue is collected on a monthly basis to cover the operating expenditure of the municipality on a daily basis
 - ⇒ The finance directorate has failed in this regard as debt continues to escalate at unacceptable levels and the operating expenditure cannot be met by the monthly collections
 - ⇒ The four additional credit control posts have still not all been filled due t an objection lodged by the unions and this matter remained unresolved during the 2011/2012 financial year .
- All residents who do not have the financial means to pay for basic services in terms of the indigent policy are registered
 - ⇒ The finance directorate has undertaken numerous registration drives but it is felt that there are still many households that qualify for indigent status that are not registered. The opposite is also a concern where it is felt that many households could be receiving subsidies that do not qualify to receive the subsidy.

- Increase in response time to be within 7 days and resolution of complaints to be within 14 days
 - ⇒ There has been a vast improvement on the turn-around time with regards to correspondence but we need to still improve on the 14 days for the enquiry to be resolved especially when we rely on information from other directorates
- To ensure an effective customer care service to all residents
 - ⇒ The finance directorate has still got a far way to go in the “township” areas to meet this objective as all the finance offices are in town and thus an effective customer care service is not extended to “township” areas
- BTO is established in line with treasury guidelines
 - ⇒ The BTO offices now established in terms of the treasury guidelines. An asset clerk was appointed on a permanent basis during the year under review. During the 2012/2013 financial year amendments will be made to the organogram to include a senior asset clerk that is to replace the post of asset clerk/secretary. This post needs to be amended due to the high volume of work that needs to be performed during the year on assets and with the GRAP requirements around property, plant and equipment it is critical to have a person dealing with the municipal assets on a daily basis.
- Relevant officials are trained to ensure that they are able to contribute to the financial management system
 - ⇒ The finance directorate has sent numerous staff on training during the 2011/2012 financial year but still finance needs to do more for the staff so that they are all able to understand their roles in the directorate as well as all legislation impacting on finance. It is hoped that funds will be made available from the training vote for the finance staff to receive the much needed training as not all training can be funded through the small grant we receive.
- Percentage increase in the possible local revenue base
 - ⇒ A supplementary valuation was undertaken during the year to get all properties not paying rates and property owners that have done improvements to their property onto the rates base.
 - ⇒ Funding was requested to undertake a data cleansing exercise to ensure that all consumers are billed for services that they receive. Unfortunately funding could not be secured for this purpose so we are still not sure if everyone is billed for the actual services that they receive.
- 100% spending of FMG and MSIG funds
 - ⇒ Both the FMG and the MSIG were spent or committed for the 2011/2012 financial year on numerous issues such as the internship programme, revamping the downstairs finance offices in Port Alfred to make them more user friendly for our customers, enhancing our IT network, asset register, GRAP related issues and addressing issues raised in the report of the Auditor-General
- Percentage decrease in non-payment
 - ⇒ As previously mentioned, the finance directorate has failed in this regard as debt continues to escalate at unacceptable levels. Although there has been a slight reduction in non-payment levels, debt continues to rise due to interest charged on outstanding debt. As mentioned, only two of the four credit control posts that have not been filled and this is hampering the collection of debt due to council.

- Strict credit control procedures to ensure monthly accounts are paid
 - ⇒ The staff that are doing credit control are trying their best to deal with the volume of work but are facing an uphill battle. It is critical that the two vacant posts are filled so that the debt collection can receive their full attention. This is one of the most critical factors that needs to be addressed to ensure that the Ndlambe Municipality continues as a going concern.
- Submit business plans to obtain funding for all finance projects
 - ⇒ This is done every financial year but to date no funding has been received or committed. The finance directorate therefore continues to receive only the finance management grant and the municipal systems improvement grant.
- Payments by debit or credit cards
 - ⇒ Discussions have been held with the bank to integrate the systems to our financial system and to procure the machines.
- Access to account information on internet
 - ⇒ The e-mailing of accounts is now up and working and many customers are receiving their statements via e-mail. There have been a few months where customers and ratepayers received the incorrect accounts but this has been addressed with the service provider. We are still dealing with the link for account details to be viewed on internet.
- Improve communication with all stakeholders
 - ⇒ This process has begun but only people with access to internet and e-mails have been addressed. The challenge is how to deal with all stakeholders that do not have the same facilities and that are not able to read or write
- Performance Management System to be implemented for all staff
 - ⇒ This process is still not completed and we are awaiting assistance from the performance manager in this regard.
- Fully operational computerised SCM system in line with SCM Policy
 - ⇒ The supply chain management system is now functional and we have already got orders going electronically. The challenge that we are now facing is to centralise the entire supply chain unit and to ensure that all supply chain management issues is dealt with by the supply chain unit.
- Percentage of elements of financial system utilised
 - ⇒ The cash book module remains a point of concern as we are not able to integrate the banks information into our financial system.
- Increased in number of staff trained to effectively use the financial system
 - ⇒ Quotations were obtained from the service provider but the costs were excessive and finance does not have such a budget to implement the training. We continue to explore other ways to get our staff trained but with very little success.
- Percentage of improved cash flow by reducing expenditure to match actual cash on hand
 - ⇒ The withholding of rates and escalation in people not paying for services has continued to put a strain on our daily cash flows. The controls that the Municipal Manager has put into place regarding procurement has helped to a limited extent but it remains the challenge of all directorates to spend wisely.
- Decrease payment to 30 days from date of invoice in respectable creditors
 - ⇒ During the financial year it was noted that our initial plan could not be achieved as many invoices arrived at the finance office after the 30 days after the date of the invoice had already passed. It was decided to amend our plan to 30 days after the date that the invoice is received by the finance directorate. At times the negative cash-flow did not permit us to reach our target

- Salaries and salary deductions paid by relevant due dates
 - ⇒ All salaries and salary deductions were paid by the respective due dates during the financial year.
- Reclassification of job titles
 - ⇒ An offer was made to the finance staff to sit and work over weekends to reclassify the posts in finance but this offer was not entertained as certain staff felt that it was not correct to expect them to work over the weekend without compensation.
- Mutual respect between management and staff
 - ⇒ A further team building session for the finance directorate was discussed with the staff but the majority of the staff were not prepared to participate. The team building session would have been conducted outside of working hours so could not be made compulsory. Efforts will once again be made in the 2012/2013 financial year to hold another team building session.
- Uniforms and dress code
 - ⇒ The finance staff are still not prepared to contribute financially to uniforms so the matter regarding uniforms was closed and the dress code will be dealt with in accordance with the finance code of conduct
- Interdepartmental relations and communications
 - ⇒ This was implemented through “Project Committee” involvement in the 2010/2011 financial year but has not received the attention needed during the 2011/2012 financial year
- Upgrading of faxes and photo copiers
 - ⇒ The photo copiers have been upgraded and a few have fax facilities but we are still awaiting the installation of the new telephone system to address the main fax lines and the telephone lines.
- Management of telephone calls
 - ⇒ This is difficult to implement as the current telephone system has a problem with pin numbers. The telephone system is being replaced and hopefully the new system will have management features included
- Office environment not conducive to working condition
 - ⇒ This has been addressed and alterations to the down stairs section of the finance directorate in Port Alfred are complete and the upstairs section is underway. Funding from grants is being used to undertake the alterations as no capital budget was granted by Council for the work to be done.
- All Computers to be installed with UPS and Generators
 - ⇒ The UPS’s in the Port Alfred offices have been installed but the generator has not been purchased as yet. The UPS’s for all other finance offices are in the process of being procured. The IT Manager is looking into having a generator installed to take over in the event of power surges or outages
- Update Systems Daily
 - ⇒ This is now in place and the system is backed-up daily on and off site. We are confident that we can now restore the finance system within a day if hit by some or other disaster.
- Control Indigent Water Usage
 - ⇒ High indigent water usage is a combination of water leaks and wastage. Infrastructure has implemented a “Water leak repair project” in the wards and the impact of this project will be assessed when completed.

- All meters to be read and ensuring correct readings
 - ⇒ The percentage of meters read on a monthly basis is increasing monthly but we continue to aim for a 95% success rate. The property where access cannot be gained to obtain readings remains a problem. Letters were written to accountholders of affected properties requesting that they make arrangements to allow the meter readers access to the properties to do meter readings.
- Increase number of meter reading handhelds
 - ⇒ Quotations were obtained to purchase additional handheld meter reading units but the cost exceeded our budget. The budget for the 2012/2013 financial year has been increased so that the additional units can be procured.
- Creditors to be paid on due dates to avoid interest payments
 - ⇒ This remains a point of concern as creditors are still not been paid within 30 days of invoice. Finance is now stamping the invoices once they are received by the finance directorate as at times the invoices arrive after the 30 day period.
- Reduce Indigent debt
 - ⇒ The indigent policy was revised as part of the budget related policies and measures put in place to attempt to address the debt that is owed by indigent households.
- Disconnections/Reconnections to be done Internally
 - ⇒ This can only be done on expiry of the current agreement with the service provider. However, a limited number of disconnections will be done internally now that the credit control policy has been amended and finance can now block prepaid electricity consumers.

- Procurement to be done for emergencies only
 - ⇒ Through the assistance of the Municipal Manager this has been done to a certain extent but due to crisis management there are many emergencies that do occur.

Highlights for the finance directorate during 2011/2012

The following is a list of the highlights that I feel need to be mention that happened during the 2011/2012 financial year;

- All finance staff pulling together to ensure that the financial statements were prepared according to GRAP standards
- Altering the finance office to make it more user friendly for our customers
- Moving all finance staff into one building
- Pre-Paid Electricity
- Training of interns in the budget and treasury office
- Revising finance controls and procedures
- Improving on financial reporting
- Maintaining a working cash flow
- Staff in the finance directorate attending various training courses
- Work done on the asset register

Challenges faced by finance during 2011/2012

The following is a list of the major challenges that were faced by the finance directorate during the 2011/2012 financial year;

- The exceptions raised in the management report from the Auditor-General for the financial year ending 30 June 2011 that could not be all addressed and could result in the same issues once again been raised as exceptions
- The continued withholding of rates by certain ratepayers impacted on the cash flow and resulted in many man-hours spent dealing with all related issues

- Cash flow issues due to non-payment off debt
- Collection of outstanding debt
- Minimal impact of debt recovery by Councils attorneys where the debt collected equates to the legal costs that have to be paid
- Appointment of vacant posts in the finance directorate been hampered due to various issues
- Lack of financial training for the finance staff
- The implementation of the job evaluation
- Upstairs office environment in Port Alfred not conducive to working condition

Budget

The budget process for the 2012/13 financial year did not follow the required time table during the 2011/2012 financial year. This is going to have to be addressed by the Mayor and Municipal Manager in the next financial year as we need to get all processes aligned.



Budget Control

Directorates exercised very little control over their expenditure during the year and the result being that many votes were overspent and not all adjustment budgets were submitted to Council for approval. The overspending on votes was not reported to the Accounting Officer or the MEC for local government and will thus be regarded as unauthorised, irregular, fruitless or wasteful expenditure by the Auditor-General.



Internal Control

During the year, the following policies, relating to finance, were amended and approved by Council;

- Budget policy
- Supply Chain Management Policy
- Property Rates Policy
- Fixed Asset Policy
- Banking and Investment Policy
- Indigent Policy
- Virement Policy
- Asset Management Policy
- Imprest/Petty Cash Policy
- Debt Collection and Credit Control Policy

The implementation date for all of the amended policies will be 1 July 2012.

It is all well and good to have all the policies and by-laws in place but the challenge is for all employees to comply with the policies and by-laws. Non-compliance is going to result in unnecessary audit queries and this must be avoided at all costs. All staff must be familiar with all the policies and by-laws of the Council and must ensure that they comply with all aspects.

Revenue

During the 2011/2012 financial year all ratepayers and consumers on record were billed monthly but the collection of overdue accounts stills remains a point of great concern. A further concern is the access to meters in homes that are locked and having to average meters for long periods.

A supplementary valuation was conducted during the financial year to bill ratepayers for subdivisions, consolidations, new buildings and alterations to buildings.

I am keen to have a data cleansing exercise undertaking during the 2012/2013 financial year to ensure that we have all ratepayers and consumers on our database.

Supply Chain Management Unit

One of the biggest challenges that needs to be overcome is to get all directorates to adhere to the Ndlambe Supply Chain Management Policy. This point has been highlighted in both the internal audit report and the report of the Auditor-General.

The supplier data base has to be improved so that the emerging companies and local based businesses are registered. Once this is done the opportunities for the previously disadvantaged should increase dramatically.



Expenditure

Although hampered by serious cash flow problems the expenditure section has ensured that, as far as possible, creditors are paid within 30 days of receipt of the invoice and correct documentation by the finance directorate. All salaries and third party payments have been paid on time. Special payment arrangements have been made for emerging contractors in order for them to maintain their cash flows.



Finance Grants received 2011/2012

Of the grants received by the finance directorate, the equitable share was utilised to cover the charges raised on indigent household properties and to write off bad debt in respect of deceased owners.

The finance management grant was used to remunerate the interns that are employed and for the mentors that are training and capacitating the interns in all finance related matters. Other projects funded from the finance manage-

ment grant include systems improvement and addressing matters raised in the audit report and the finance turn-around strategy.

The municipal systems improvement grant was used to fund the work done on the asset register, the supplementary valuation roll and GRAP conversion.



Staff Matters

During the year the meter readers held a successful team building session and the results have shown in their meter reading percentages. Their commitment is applauded and all other sections in the finance directorate need to look at the successes they have achieved through teamwork.

During the financial year the staff turnover was again very low but many staff remain demotivated due to the implementation of the job evaluation and the grading of their posts. This remains a point of concern that somehow needs to be addressed as it impacts on appointments as well.

The appointment of the four staff to man the credit control office has been hampered by various factors and this has a direct effect on the ability of the directorate to recover outstanding debt. Two of the positions have now been filled but the two senior posts to take control of the section have as yet not been filled.

The finance directorate were saddened by the passing of Mr Tisani at our stores department and his contributions will be missed.

During the 2011/2012 financial year the finance directorate said farewell to Ms E Welsh and Ms D Rudman.

Finance Directorate - Staff Component – 2011/2012

Director: Financial Management
 Personal Assistant – Vacant – Budgeted Post
 Deputy Director: Finance - Income
 Assistant Director: Finance - Expenditure
 Budget and Treasury Manager – Vacant – Budgeted Post
 Supply Chain Unit Manager
 Secretary
 Senior Accountant: Income
 Senior Accountant: Revenue/Credit Control – Vacant – Budgeted Post
 Senior Accountant: Expenditure
 Senior Accountant: Budget and Treasury
 Senior Accounts Clerk: Credit Control – Vacant – Budgeted Post
 Senior Accounts Clerk: Expenditure – Creditors
 Accounts Clerk: Expenditure – Creditors
 Data Operator: Expenditure
 Accounts Clerk: Supply Chain Unit
 Storekeeper/Buyer
 Assistant Storekeeper
 Accounts Clerk: Rates
 Accounts Clerk: Indigent
 3 x Accounts Clerks: Credit Control
 2 x Data Operators: Income
 3 x Accounts Clerks: Income Enquiries
 6 x Cashiers – 1 Post Vacant – Budgeted Post
 Senior Meter Reader
 8 x Meter Readers

The staff component does not fall into an ideal structure and this needs to be addressed when the budget and cash flow allows. It is also critical that the budgeted posts in finance must be filled at all time or debt collection and segregation of duty becomes a problem and in turn increases the risk factor.

Staff Training – 2011/2012

Training needs to be prioritised during 2012/2013 as many staff lack general computer skills, understanding of the financial system ABAKUS and understanding of basic accounting principles. Once training has been conducted I am positive that the moral of the staff will improve dramatically as they will then be confident in their working environment.

The following training occurred during the 2011/2012 financial year;

- National Treasury Competency Training
- Supply Chain Management
- Caseware
- Budget Training
- Revenue Management Training
- Intern Training

The following table represents the finance performance score card for the 2011/2012 financial year, as approved by Council and indicates the following;

- Finance Objectives
- Finance Key Performance Areas
- Finance Baselines
- Finance Targets
- Finance Actual Results
- Reasons and Comments on achieving targets or not achieving targets



| OBJECTIVE | KEY PERFORMANCE INDICATOR PROJECT | BASE-LINE | TARGET 2011/2012 | ACTUAL 2011/2012 | REASON FOR VARIANCE / COMMENTS |
|---|---|------------------------------|------------------|------------------|--|
| To revise and complete the entire Municipality's asset register to be GRAP Compliance (Generally Recognised Accounting Practice) over a period of one year. | Percentage of progress made towards maintained and rehabilitation of Asset register including all Finance Leases, Operating Leases, Infrastructure Assets and municipal and Investment properties. | 25 % Complete Asset Register | 100% | 85% | Funding to complete all infrastructure assets could not be accessed timeously so the project started late in the financial year |
| | New asset acquisitions are recorded/captured on a monthly basis. | 0 | 100% | 100% | Although directorates and offices do not all submit their asset acquisition forms to the finance directorate. The finance directorate has however captured all new assets through the creditors system when payments were made. Donated assets were a challenge but were accounted for during the verification process |
| | The existence of all assets is verified half yearly. | Unknown | 100% | 100% | The half yearly asset verification was undertaken internally and the year-end verification was done with the assistance of BAAUD |
| To maintain Finance assets | All infrastructure assets are identified | Unknown | 100% | 85% | Funding to complete all infrastructure assets could not be accessed timeously so the project started late in the financial year |
| | All assets acquired are bar coded and insured on a monthly basis. | 0 | 100% | 97% | All assets are bar coded but not all were insured during the 2011/2012 financial year due to finance only been aware of the asset at year end verification |
| | Number of Finance assets assessed and ensuring that they are utilized economically. | 3 Vehicles | 3 | 3 | All three vehicles are running and maintained on a regular basis. Other financial assets are also assessed to ensure that they are been used economically. |
| To ensure financial resources are utilised in an economical, efficient and effective manner. | Income and expenditure reports are provided on a monthly basis to offices and directorates for them to do budget control. | 12 | 12 | 12 | The financial system has also been networked to the directors and managers so that they can exercise control |
| | Finance investment plan is developed for development priorities in the IDP. | 0 | 1 | 1 | Finance investment plan was developed but is still not linked to the IDP |
| To ensure that all revenue is collected on a monthly basis to cover the operating expenditure of the municipality on a daily basis | A process plan in place to ensure all new buildings, additions to buildings, re-zoning of properties, subdivisions and consolidations are forwarded to the finance directorate on a monthly basis for billing and valuation purposes. | 0 | 12 | 12 | This information is been obtained from the building control office but we are still concerned about illegal structures and that we may not be receiving all information regarding plans and meter connections |
| To ensure all indigents have access to free basic services. | All residents who do not have the financial means to pay for basic services in terms of the indigent policy are registered. | 70% | 95% | 90% | Registrations were undertaken in all wards but we did not register all per our estimation. Additional measures to register indigents are going to be developed. We are also concerned that households are registered as indigent under false declarations. |

| | | | | | |
|--|---|---|----------------------------------|------------------------------|--|
| To ensure an effective customer care service to all residents. | A complain register to reduce number of complaints from residents resulting from account queries is developed | 0 | 1 | 0 | The register was not properly maintained during the financial year as correspondence and complaints not centralised. |
| Develop the capacity of the Budget and Treasury Office to meet the requirements of credible financial management | Increase in response time to be within 7 days and resolution of complaints to be within 14 days of receipt. | 0 | 90% | 80% | Many of the complaints received that require input from other directorates is not been responded to within 14 days |
| Ndlambe is able to raise sufficient revenue (internal and external sources) and manage the assets to meet their responsibilities in terms of service delivery incorporating both capital and operational costs | BTO is established in line with treasury guidelines (structure). | 2 Permanent Staff 5 Interns | 1 additional asset clerk | 1 asset clerk | The asset clerk is now a permanent appointment |
| Develop the Supply Chain Management System to be in line with the SCM policy and meet the requirements of good practice | Relevant officials are trained to ensure that they are able to contribute to the financial management system (treasury departments and departmental managers) | 4 Staff members trained | 9 staff trained | 9 staff trained | The interns are also receiving day to day in-house training from their mentor |
| An updated (contemporary) financial system of Ndlambe is optimally used by competent staff. | Percentage increase in the possible local revenue base | 4% increase on current revenue base | 4% | 3% | The economic recession we are coming through has contributed to this and the data cleansing exercise is not completed |
| To improve communication of the budget process | 100% spending of FMG and MSIG funds | 100% | 100% | 100% | All allocations spent to improve financial systems |
| Ndlambe Municipality is able to meet all payments to creditors and staff on due dates | Increase in % of equitable share based on more accurate statistics in terms of the DORA | 10% increase on current allocation | 10% | 0% | All attempts to get the equitable share increased by submitting more updated statistics has not resulted in any additional allocations. The only positive response is that National Treasury will be re-looking at the formula and basis of distribution of the equitable share. |
| | Percentage decrease in non payment | Current payment rate 75% | Increase current rate by 5% | Current rate increased by 4% | Despite the withholding of rates, there has been an improvement in this area but we did not achieve the 5% that we set ourselves and this needs to be addressed in the new financial year |
| | Fully operational computerised SCM system in line with SCM Policy and MFMA implemented | 2 additional posts and relocate PMU from infrastructure to SCM unit | Additional 4 posts | 0 | Due to budget constraints this will only take place in the 2012/2013 financial year |
| | Percentage of elements of financial system utilised | 8 Modules | 8 | 7 | We are experiencing problems to get the bank statements to integrate to the financial system. We will continue to press our bankers to assist us in this regard |
| | Increased in number of staff trained to effectively use the financial system | 27 | 27 | 0 | The cost to do the training of all staff could not be sourced as our original budget was reduced |
| | Increase in the investments of maintenance / upgrade of financial system | 150 000 | 150 000 | 150 000 | The procurement of the hand held meter reading units remain a challenge |
| | Increase in the number of useful reports generated for planning and monitoring purposes | 12 income/expenditure and budget reports | 12 | 12 | This is now happening on a monthly basis |
| | Number of reports that meet the legal requirements at the right time | 12 Financial Reports | 12 | 12 | Although all reports were done to meet legal requirements not all due dates were met as the month end procedures at times were delayed and that resulted in the reports been submitted late |
| | Percentage of improved cash flow by reducing expenditure to match actual cash on hand. | 25% | 15% | 10% | This was done but had a direct impact on service delivery. |
| | Decrease payment to 30 days from date that invoice is received by finance | unknown | 100% | 92% | We are still having a problem getting directorates and managers to authorise the invoices stating that the work has been done or the goods have been received |
| | Relevant advertisements and loud hailing are done within the legislated time frames | 1 Advert and 9 ward loud hailing | 1 Advert and 9 ward loud hailing | 1 Advert | The public participation process on the budget was done according to the set time table |

Implementation of the Performance Management System

The Municipal Systems Act (MSA) requires every municipality to have a performance management system in place to monitor the implementation of the targets set in the IDP. Although the MSA describes how the system should function, it does not prescribe the type or format of the system a municipality should develop in order to measure its performance.

Ndlambe Municipality moved from the Howard Cook System in 2009 and is currently using the balanced scorecard approach in monitoring, evaluating and measuring the performance of the organisation. The balanced scorecard is a strategic planning and management system that is used to align the municipality's activities to the vision and strategy, improve internal and external communications, and monitor the municipality's performance against strategic goals. The Balanced Scorecard adds strategic non-financial performance measures to traditional financial measures to give managers a more "balanced" view of the organizational performance.

The term Balanced Scorecard reflects the balance between short and long term objectives, financial and non-financial measures, lagging and leading indicators and internal and external performance measures.

The balanced scorecard ultimately is about the identification of financial and non-financial measures and attaching targets to them, so that when they are reviewed it is possible to determine whether current performance meets expectations.

The benefits of using the balanced scorecard include;

- Better Strategic Planning
- Improved Strategy Communication and Execution
- Better Management Information
- Improved Performance Reporting
- Better Strategic Alignment
- Better Organisational Alignment

The balanced scorecard approach forces the organ-

ization to design key performance indicators for their various strategic objectives. This ensures that the organization is measuring what actually matters. A well implemented Balanced Scorecard also helps to align organizational processes such as budgeting and risk management with the strategic objectives.

According to section 57 of the Local Government: Municipal Systems Act, 2000 (Act no. 32 of 2000) a person to be appointed as the municipal manager of a municipality and a person to be appointed as a manager directly accountable to the municipal manager, may be appointed to that position only in terms of a written employment contract with the municipality complying with the provisions of this section and subject to a separate performance agreement concluded annually.

The performance agreement must be concluded within a reasonable time after a person has been appointed as the municipal manager or as a manager directly accountable to the municipal manager and thereafter within one month after the beginning of the financial year of the municipality.

The performance agreement must include;

- Performance objectives and targets reflected in the annual performance plan which forms an annexure to the performance agreement that must be met,
- Time frames within which those performance objectives and targets must be met,
- Performance objectives and targets that must be practical, measurable and based on the key performance indicators set out in the municipality's integrated development plan
- Standards and procedures for evaluating performance and intervals for evaluation, and the consequences of substandard performance.

The municipal manager and managers directly accountable to the municipal manager must clearly organise their objectives and strategies to address the 5 National KPA's and any other National or Provincial prescribed key performance indicator.

The 5 National KPA's are;

- Basic Service Delivery
- Institutional Transformation
- Local Economic Development
- Financial Management
- Good Governance and Public Participation

According to the Performance Agreement entered into by employees, the criteria upon which the performance of the Employee will be assessed will consist of two components, both of which will be contained in the Performance Agreement. The two components being the Key Performance Areas set out in the Scorecard/Performance Plan and the Core Competency Requirements (CCR's). KPA's covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment.

The assessment of the performance of the **Employee** will be based on the following rating scale for KPA's and CCRs:

| Level | Terminology | Description |
|-------|--|---|
| 5 | Outstanding performance | Performance far exceeds the standard expected of an Employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year. |
| 4 | Performance significantly above expectations | Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year. |
| 3 | Fully effective | Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan. |
| 2 | Not fully effective | Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the Employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan. |
| 1 | Unacceptable performance | Performance does not meet the standard expected for the job. The review/assessment indicates that the Employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The Employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement. |

Below is a list of CCR's for employees;

| CORE MANAGERIAL COMPETENCIES (CMC) |
|--|
| Strategic Capability and Leadership |
| Programme and Project Management |
| Financial Management |
| Change Management |
| Knowledge Management |
| Service Delivery Innovation |
| Problem Solving and Analysis |
| People Management and Empowerment |
| Client Orientation and Customer Focus |
| Communication |
| Honesty and Integrity |
| CORE OCCUPATIONAL COMPETENCIES (COC) |
| Competence in Self Management |
| Interpretation of and implementation within the legislative and national policy frameworks |
| Knowledge of Performance Management and Reporting |
| Knowledge of global and South African specific political, social and economic contexts |
| Competence in policy conceptualisation, analysis and implementation |
| Knowledge of more than one functional municipal field / discipline |
| Skills in Mediation |
| Skills in Governance |
| Competence as required by other national line sector departments |
| Exceptional and dynamic creativity to improve the functioning of the municipality |

For purposes of evaluating the performance of the **Employee**, an evaluation panel constituted by the following persons will be established –

- Mayor;
- Chairperson of the Audit Committee;
- Member of the Executive Committee
- Municipal Manager and/or Mayor of another municipality
- Member of a Ward Committee as nominated by the Mayor

The performance of each **Employee** in relation to his/her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

First quarter : July – September 2011

Second quarter: October – December 2011

Third quarter: January – March 2012

Fourth quarter: April – June 2012

The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance. A performance bonus of 1% to 14% of the inclusive annual remuneration package may be paid the Employee in recognition of outstanding performance.

In the case of unacceptable performance, the **Employer** shall –

- provide systematic remedial or developmental support to assist the **Employee** to improve his or her performance; and
- after appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the **Employer** may consider steps to terminate the contract of employment of the **Employee** on grounds of unfitness or incapacity to carry out his or her duties.

Performance Agreements:

Performance Agreements for the 2011/2012 financial year were entered into by the Municipal Manager, Director Finance, Director Infrastructure and Director Community Protection within the specified time frame. Unfortunately no performance agreement was entered into with the Director Corporate Service due to internal problems.

During the 2011/2012 financial year, the 5 year performance contracts for the Municipal Manager, Director Finance, Director Infrastructure, Director Corporate Service and Director Community Protection came to an end.

Posts for these positions were advertised and new five year contracts were entered into, as well as new performance agreements which will conclude at the end of the financial year, at which point new agreements will be entered into.

Copies of the performance agreements can be found on the Ndlambe website;

Reviews:

Performance reviews for the first two quarters were held on the 6th and 7th December 2011 and the Director Infrastructure and Director Finance were assessed. Review for Director Community Protection was organised but due to internal problems, the review was unable to proceed, and due to the suspension of the Director Corporate Service, we were unable to assess her.

With the Director Infrastructure and Director Community Protections contracts ending at the end of the second quarter (December 2011), and not having assessed the Director Community Protection and Director Corporate Service, we were unable to assess the Municipal Manager.

Director Finance received a score of 100.3% for his review, with Director Infrastructure obtaining a score of 82.6%. Unfortunately this is not a true reflection of the directors performance as there were KPI's that were not scored due to their targets only being set for the last two quarters, which effected their scores.

Final Reviews for the Directors and Municipal Manager were held on the 27th and 28th August 2012.

Financial year ahead:

Performance Management continues to grow within the municipality. Each year the scorecards/ performance plans are re-looked at and adjusted, during the review of the performance plans, Directors are given the opportunity to take lessons learnt from the previous year and improve, to make KPI's more measurable and realistic.

During the 2012/2013 financial year we will be cascading down from section 57's to assistant directors and senior managers' level. This process has already started and will be complete by the end of this financial year.

Presentation of the organizational structure (approved organogram)

The Council of Ndlambe Municipality views Personnel Services as an essential component of Corporate Services in order to ensure Ndlambe Municipality deliver services to its communities.

The Human Resources Management Section is responsible among other things for the following:

RECRUITEMENT

Ndlambe Municipality reviews and adopt its organisational structure annually in order to see to that the strategies of the IDP are carried out by its Council. The breakdown of the posts in the entire institution is as follows:

Table showing number of post per directorate:

| Directorate | Number of approved posts | Number of Vacancies |
|---------------------------------|--------------------------|---------------------|
| Office of the Municipal Manager | 8 | 3 |
| Corporate Services | 28 | 3 |
| Infrastructural Development | 135 | 4 |
| Community/Protection Services | 112 | 4 |
| Finance | 58 | 8 |

Staff development initiatives during the Financial Year

SKILLS DEVELOPMENT

The Skills Development Plan was compiled was compiled from April 2011 and approved during June 2011 as prescribed by Legislation.

For the year 2011/12 the Ndlambe Local Municipality continued to experience challenge of tight budget for the training and development. The Council only allocated R80 000.00 for both Municipal Councillors and officials for training.

The following is a summary of training implemented in various directorates through internal and external sources:

Training implemented per job category

| Directorate | Total | Legislators, Snr officials and managers | Professionals | Technicians | Clerks | Craft and related trade workers | Elementary occupations |
|---------------------------------|-------|---|---------------|-------------|--------|---------------------------------|------------------------|
| Office of the Speaker | 4 | 4 | 0 | 0 | 1 | 0 | 0 |
| Office of the Municipal Manager | 3 | | 1 | | 1 | 0 | 0 |
| Corporate Services | 5 | 2 | 0 | 1 | 2 | | |
| Infrastructural Development | 14 | 4 | 1 | 2 | | 5 | 17 |
| Community/Protection Services | 15 | 4 | 0 | | 3 | 0 | 8 |
| Finance | 10 | 3 | 0 | 3 | 3 | 0 | 1 |
| Total: 2011/12 | 51 | 17 | 2 | 6 | 10 | 5 | 26 |

LEARNERSHIP

The municipality through the assistance of the Department of Water Affairs implement WaterLearnership which recruited 15 municipal employees.

INDUCTION

The municipality recently appointed a large number of new recruits in 2011/12 the as compared to the recent past. This is reason is not essentially due to new positions that have been created, but due to financial challenges problems of the municipality that lead to the prioritisation of vacancies that were to be filled in.

The new recruits were taken through one day induction coarse which was conducted by the Human Re-courses Section and covered the following areas:

- Ndlambes's Mission and values
- Legislative environment
- Work Ethics
- Conditions of Service
- Labour relations processes and procedures
- Batho Pele Principles

PROMOTIONS

Ndlambe Municipal employees do not get promoted automatically. All internal employees apply for posts as they get advertised.

The table below outlines employees promoted during the last financial year:

| Directorate | Number of Promotions 2010/11 | Number of Promotions 2011/12 |
|---------------------------------|---------------------------------|---------------------------------|
| Office of the Municipal Manager | 0 | 0 |
| Corporate Services | 0 | 1 |
| Infrastructural Development | 0 | 0 |
| Community/Protection Services | 0 | 6 |
| Finance | 1 | 1 |
| Total | 1 | 8 |

RECRUITMENT AND SELECTION

During the 2011/12 financial year, the municipality made many appointments as compared to last two financial years. The challenge in the recent previous years was due to the financial constraints that have been faced by the municipality. This did not only frustrate service delivery but the Council had also to prioritise the filling of vacancies.

Table showing appointments per employment equity categories for 2011/2012

| Directorate | African | Colored | White | Indian | Total | Male | Female | Disability |
|---------------------------------|---------|---------|-------|--------|-------|------|--------|------------|
| Office of the Municipal Manager | 2 | 0 | 1 | 0 | 3 | 2 | 1 | 0 |
| Corporate Services | 8 | 0 | 0 | 0 | 8 | 4 | 4 | 1 |
| Infrastructural Development | 11 | 3 | 0 | 0 | 14 | 5 | 6 | 1 |
| Community/Protection Services | 15 | 4 | 1 | 0 | 19 | 1 | 8 | 0 |
| Finance | 1 | 1 | 2 | 0 | 4 | 2 | 2 | 0 |
| Total: 2011/12 | 36 | 8 | 4 | 0 | 48 | 18 | 21 | 2 |

Technical staff registered with professional bodies:

The following is a table showing the number of Technical staff registered with Professional Bodies:

| Technical Service (e.g.water, electricity etc...) | Total number of technical service Managers | Total number registered in the accredited professional body | Total number pending registration confirmation in the accredited professional body | Total number not yet registered in the accredited professional body |
|---|--|---|--|---|
| Director Infrastructure | 1 | 1 | 0 | 0 |
| Deputy Director Infrastructure | 2 | 1 | 1 | 1 |

TRENDS ON PERSONNEL EXPENDITURE

Trends on total personnel expenditure (Last Three financial years)

| Financial year | Salaries | Expenditure | Percentage |
|----------------|-------------|-------------|------------|
| 2009/2010 | R59 805 280 | R57 805 280 | 97 % |
| 2010/2011 | R66 190 661 | R62 250 901 | 94 % |
| 2011/2012 | R70 443 356 | R66 614 839 | 95 % |

PENSION FUNDS

The following pension and/or retirement funds are used by the Ndlambe Local Municipality:

- Municipal Councillors Pension Fund
- Sala Pension Fund
- Cape Retirement Fund
- SAMWU Provident Fund
- Sanlam Retirement Fund

MEDICAL AID SCHEMS

Employees of the municipality are able to choose from the following Schemes:

- Bonitas
- Hosmed
- Key Health
- LA Health
- SAMWU Med

EMPLOYEE WELLNESS

Ndlambe Municipality recognises its employees as the centre of development. This translates in ensuring that the municipality is accessing employee assistance programmes through the human resources management section. Various staff members are accessing assistance and are being referred to relevant institutions for their matters. Included in the Employee Programme is the Employee Sport Club, which participates in local, district and Salga Provincial Games. In the Provincial Salga Games held in Port Elizabeth, Cllr. T. Stander was nominated to represent the Cacadu District Municipality.

In line with employee wellness, our Municipal Sport Club recently hosted a Sport Day Tournament on 30th June 2012, in commemoration of Youth Month. The tournament was a success and was held between the South African Polices Services of Port Alfred and surrounding areas and the Department of Health of Port Alfred. The Ndlambe Municipal Soccer Team won the Soccer Tournament. The tournament is aimed encouraging healthy life style for the employees of the municipality.



Speaker, Cllr. Mapapu, handing over Trophy to the winning team.



Ndlambe Soccer team.

SECTION 57 PERFORMANCE BONUSES

| Name | Designation | Bonus Amount |
|-----------------|--|--------------|
| R. Dumezweni | Municipal Manager | |
| Mr. H. Dredge | Chief Finance Officer | |
| Mr. X. Masiza | Director: Infrastructural Development | |
| Mr. S. Mvunelwa | Director: Community/Protection Service | |
| Mr. T. Mali | Director: Corporate Services | |

Annual performance as per key performance indicators in municipal transformation and organizational development

| Indicator name | Total number of people (planned for) during the year under review | Achievement level during the year under review | Achievement percentage during the year | Comments on the gap |
|----------------|--|--|--|---------------------|
| 1 | Vacancy rate for all approved and budgeted posts; | | | |
| 2 | Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers) | | | |
| 3 | Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY | | | |
| 4 | Percentage of Managers in Technical Services with a professional qualification | | | |
| 5 | Percentage of municipalities within the district area that have a fully functional Performance Management System (DM only) | | | |
| 8 | Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term | | | |
| 9 | Percentage of councillors who attended a skill development training within the current 5 year term | | | |
| 10 | Percentage of staff complement with disability | | | |
| 11 | Percentage of female employees | | | |
| 12 | Percentage of employees that are aged 35 or younger | | | |

Major challenges and remedial actions in regard to human resource and organizational management

| Challenge | Remedial Action |
|---|--|
| Shortage of staff | Creation of additional posts in HR |
| Job Evaluation Wacca Implementation | Establishment of an institutional Job Evaluation Office |
| Collective Agreements & HR Policies only in English | Possible translation of such into isi-Xhosa |
| Organisational Structure could be outdated | A comprehensive organisational study that will focus on powers and functions of the municipality |

1. Indigent policy implementation

Implementing the indigent policy is one of the greatest challenges that the finance directorate is faced with. Challenges revolve around indigent registration, keeping the water usage within the limits per the indigent policy and property ownership.

Registration of Beneficiaries.

Beneficiaries do not voluntarily apply for indigent support consequently municipal staff had to do visits to the communities in order to have the beneficiaries registered. During the visits, turnout is poor to an extent that such visits had to be done more than once in order to register or renew previous years applicants.

Despite communication and emphasis by municipal staff that applications must be renewed annually, beneficiaries still do not do so until debt collection procedures are followed. Registration process is not user friendly to enable door-to-door visits in order to reach the targeted and new beneficiaries. Copying and certifying required documents is one of the hindrances of door-to-door visits. This requires use of a central venue to do the registration.

Beneficiaries do not report changes of their financial status until a following financial.

Service(s) Consumption by beneficiaries.

Usage of most services made available to beneficiaries are controllable but water is the most difficult service category to deal with. The municipal policy makes a provision for 10kl per household but average consumption is far beyond this limit. The results in municipality having to absorb excess costs of consumed water.

Property ownership

When the property registered owner is deceased, change of ownership is always delayed. This impacts negatively on the payment of rates and minimum service charges as these are paid by a property owner and when ownership transfer is done the account would be in arrears and had to be writ-

ten due to the status of the new owner.

Beneficiary registers

It is not always easy to timely keep the registers up to date due to the erratic nature of the registration and beneficiaries not reporting their financial status when employed.

2. Preparation and approval process of the indigent policy

The municipality has an existing indigent policy that was approved by Council. All indigent matters are handled according to this policy. The indigent policy together with all other budget-related policies of finance are reviewed on an annual basis before the adoption of the budget and all interested parties have the opportunity to comment on the policies.

During the financial year, the proposed indigent support policy that was work-shopped with the provincial "Free basic Services" department was submitted to Council and approved for the 2011/2012 financial year. We will now be looking at ways to ensure that we meet the requirements of the new policy so that indigents benefit from the policy and those that have the means to pay are not classified as indigents.

Implementation of the policy

The indigent policy is made available to all councillors, ward committee members and community development workers. These are the groups confronted with questions or complaints when the debtors cannot do the necessary payments. During budget consultations, people are told about the policy and encouraged to apply as beneficiaries.

Finance, municipal officials play a critical role in disseminating and implementing the policy. Beneficiaries are advised and assisted to complete the necessary application forms when visiting finance office.

The municipal website is used to make the policy available to those that have access to the internet.

The main implementation tool of the policy is visits by Municipal employees to the various wards, where they follow a yearly registration program of potential beneficiaries. Registration is done in community halls after which all the forms are evaluated and captured in the Municipal billing system.

GRANTS AND TRANSFER SPENDING

See Annexure:

Meeting of Donors' requirements in respect of conditional grants.

Equitable Share – R49 186 000

Equitable share of R 49 186 000 was received and the entire grant was used to subsidise indigent debt and to write off bad debt brought forward on indigents accounts.

Finance Management Grant – R2 000 000

Finance management grant of R2 000 000 was received and used to cover the costs of all five interns and the mentor, competency training, GRAP conversion, upgrade finance computerise systems and deal with audit queries. The grant received was fully utilised but did not cover all expenditure that was incurred.

Municipal Systems Improvement Grant – Finance Directorate R790 000

Municipal system improvements grant of R790 000 was received and used to complete the general valuation and to update the asset register to be GRAP compliant. The grant is fully spent but did not cover all the total costs of the projects.

Long term contracts entered into by the municipality

Finance Directorate – Long Term Contract

Bank Contract

The current long term contract for banking services with First National Bank has ended and is continuing on a month to month basis while the tender procedures are followed with regards to long term contracts. The process regarding long term contracts includes public participation so interested parties will have the opportunity to comment on the contract to be entered into. The banking contract is for a period of5 years

Insurance Contract

The current long term contract with AON for insuring Council's entire assets end at the end of the 2010/2011 financial year. A tender will be put out during March 2011 for interested parties to tender for the insurance portfolio for a three year period.

Legal Services – Debtors

The current long term contract for debt collection is with Messer Neave Stotter Inc. A tender will be advertised by end October 2010 for interested parties to tender for legal services/collections for a period of three years. The reason for the tender only going out by end October 2010 is to get our collection depart-

Annual performance as per key performance indicators in financial viability

| | Indicator name | Target set for the year | Achievement level during the year R(000) | Achievement percentage during the year |
|---|--|---|---|---|
| 1 | Percentage of expenditure on capital budget | R34 353 148 | | |
| | | Target set for the year (38%) | Achievement level during the year | Achievement percentage during the year vs the operational budget |
| 2 | Salary budget as a percentage of the total operational budget | R70 419 217 | R66 614 839 | 35% |
| | | Target set for the year (64%) R177 002 495 | Achievement level during the year R136 164 964 | Achievement percentage during the year vs the actual revenue |
| 3 | Total actual trade creditors as a percentage of total actual revenue | R177 002 495 | R136 164 964 | 76% |
| | | Target set for the year (80% and more) | Achievement level during the year | Achievement percentage during the year |
| 4 | Total municipal own revenue as a percentage of the total actual budget | R248 173 173 | R243 553 678 | 85% |
| | | Target set for the year R(000) | Achievement level during the year R(000) | Achievement percentage during the year |
| 5 | Rate of municipal consumer debt reduction | | | |
| 6 | Percentage of MIG budget appropriately spent | R22 449 000 | 100% | 100% |
| 7 | Percentage of MSIG budget appropriately spent | R790 000 | 100% | 100% |

ARREARS IN PROPERTY RATES AND SERVICE CHARGES

See Annexure:

Functional Areas Reporting





1. GENERAL INFORMATION

| Reporting Level | Detail | Total | |
|-----------------|---|---|--|
| | <p>Ndlambe Municipality was established as a result of the Local Government Elections of 2000 and in accordance with the provisions of section 12(1) of the Local Government Structures Act (No 117 of 1998).</p> <p>Since then, Ndlambe Municipality incorporates former Councils of Alexandria, Bathurst, Boesmansriviermond, Kenton-on-Sea and Port Alfred, as well as the former local areas of Boknesstrand/ Cannon Rocks and Seafield.</p> <p>Ndlambe Municipality consists of 9 wards and is Classified as Category B Municipality.</p> <p>The developmental vision of Ndlambe Municipality is moulded within the context of the five (5) National Key Performance Areas of the Local Government Strategic Agenda, Namely:</p> <ul style="list-style-type: none"> • Municipal Transformation and Institutional Development • Basic Service delivery and Infrastructure Development • Local Economic Development • Financial Viability and Management • Good Governance and Public Participation | | |
| 1 | <p>Geography:</p> <p>Geographical area in square kilometres</p> <p>Source: Community Survey 2007</p> | 16.3 | |
| 2 | <p>Demography:</p> <p>Total population</p> <p>Source: Community Survey 2007</p> | 63, 122 | |
| 3 | <p>Aged breakdown: (%)</p> <p>-65 years and over</p> <p>-between 20 and 64 years</p> <p>-Between 5 and 19 years</p> <p>- 4 years and under</p> <p>Source: Community Survey 2007</p> | <p>8.55</p> <p>55.99</p> <p>27.55</p> <p>7.91</p> | |
| 4 | <p>Household income: (%)</p> <p>-between R1 001 and R2 500 per month</p> <p>-between R 201 and R1 000 per month</p> <p>-Between R0 – R200 per month</p> <p>Source: Community Survey 2007</p> | <p>25.61</p> <p>23.80</p> <p>6.02</p> | |

2. FINANCE AND ADMINISTRATION

| | |
|----------------------|-----------------------------------|
| Function: | Finance and Administration |
| Sub Function: | Finance |

| Reporting Level | Detail |
|-----------------|--|
| Overview: | <p>The finance directorate is a support directorate to other directorates and customers of the Ndlambe Municipality. The finance directorate consists of four sections namely the Budget and Treasury Office, Supply Chain Unit, Revenue and Expenditure. The main office of finance is situated in Port Alfred with three satellite offices in Alexandria, Kenton-on-Sea and Bathurst.</p> <p>The objectives of the finance directorate for the 2011/2012 financial year were as follows;</p> <ul style="list-style-type: none"> • To revise and complete the entire Municipality's asset register to be GRAP Compliant (Generally Recognised Accounting Practice) • Ndlambe is able to raise sufficient revenue (internal and external sources) and manage the assets to meet their responsibilities in terms of service delivery incorporating both capital and operational costs • An updated (contemporary) financial system of Ndlambe is optimally used by competent staff • To maintain Finance assets • To improve communication of the budget process • Households living below the poverty line (R 800 per month), as well as vulnerable groups, have improved access to all required basic services, health facilities and social/ work creating programs • Develop the Supply Chain Management Unit to be in line with the SCM policy and meet the requirements of good practice and address all issues raised in the report of the Auditor-General • To ensure financial resources are utilised in an economical, efficient and effective manner • Develop the capacity of the Budget and Treasury Office (BTO) to meet the requirements of credible financial management. • To ensure that all revenue is collected on a monthly basis to cover the operating expenditure of the municipality on a daily basis • To ensure all indigents have access to free basic services. • To ensure an effective customer care service to all residents. • To work toward a clean audit by 2014 <p>To meet the above objectives the following indicators were set that we needed to achieve;</p> <ul style="list-style-type: none"> • Percentage of progress made towards maintenance and rehabilitation of Asset register including all Finance Leases, Operating Leases, Infrastructure Assets and municipal and Investment properties • New asset acquisitions are recorded/captured on a monthly basis. • The existence of all assets is verified half yearly. • All assets acquired are bar coded and insured on a monthly basis. • Percentage increase in the possible local revenue base • 100% spending of FMG and MSIG funds |

Function: Finance and Administration

Sub Function: Finance

| Reporting Level | Detail |
|-----------------|---|
| Overview: | <ul style="list-style-type: none"> • Increase in % of equitable share based on more accurate statistics in terms of the DORA • Percentage decrease in non payment • Percentage of elements of financial system utilized • Increased in number of staff trained to effectively use the financial system • Increase in number of useful reports generated for planning and monitoring purposes • Increase in the investments of maintenance / upgrade of financial system • Number of reports that meet the legal requirements at the right time • Percentage of improved cash flow by reducing expenditure to match actual cash on hand. • Number of Finance assets assessed and ensuring that they are utilized economically. • Relevant advertisements and loud hailing are done within the legislated time frames • Increase in number of households benefiting from poverty alleviation programs • Fully operational SCM unit in line with SCM Policy and MFMA implemented • Income and expenditure reports are provided on a monthly basis to offices and directorates for them to do budget control. • Infrastructure investment plan is developed for development priorities in the IDP • BTO is capacitated and trained in line with treasury guidelines (structure) and to work towards a clean audit by 2014 • Relevant officials are trained to ensure that they are able to contribute to the financial management system (treasury departments and departmental managers) • A process plan in place to ensure all new buildings, additions to buildings, re-zoning of properties, sub-divisions and consolidations are forwarded to the finance directorate on a monthly basis for billing and valuation purposes. • All residents who do not have the financial means to pay for basic services in terms of the indigent policy are registered. • A complaint register to reduce number of complaints from residents resulting from system errors is developed • Increase in response time and resolution of complaints to be within 7 days of receipt <p>BUDGET AND TREASURY OFFICE</p> <p>Budget and Treasury Office was established in terms of section 80 of the MFMA. It consists of BTO manager reporting directly to the CFO:</p> <ul style="list-style-type: none"> • Senior Accountant, • Asset Clerk, • Five Interns • and the Mentor reporting to the BTO Manager. • The functions of the BTO are as follows: Budgeting, Financial Statements & Reporting, • Asset Management, • Cash Management, • Investments and Insurance. |

The function of the budget and treasury office within the municipality is administered as follows and includes:

BUDGETING:

BTO's involvement in budgeting starts from the planning, strategizing, preparing, and tabling, approving, finalizing and implementation stage.

The planning and strategizing stages are done through the political guidance by the Mayor. i.e. review of time table schedule and the previous year's budget process to determine what went wrong, what should be corrected and the way forward. This can be done through internal and external participation.

The preparation to the finalizing stage of the budget is done by the BTO with the assistance of the Accounting Officer and the co-operation of the other directorates.

After the implementation the BTO conducts the in-year monitoring of the budget.

The major difficulties we encountered in the budget preparation are the directorates are not adhering to the time table schedule approved by the council. The directorates are not procuring according to their budget. IDP is not aligning to the budget. The directorate does not prepare their departmental SDBIP.

The strategic objectives of this function are to:

- Compile well balanced, representative and affordable budget informed by the IDP and available resources.
- The key issues for the financial year are:
- The in-year monitoring to control the budget.
- Engaging of the Mayor and the Accounting officer involvement in the budget in order to achieve a smooth budget process.
- To include the SDBIP and PMS in the IPD/Budget process

FINANCIAL STATEMENTS AND REPORTING

The BTO coordinates the process of preparing the financial statements with the finance management team.

The finance management team is required to prepare statements that are in accordance with generally recognized accounting practice (GRAP)

The financial Statement are handed over to Auditor General at the 31 August for auditing purposes as required by the S126 (1) b of the MFMA.

The BTO prepares the monthly, quarterly, half yearly and yearly reports to Council, National and Provincial Treasury based on the requirements required by the MFMA.

The strategic objectives of this function are to:

Compile accurate and reliable financial statements and reporting which reflect the true financial position of Council. An updated (contemporary) financial system of Ndlambe is optimally used by competent staff to achieve an unqualified audit report.

The key issues for the financial year are:

- Striving to produce financial statements that are fully complying with GRAP.
- To develop a monthly checklist to correct errors on matters affecting the financial statements before the reporting date.

ASSET MANAGEMENT

BTO coordinates the verification of assets towards the year end. Controlling the movement, transfers, acquisitions and disposals of Council assets on a daily basis. Report to Council a list of assets to be disposed for approval.

The strategic objectives of this function are to:

Keep record and the movement of Council assets.

- An updated (contemporary) financial system of Ndlambe is optimally used by competent staff to locate, identify and revalue all Municipal Assets.

- Ndlambe Municipality is able to raise sufficient revenue (internal and external sources) and manage their assets to meet their responsibilities in terms of service delivery incorporating both capital and operational costs.
- The key issues for the financial year are:
- To maintain the asset register on a monthly basis.
- Ensuring that the Council asset register complies with GRAP.
- Conducting a monthly checklist ensuring the asset register balances with the ledger.

CASH MANAGEMENT

Prepares a daily cash flow to determine whether the council is in the status to spend from the budget. Informs the directorates if there are cash flow problems.

The strategic objectives of this function are to:

- To secure sound and sustainable cash flow management of the Council.

The key issues for the financial year are:

- To review the cash management and investment policy in accordance with any framework that may be prescribed in terms of s13 (1) of the MFMA.

INVESTMENTS

The BTO maintains the quotation register. Identify monies that are transferred to the Council current account and invest monies not immediately required. Prepares the monthly reconciliation, realises and re-invest investments on the due date. Make withdrawals on the investments to the revolving fund, debit the current account with the original money invested and credit the vote provided by a specific director.

The strategic objectives of this function are to:

- To secure sound and sustainable investment procedures of the Council.

The key issues for the financial year are:

- Implement authorization and review of the investment decision made of the employee making the investment

INSURANCE

The BTO register all the new assets to the insurance company take out the disposed assets from the insurance list. Make insurance claims for the damage or stolen assets. Allocate payments received from the insurance company to the relevant vote. Update insurance claim register.

The problems encountered when implementing the insurance activity are directorates are not informing the BTO of the new acquisitions and stolen assets for insurance additions. Directorates are submitting insufficient information for insurance claims and are not adhering to the terms of the insurance contract. i.e. late submissions

The strategic objectives of this function are to:

- To ensure all the Council assets as per asset register are insured.

The key issues for the financial year are:

- To review the fixed asset register to comply with GRAP and ensuring that the fixed assets are at the market value for the insurance purposes.

SUPPLY CHAIN UNIT

During the 2012 Financial Year, the two members of the Unit continued to face many challenges, due mainly to an insufficient number of staff members in the Unit to carry out the full range of duties as set out in the Municipality's Supply Chain Management Policy.

Legislation Changes

1. Early in the financial year, amendments to the Supply Chain Management Policy of the Municipality were approved by Council, making this policy more suited to the specific requirements of the Municipality, while remaining within the parameters set out in the Supply Chain Management Regulations.
2. Revised regulations, issued in terms of the Preferential Procurement Policy Framework Act of 2000, came into effect on 7 December 2011. These regulations simplified, to a large extent, preferential points calculations and placed considerable emphasis on the application of functionality criteria in determining specifications and evaluating bids.

Workshop

On the 13th of April 2012, a well-attended workshop was held to which all staff who deal with Requisitions were invited. Many issues relating to the various supply chain acquisition categories and budget implications were clarified and the attendees interacted in a positive and constructive manner.

Problems

1. The Supplier Database program, which was developed specifically for Ndlambe Municipality in 2006, became completely non-functional when the Acquisition Officer's computer was upgraded before the commencement of the 2012 financial year. This Unit is therefore currently unable to process applications from suppliers to be registered on the database. The envisaged arrangements to transfer the data into a Microsoft Access based system have not yet been completed as this Unit was only recently requested to provide additional information to the proposed service provider. Alternatives are being investigated in the interim.
2. There many shortcomings regarding the quality of the actual orders which are generated by the Abakus system, and matters such as Delivery Data, Comments, Supplier Reference Numbers, Ndlambe VAT Vendor Number and other need to be incorporated into the order format.
3. The lack of central co-ordination regarding Supply Chain matters such as bid notice preparation, bid committee minutes and agendas, notice placement and other related issues remains an obstacle in complying with the required processes contained within the Supply Chain Management Policy.
4. Due to manpower constraints, management of the Unit was mostly restricted to providing guidance/advice regarding Supplier Database and Formal Tender (Committee System) matters.
5. Although tendering procedures and many other provisions of the Supply Chain Management Policy were adhered to, many deviations, mostly relating to the Informal and Formal Written Quotation provisions, occurred on a regular basis (see the paragraph relating to the Audit Outcome below).
6. There is still a tendency of some requesting departments to attempt to work around the provisions of the Supply Chain Regulations rather than adhering to the legislated processes, although the spirit and commitment shown as a result of the abovementioned Workshop has resulted in an improvement.

2011 Audit Outcome relating to SCM Processes

Paragraph 13 of the Report of the Auditor-General to the Eastern Cape Provincial Legislature and the Council on Ndlambe Municipality, dated 30 November 2011, states, inter alia, the following:

"Irregular expenditure of R33 580 831 was identified during the audit as a result of various type of supply chain management (SCM) policy contraventions."

The Auditor-General considered all expenditures (R12 488 254) which were approved as deviations by the Municipal Manager in terms of Section 36 of the Supply Chain Management Policy as being irregular in terms of the Municipal Finance Management Act. This was apparently due to the fact that he did not consider the reasons provided for in ANY 2011 deviation as being acceptable within the following categories, as set out in the Municipal Supply Chain Regulations:

- an emergency
- goods or services being produced or available from a single provider only

In addition to this, a further R21 092 577, being expenditure incurred in respect of awards made by the Bid Adjudication Committee, was deemed as being irregular expenditure.

Challenges to be addressed in 2012/2013 financial year

- Further workshops be convened at the highest level to address and finalise systems, procedures, accountabilities, education and empowerment issues relating to Supply Chain matters. It is vital that the Municipality complies with all relevant provisions of the Municipal Finance Management Act.
- Consideration be given to enhancing the capacity of the Supply Chain Management Unit by providing additional posts and training.

CREDITORS

PAYROLL:

SENIOR ACCOUNTANT: MS A. BARKHUIZEN

Administer payment of salaries and allowances. Monthly reconciliation of salaries. Payroll runs on the Friday closest to the 25th of each month where salaries are transferred electronically to staff members bank accounts .Payments made to the Pension Funds, SDL, PAYE and UIF as well as other salary deductions due, are done before the 7th of the following month. Segregation of duties between the pay office and human resources must take place during the 2010/2011 financial year as the pay office is doing far too many of human resources tasks and this creates a financial risk.

CREDITORS PAYMENTS.

SENIOR CREDITORS CLERK: MS T. AJAH

CREDITOR'S CLERK: MS. T MAMA

Administer payment of creditors. Creditors to be paid within 30 days of invoice received date on a monthly basis, statements of creditors reconciled with the orders/requisitions issued- This has been a challenge seeing that not all documentation relating to these payments have been received in time as well as the ongoing cash flow problem within the Municipality- resulting that creditors not being paid within 30 days.

Direct payments are done on a day to day basis for emergencies ,accommodation ,travelling and temporary wages

STORES:

STOREKEEPER: MS XOLISWA MJUZA

ASS. STORE KEEPER: MS BULELWA HOYI

Execute control over stock/stores -Buying and controlling of stock which includes stationery, petrol and diesel, water meters etc. Stocking taking at year end will no longer involve the participation of the storekeeper and Ass. Store Keeper, but will be done by the internal auditor and delegated staff members.

Ms Rudman was dismissed in October 2011 and the Ass. Storekeeper Mr Tisani performed both his and Ms Rudman's duties. Unfortunately Mr. Tisani passed away in November 2011, resulting in no skilled/trained staff at stores. Mr. Mngaka(Finance Dept) who has previous stores experience agreed to assist and train new staff members. At the end of March 2012 the new staff members were partially trained and started their duties at stores on their own.

Due to lack and knowledge of trained staff at stores, incorrect quantities and values were issued/ recorded which resulted in incorrect figures, quantities and values on the stores report(Abakus).- e.g 1 box of paper instead of 1 ream of paper.

A mini stock take was done at the end of March in an attempt to rectify the figures. Ms Harper tried to balance the bin cards to the actual abakus stores module figures but there was not enough time to complete and correct this process before year –end stock take.

Ms. Harper normally does an adjustment to stores after stock take at the end of June but the internal auditor, Mr. Nelana advised her not to do any adjustments this year and rather start the new financial year afresh.

CREDITORS:

To utilise all the functions available on the creditors-abakus system in order to be more effective on directs/creditors payments

The key issues for 2012/2013 are:

- To get all expenditure processes computerized
- Balance all stock items and bin cards at stores

REVENUE

Overview:

The revenue section within Ndlambe Municipality covers a wide range of functions which are of an administrative nature.

It plays a pivotal role in revenue generation and collection activities through;

- Formulation, implementation and reviewal of relevant revenue policies
- Ensuring compliance to national, provincial and local government legislation.
- Active participation in various government structures to promote intergovernmental.
- Engaging in revenue enhancement activities by billing for services consumed, provide key statistical data for setting annual tariffs, undertaking banking services, meter readings for billing purposes. Facilitation of property general and supplementary valuations and finally rating of properties.

One of the critical functions of the department is to continuously, monitor expenditure and give advice to other directorates to ensure that expenditure is within approved budget. Financial management is not only inward focussed, it provides a wide range of services to local communities. It serves as a delivery mechanism for free basic services.

Free Basic Services

Financial function is responsible for facilitating an enabling environment for the implementation of free basic services by developing policies to be approved by council. It is through these policies that local communities can access this services. Communities are assisted by the Finance department to apply for these services and thereafter facilitate payment for such services.

Different mechanisms are considered to extend the provision of certain free basic services to informal settlement and rural areas. Such services are alternative sources of energy ie paraffin, candles or gel. Feasibility studies on the logistics of extending these services are still at elementary phase .

Service Delivery

The Finance department is one of the key role players in service delivery. Finances' role is to provide support to the departments that are directly involved in service delivery. Such support is ensuring of cash resources, these resources are generated through various billing activities, collections of payments due are done by the finance department.

One of the greatest challenges that Ndlambe is faced with is electricity distribution in townships which fall under ESKOM's electricity distribution licences. The challenge is in the distribution network that is currently in place. It must be noted that this problem is not only in Ndlambe.

There are number of problems to mention a few, insufficient credits levels maintained by the vendors resulting unavailability of electricity to consumers. The matter has been addressed with ESKOM, but no solution has been provided to us.

Property Valuations

A supplementary valuation was carried out during the 2011/2012 financial year to correct errors and omissions on the general valuation roll and to rate new properties and properties that have had improvements done. The supplementary valuation roll was completed but could not be implemented in the 2011/12 Financial year due to overlaps in valuation roll processes. The current general valuation which was done in 2008, had been extended from 4 years to 5 years on Municipal request.

Strategic Objectives

The following are finance key strategic objectives which will contribute towards achievement of the municipality's strategic objectives;

- Creation and maintenance of a credible valuation roll
- Building and maintenance of a good customer relationship
- Creation and maintenance an internal customer approach when serving other internal departments.
- Reduction of errors in billing
- Ensuring maximum collection of municipal revenue through billing and revenue collection.
- Capacitating of departmental staff
- Use of various tools, equipment, to enhance revenue collection
- Identification of unbilled and unmetered consumption to enhance our revenue base.

Key issues for 2012/2013 financial year

The focus will be on the following issues, which are critical for service delivery and financial viability of Ndlambe Municipality, these will include but not limited to the list below;

- Resourcing the department
- Capacitating staff
- Improving billing and credit control information system/reports
- Increasing the number of registered indigents
- Reduce account queries
- Shorten account query response time
- Increasing debt collection efforts
- Improving customer relations
- Exploring other debt collection mechanisms
- Ensuring continuous supply of electricity to consumers in Ndlambe townships.
- Increased accessibility of Free basic Electricity to indigent people through ;
 - ⇒ Indigent registration and
 - ⇒ Issuing of free tokens without purchasing coupons.
- Provision of alternative energy sources to rural and informal settlement communities.

It must be noted that due to processes to be followed some of the issues may be both short and long term issues

| | | |
|---------------------------|--|--|
| Analysis of the Function: | | Statistical Information from financial records for the 2011/2012 financial year |
| | 1 | Debtor billings: See Annexure |
| | 2 | Debtor collections: See Annexure |
| | 3 | Debtor analysis: See Annexure |
| | 4 | Write off of debts: See Annexure |
| | 5 | Property rates – (Residential and Commercial) See Annexure |
| | 6 | Property Rates collectable for current year; See Annexure |
| | 7 | Property valuation: See Annexure |
| | 8 | Indigents: See Annexure |
| | 9 | Creditor Payments: All creditors paid within 30 days of the invoice been received by finance with confirmation that the good/services have been received. Many payments are however made later than 30 days after invoice date and that is due to the fact that not all relevant information has been received by the finance directorate. |
| | 10 | Credit Rating: The Ndlambe Municipality has not to-date obtained a credit rating. It is in our interests to obtain a credit rating so that possible funders can have confidence that we will be operating as a going concern for the foreseeable future. |
| | 11 | External Loans: The only external loans that the municipality has is with the Development Bank of South Africa See Annexure 1.2.12 |
| | 12 | Delayed and Default Payments: The Ndlambe Municipality did not delay or default on any statutory payments during the 2011/2012 financial year that were of a material or lesser nature |
| | 13 | Report of the Director: Financial Management See Annexure 1.12.13 |
| | 14 | Top 10 Creditors See Annexure 1.12.14 |
| 15 | Creditors Age Analysis: See Annexure 1.12.15 | |

3. Housing Functions Performance

| | |
|----------------------|----------------|
| Function: | Housing |
| Sub Function: | N/A |

| Reporting Level | Detail | Total | |
|------------------------------|--|--|---|
| Overview: | Includes all activities associated with provision of housing | | |
| Description of the Activity: | <p>The function of provision of housing within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> The Municipality has to identify suitable land for low cost housing. Submit applications for housing projects to the Department of Human Settlements. Administration of needs register. <p>The municipality has a mandate to:</p> <p>Manage and implement all housing projects as funded by DOHS.</p> <p>The strategic objectives of this function are to:</p> <p>Implement the housing projects for people to have shelter.</p> <p>The key issues for 2012/2013 are:</p> <ul style="list-style-type: none"> Bulk water supply Eradication of squatter areas Identification of land for Wentzel Park, Boknes and Bathurst communities. | | |
| Analysis of the Function: | <p><Provide statistical information on (as a minimum):></p> <p>1 Number and cost of all personnel associated with provision of municipal housing:</p> <ul style="list-style-type: none"> - Professional (Architects/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package. Professional includes project design, Field includes all tradespersons.</p> <p>2 Number and total value of housing projects planned and current:</p> <ul style="list-style-type: none"> - Current (financial year after year reported on) - Planned (future years) <p>Note: provide total project and project value as per initial or revised budget</p> <p>3 Total type, number and value of housing provided: Note: total number and total value of housing provided during financial year</p> <p>4 Total number and value of rent received from municipal owned rental units</p> <p>5 Estimated backlog in number of (and costs to build) housing: Note: total number should appear in IDP, and cost in future budgeted capital housing programmes</p> | <p>7</p> <p>0</p> <p>1</p> <p>6</p> <p><total></p> <p><total></p> <p><total></p> <p>1825</p> <p><total></p> <p>720</p> <p>1115</p> <p>12</p> <p>14 001</p> | <p>R1 522 906</p> <p>0</p> <p>R141 009</p> <p>R1 381 897</p> <p><cost></p> <p><cost></p> <p><cost></p> <p>R 134 920 000</p> <p><value></p> <p>R (000s) 74 000 000</p> <p>R 29 088 per annum</p> |

| | | | |
|---|---|-------------------|------------------------|
| 6 | Type of habitat breakdown: - number of people living in a house or brick structure - number of people living in a traditional dwelling | 88683 <total> | |
| | - number of people living in a flat in a block of flats | 104 | |
| | - number of people living in a town/cluster/semi-detached group dwelling | 125 | |
| | - number of people living in an informal dwelling or shack - number of people living in a room/flatlet | 10 000 <total> | |
| 7 | Type and number of grants and subsidies received: | | R (000s) |
| | <list each grant or subsidy separately> | <total> | <value> |
| 8 | Note: total value of specific housing grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year. Total operating cost of housing function Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance | Current | R (000s) Target |
| <List at least five key performance areas relative to the above function as articulated in the 200X/0Y budget here> | < List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year. 714 units in Alexandria are currently under rectification 401 units in Wentzel Park are currently under rectification | | |

4. Waste Management Function

| | |
|----------------------|-------------------------|
| Function: | Waste Management |
| Sub Function: | Solid Waste |

| Reporting Level | Detail | Total | |
|------------------------------|---|---|-----------|
| Overview: | Entails solid waste refuse collection, transportation & removal solid waste disposal, landfill management, street cleaning, maintenance of public ablution facilities and recycling. | | |
| Description of the Activity: | <p>The refuse collection functions of the municipality are administered as follows and include:</p> <p>Waste collection, transportation, disposal, landfilling and facilitating & encouragement of involvement in recycling initiatives in its area of jurisdiction. This also entails the operation of all landfill sites</p> <p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p>Collect, transport, dispose and landfilling of general household and non-hazardous waste and recycling of recyclable waste in partnership with community interest groups and the private sector.</p> <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> To provide a healthy and clean environment to all residents by having an efficient and effective solid waste management service. <p>The key issues for 20011/2012 are:</p> <ul style="list-style-type: none"> Collection and transportation of waste, street sweeping and maintenance of waste disposal sites and public ablution facilities. | | |
| Analysis of the Function: | <Provide statistical information on (as a minimum):> | | |
| 1 | <p>Number and cost to employer of all personnel associated with refuse removal:</p> <ul style="list-style-type: none"> Professional (Engineers/Consultants) Field (Supervisors/Foremen) Office (Clerical/Administration) Non-professional (blue collar, outside workforce) Temporary Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> | <p>1 shared</p> <p>7/5 shared</p> <p>1 shared</p> <p>81/27 shared</p> <p>100</p> <p>1</p> | R 5151600 |
| 2 | <p>Number of households receiving regular refuse removal services, and frequency and cost of service:</p> <ul style="list-style-type: none"> Removed by municipality at least once a week Removed by municipality less often Communal refuse dump used Own refuse dump No rubbish disposal <p>Note: if other intervals of services are available, please provide details</p> | <p>10%</p> <p>12%</p> <p>Unknown</p> <p>Unknown</p> <p>5%</p> | R (000s) |
| 3 | <p>Total and projected tonnage of all refuse disposed:</p> <ul style="list-style-type: none"> Domestic/Commercial Garden <p>Note: provide total tonnage for current and future years activity</p> | <p>unknown</p> <p>unknown</p> | |

| | | | |
|---|---|--|---|
| 4 | <p>Total number, capacity and life expectancy of refuse disposal sites:</p> <ul style="list-style-type: none"> - Domestic/Commercial (number) - Garden (number) <p>Note: provide the number of tip sites, their total current capacity and the expected lifespan as at end of reporting period</p> | <p><i>7 landfill sites</i> <i>1 Cannon Rocks</i></p> | <p><i>9 years</i> <i>1 year</i></p> |
| 5 | <p>Anticipated expansion of refuse removal service:</p> <ul style="list-style-type: none"> - Domestic/Commercial - Garden <p>Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality</p> | <p><i>7768</i></p> | |
| 6 | <p>Free Basic Service Provision:</p> <ul style="list-style-type: none"> - Quantity (number of households affected) - Quantum (value to each household) <p>Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.</p> | <p><i><total></i> <i><value></i></p> | |
| 7 | <p>Total operating cost of solid waste management function</p> | | <p><i>R 7</i> <i>201396</i></p> |

5. Waste Water Management

| | |
|----------------------|-------------------------------|
| Function: | Waste Water Management |
| Sub Function: | Sewerage etc |

| Reporting Level | Detail | Total | Cost |
|------------------------------|---|-------|------|
| Overview: | Includes provision of sewerage services not including infrastructure and water purification, also includes toilet facilities | | |
| Description of the Activity: | <p>The sewerage functions of the municipality are administered as follows and include:</p> <p>All management, operational and maintenance functions.</p> <p>Projects are managed by a team, which includes professional service providers and support agents. Ndlambe Municipality operates and maintains all sewerage systems within both Water Services Authority and Water Services Provider functions. Water-borne sewerage is available to the majority of indigent households.</p> <p>There are five (5) waste water treatment works being fed from water-borne sewerage systems which service the following communities:</p> <ul style="list-style-type: none"> • Wentzel Park, Alexandria and Kwanonqobela • Marselle and Harmony Park • Ekuphumleni • Port Alfred and Nemato • Nolutkhanyo <p>The municipality does not take account of regulatory monitoring, which is a function of Community Services and National and Provincial government.</p> <p>The municipality has a mandate to</p> <p>Operate and maintain all sewerage systems within both Water Services Authority and Water Services Provider functions.</p> <p>The strategic objectives of this function are to:</p> <p>Provide at least a reticulated water supply to all households, with safe and hygienic full water-borne sewerage systems. This is the case in the vast majority of consumer households. Levels and standards of water are stringently monitored, to ensure a safe and sustained supply.</p> <p>The key issues for 2011/12 are:</p> <ul style="list-style-type: none"> • A fleet of sanitation tankers, several of which are well beyond their expected operating lifespan. Financial constraints dictate that Ndlambe must make do with this fleet. • Operational capacity • Over-stretched treatment works • No capital funds except grant funding • Achieving Green Drop classification on all systems | | |

| | | | | |
|---------------------------|--|---|--|---|
| Analysis of the Function: | 1 | <p>Number and cost to employer of all personnel associated with sewerage functions:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package Number of households with sewerage services, and type and cost of service:</p> | <p>2</p> <p>10</p> <p>4</p> <p>See ID staff register</p> <p>N/A</p> <p>Project specific only</p> | <p>R (000s)</p> <p>R 730</p> <p>R1 415</p> <p>R 250</p> <p>Included</p> <p>Included</p> <p>Need dependent</p> <p>R (000s)</p> |
| | 2 | <ul style="list-style-type: none"> - Flush toilet (connected to sewerage system) - Flush toilet (with septic tank) - Chemical toilet - Pit latrine with ventilation - Pit latrine without ventilation - Bucket latrine - No toilet provision <p>Note: if other types of services are available, please provide details Anticipated expansion of sewerage:</p> | <p>9225</p> <p>5365</p> <p>Unknown</p> <p>Unknown</p> <p>1500 (Est)</p> <p>0</p> <p>Unknown</p> | <p>R (000s)</p> |
| | 3 | <ul style="list-style-type: none"> - Flush/chemical toilet - Pit latrine - Bucket latrine - No toilet provision <p>Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality Free Basic Service Provision:</p> | <p>509+Marselle</p> <p>0</p> <p>0</p> <p>2000 (Est)</p> | <p>Project-funded</p> <p>0</p> <p>0</p> <p>Undetermined</p> |
| | 4 | <ul style="list-style-type: none"> - Quantity (number of households affected) - Quantum (value to each household) <p>Detail</p> | <p>8 898</p> <p>Unknown</p> <p>Total</p> | <p>Cost</p> |
| | | <p>Note: Provide details of how many households receive the FBS provision, and the average value it means per household. The detail in the level of Free Basic Services is that 6KL water and all effluent disposal costs are provided, as a municipal function.</p> | <p>8 898</p> <p>Households received FBS</p> | |
| | <p>Total operating cost of sewerage function</p> | | <p>(000s)</p> <p>R 9 279</p> | |

6. Road maintenances

| | |
|----------------------|-----------------------|
| Function: | Road Transport |
| Sub Function: | Roads |

| Reporting Level | Detail | Total | Cost |
|------------------------------|---|-----------------------------|---|
| Overview: | Construction and maintenance of roads within the municipality's jurisdiction | | |
| Description of the Activity: | <p>The road maintenance and construction responsibilities of the municipality are administered as follows and include: <List administration of each function here: this should detail what is offered, and how it is offered to the community></p> <p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to: <List here></p> <p>The strategic objectives of this function are to: <List here></p> <p>The key issues for 200X/0Y are: <List here></p> | | |
| Analysis of the Function: | <Provide statistical information on (as a minimum):> | | |
| 1 | Number and cost to employer of all personnel associated with road maintenance and construction: - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package | 0 2 0 36 0 0 | R 10 298338.70 0 422 906.25 0 R 9 875 432.45 0 0 |
| 2 | Total number, kilometres and total value of road projects planned and current: - New bitumenised (number) - Existing re-tarred (number) - New gravel (number) - Existing re-sheeted (number) Note: if other types of road projects, please provide details | 0 0 0 0 | R (000s) 0 0 0 0 |
| 3 | Total kilometres and maintenance cost associated with existing roads provided - Tar - Gravel Note: if other types of road provided, please provide details | 315 181952 133044 | R15 489 140 3 190 801.30 R 2 000 000 |
| 4 | Average frequency and cost of re-tarring, re-sheeting roads - Tar - Gravel Note: based on maintenance records | 0 | R (000s) 0 |
| 5 | Estimated backlog in number of roads, showing kilometres and capital cost - Tar - Gravel | 315 km 181952 133044 | R 400 MIL |
| 6 | Note: total number should appear in IDP, and cost in future budgeted road construction programme Type and number of grants and subsidies received: <list each grant or subsidy separately> Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year. | 0 | R (000s) 0 |
| 7 | Total operating cost of road construction and maintenance function | | R 15 489 140 |

7. Water Distribution

| | |
|----------------------|---------------------------|
| Function: | Water |
| Sub Function: | Water Distribution |

| Reporting Level | Detail | Total | Cost |
|------------------------------|---|--|---|
| Overview: | Includes the bulk purchase and distribution of water | | |
| Description of the Activity: | <p>The water purchase and distribution functions of the municipality are administered as follows and include:</p> <p>That the Ndlambe Municipality (NM) is the legislated Water Services Authority for the area.</p> <p>Ndlambe Municipality operates and maintains all water supply systems within both Water Services Authority and Water Services Provider functions, with the exception of the Amatola Water Board (previously Albany Coast Water Board) supply footprint, where bulk water is supplied by the Amatola Water Board.</p> <p>These services extend to include the supply of potable water to all consumers in urban footprints, but do not take account of regulation monitoring, which sits within the jurisdiction of national/provincial sector government. The municipality has a mandate to:</p> <ul style="list-style-type: none"> provide at least a reticulated water supply to all households The strategic objectives of this function are to: Provide the supply of potable water, with pressure greater than 1Bar, in a sustainable and affordable manner, and on a continuous basis, to the consumer base of Ndlambe Municipality <p>The key issues for 2011/12 are:</p> <ul style="list-style-type: none"> Poor quality of low cost house plumbing leads to leaks and subsequent loss Massive peaks in demand Insufficient supply quantity to meet the growing demand Drought Aged infrastructure Aggressive environment Restricted operating budget Poor Water quality Untrained personnel Aged and insufficient fleet <p><Provide statistical information on (as a minimum):></p> <p>Number and cost to employer of all personnel associated with the water distribution function:</p> <ul style="list-style-type: none"> Professional (Engineers/Consultants) Field (Supervisors/Foremen) Office (Clerical/Administration) Non-professional (blue collar, outside workforce) Temporary Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</p> | | R (000s) |
| 1 | | 2 5 2 As per Staff List Nil Nil | R730 R1 274 R385 R4909 R0 R0 |
| | Percentage of total water usage per month <Insert table showing monthly water usage > Note: this will therefore highlight percentage of total water stock used per month | <volume> | <volume> |
| 2 | Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer | | R (000s) |
| 3 | <ul style="list-style-type: none"> Category 1 <insert here> Category 2 <insert here> Category 3 <insert here> Category 4 <insert here> | <volume> <volume> <volume> <volume> | <cost> <cost> <cost> <cost> |
| | Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer: | | R (000s) |
| | Category 1 <insert here> (total number of households) | <volume> | <cost> |

| | | | |
|-------------------|--|--------------|---------------------|
| 4 | Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer: | | R (000s) |
| | - Category 1 <insert here> (total number of households) | <volume> | <cost> |
| | - Category 2 <insert here> (total number of households) | <volume> | <cost> |
| | - Category 3 <insert here> (total number of households) | <volume> | <cost> |
| | - Category 4 <insert here> (total number of households) | <volume> | <cost> |
| | Total year-to-date water losses in kilolitres and rand <detail total> | <volume> | R (000s) <cost> |
| | Detail | Total | Cost |
| 5 | Number of households with water service, and type and cost of service: | | R (000s) |
| | - Piped water inside dwelling | <total> | <cost> |
| 6 | - Piped water inside yard | <total> | <cost> |
| | - Piped water on community stand: distance < 200m from dwelling | <total> | <cost> |
| | - Piped water on community stand: distance > 200m from dwelling | <total> | <cost> |
| | - Borehole | <total> | <cost> |
| | - Spring | <total> | <cost> |
| | - Rain-water tank | <total> | <cost> |
| | Note: if other types of services are available, please provide details | | |
| | Number and cost of new connections: <detail total> | <number> | R (000s) <cost> |
| 7 | Number and cost of disconnections and reconnections: <detail total> | <number> | R (000s) <cost> |
| | Number and total value of water projects planned and current: | | R (000s) |
| 8 | - Current (financial year after year reported on) | <total> | <cost> |
| 9 | - Planned (future years) | 1 | . |
| | Note: provide total project and project value as per initial or revised budget | | |
| 10 | Anticipated expansion of water service: | | R (000s) |
| | - Piped water inside dwelling | <total> | <cost> |
| | - Piped water inside yard | <total> | <cost> |
| | - Piped water on community stand: distance < 200m from dwelling | <total> | <cost> |
| | - Piped water on community stand: distance > 200m from dwelling | <total> | <cost> |
| | - Borehole | <total> | <cost> |
| | - Spring | <total> | <cost> |
| - Rain-water tank | 1000 | R3 500 | |
| | Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality | | |
| 11 | Estimated backlog in number (and cost to provide) water connection: | | R (000s) |
| | - Piped water inside dwelling | 1500 | R2 250 |
| | - Piped water inside yard | <total> | <cost> |
| | - Piped water on community stand: distance < 200m from dwelling | <total> | <cost> |
| | - Piped water on community stand: distance > 200m from dwelling | <total> | <cost> |
| | - Borehole | <total> | <cost> |
| | - Spring | <total> | <cost> |
| | - Rain-water tank | <total> | <cost> |
| | Note: total number should appear in IDP, and cost in future budgeted capital housing programmes | | |
| 12 | Free Basic Service Provision: | | |
| | - Quantity (number of households affected) | 8 500 | |
| | - Quantum (value to each household) | <value> | |
| | Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided. | | |
| | Type and number of grants and subsidies received: <list each grant or subsidy separately> | <total> | R (000s) <value> |
| | Note: total value of specific water grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year. | | |
| 13 | Total operating cost of water distribution function | | R 8 144 |

8. Electricity distribution

| | |
|----------------------|---------------------------------|
| Function: | Electricity |
| Sub Function: | Electricity Distribution |

| Reporting Level | Detail | Total | Cost |
|------------------------------|--|---|---|
| Overview: | Includes the bulk purchase and distribution of electricity | | |
| Description of the Activity: | <p>The electricity purchase and distribution functions of the municipality are administered as follows and include:</p> <p><List administration of each function here: this should detail what is offered, and how it is offered to the community></p> <p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p><List here></p> <p>The strategic objectives of this function are to:</p> <p><List here></p> <p>The key issues for 200X/0Y are:</p> <p><List here></p> | | |
| Analysis of the Function: | <Provide statistical information on (as a minimum):> | | |
| 1 | <p>Number and cost to employer of all personnel associated with the electricity distribution function:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</p> | <p>0</p> <p>1</p> <p>0</p> <p>2</p> <p>0</p> <p>0</p> | <p>R (000s)</p> <p>0</p> <p>234 739.05</p> <p>0</p> <p>233 183.47</p> <p>0</p> <p>0</p> |
| 2 | <p>Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer</p> <ul style="list-style-type: none"> - Residential - Commercial - Industrial - Mining - Agriculture - Other | <p><volume></p> <p><volume></p> <p><volume></p> <p><volume></p> <p><volume></p> <p><volume></p> | <p>R (000s)</p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> |
| 3 | <p>Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:</p> <ul style="list-style-type: none"> - Household - Commercial - Industrial - Mining - Agriculture - Other | <p><volume></p> <p><volume></p> <p><volume></p> <p><volume></p> <p><volume></p> <p><volume></p> | <p>R (000s)</p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> |
| 4 | <p>Total year-to-date electricity losses in kilowatt hours and rand</p> <p><detail total></p> | <p><volume></p> | <p>R (000s)</p> <p><cost></p> |
| 5 | <p>Number of households with electricity access, and type and cost of service:</p> <ul style="list-style-type: none"> - Electrified areas - Municipal - Eskom - Alternate energy source - Gas | <p><total></p> <p><total></p> <p><total></p> | <p>R (000s)</p> <p><cost></p> <p><cost></p> <p><cost></p> |

| | | | |
|----|---|---|---|
| | <ul style="list-style-type: none"> - Paraffin - Solar - Wood - Non electrified <p>Note: if other types of services are available, please provide details</p> | <p><total></p> <p><total></p> <p><total></p> <p><total></p> | <p><cost></p> <p><cost></p> <p><cost></p> <p><cost></p> |
| 6 | <p>Number and cost of new connections:</p> <p><detail total></p> | <volume> | <p>R (000s)</p> <p><cost></p> |
| 7 | <p>Number and cost of disconnections and reconnections</p> <p><detail total></p> | <volume> | <p>R (000s)</p> <p><cost></p> |
| 8 | <p>Number and total value of electrification projects planned and current:</p> <ul style="list-style-type: none"> - Current (financial year after year reported on) - Planned (future years) <p>Note: provide total project and project value as per initial or revised budget</p> | <p><total></p> <p><total></p> | <p>R (000s)</p> <p><cost></p> <p><cost></p> |
| 9 | <p>Anticipated expansion of electricity service:</p> <p><detail total></p> <p>Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality</p> | <total> | <p>R (000s)</p> <p><cost></p> |
| 10 | <p>Estimated backlog in number (and cost to provide) water connection:</p> <p><detail total></p> <p>Note: total number should appear in IDP, and cost in future budgeted capital housing programmes</p> | <total> | <p>R (000s)</p> <p><cost></p> |
| 11 | <p>Free Basic Service Provision:</p> <ul style="list-style-type: none"> - Quantity (number of households affected) - Quantum (value to each household) <p>Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.</p> | <p><total></p> <p><value></p> | |
| 12 | <p>Type and number of grants and subsidies received:</p> <p>DME</p> <p>Note: total value of specific electricity grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.</p> | <p>1</p> <p>1</p> | <p>R 2 000 000</p> <p>2 000 000</p> |
| 13 | Total operating cost of electricity distribution function | | <p>R 37 794</p> <p>595</p> |

9. Special Programmes Unit

| | |
|------------------------------|---|
| Function: | Special Programmes Unit |
| Sub Function: | N/A |
| Reporting Level | Detail |
| Overview: | Includes all activities associated with SPU (Special Programmes Unit) |
| Description of the Activity: | <p>The function of Special Programmes Unit within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> • <i>organise transport for the above mentioned sectors to different activities .eg.(meetings ,workshops and events)</i> • <i>organise and facilitate the sitting of meetings for these sector groups to plan and discuss their programmes.</i> • <i>administer the allocated amount for the running of the above programmes,</i> • <i>act as a liaison person between sector groups and relevant sector departments eg.(Social Dept, DSRAC, SALGA and District Municipality)</i> • <i>assist the sector groups to establish the poverty alleviation projects for themselves.</i> • <i>Assist to organise funding for the above projects.</i> <p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <ul style="list-style-type: none"> • to promote establishment of co-operatives • to promote programmes to fight against poverty • to organise designated groups as sector groups <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> • poverty alleviation programmes especially for designated groups <p>The key issues for 2012 - 2013 are:</p> <ul style="list-style-type: none"> • establishment of sector forums • since the position was vacant for nearly two years there was no budget when I started here and there was no plan or programme. There is only R60 00 for sport administration which is also used to assist on other programmes. • there is no framework for the SPU even, we mostly respond on calendar events • it is now that I'm making notes to formulate a programme and budget for next financial year |
| Analysis of the Function: | <p><Provide statistical information on (as a minimum):> only SPU officer</p> <p>1 Number and cost of all personnel associated with provision of municipal SPU:</p> <ul style="list-style-type: none"> - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</p> <p>2 Total type, number and value of SPU projects: R60 00 for sports administration for the current financial year No other projects budgeted for the current financial year</p> <p>3 <Provide statistical information on (as a minimum):> Nature and extent of facilities provided: no facilities provided we only provide the available Municipal infrastructure e.g Municipal sports field Municipal buildings</p> |
| Key Performance Area | Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance |
| | Actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year. only R60 000 for sports administration no budgeted projects for the current year |

10. Information Technology

| | | | |
|----------------------|---|--|--|
| Function: | Information Technology (IT) | | |
| Report- ing Level | Detail | | |
| Overview: | <p>Includes all activities associated with IT</p> <p>The purpose is to provide quality services to customers. Information Technology offers, perhaps, the single greatest opportunity for maintaining and improving public service in the face of increasing demands and increasing costs.</p> <p>Technology can be to make incremental improvements in service delivery and operations such as having all computers connected to Ndlambe network. It can also have broader impact, changing the ways Ndlambe staff do their “jobs” or changing types of services I.T provides and the ways of service delivery. Obtaining the full value from technology investment requires the management of organizational change coupled with the management specific technologies.</p> <p><u>GOALS</u></p> <p>Ndlambe Municipality cannot operate without computer based information system as basic services such as billing assets budgets etc, administration and infrastructure depend on these systems (Abakus, Payday, IMIS and GIS, Baud). They must be planned managed and deployed with same care and attention as are roads, buildings and staff.</p> <p>Information must be applied to achieve the following:-</p> <ul style="list-style-type: none"> Improve service delivery Information and agenda’s be forwarded to I.T for website publishing Promote co-operation among departments Increase the efficiency and quality of work by employees Increase information availability in order to make more informed decisions To make the best use of I.T resources (money, staff and equipment) <p>To realise goals Ndlambe must form an information steering committee to drive technology initiatives. This must include development, continued evolution of a ongoing technology strategy and cost effective means to improve day to day business functions.</p> <p><u>CURRENT SITUATION – WHERE ARE WE SINCE 1 JANUARY 2010</u></p> <p>The Information Technology Department is currently serving 140 users with computer and network services. The coverage area consists of:-</p> <p>Port Alfred - Finance and Stores</p> <ul style="list-style-type: none"> • Infrastructure (Administration, Building Control, Housing, Town Planning, Estate, Fleet Management, Roads, Water and Electricity). • Community Protection Service (Administration, Nature Conservation, Fire and Traffic, Cleansing and Environmental Health) • Corporate Services (Administration and Library-Municipal and Cacadu) • I.T Office and Server Room • Municipal Manager and Mayor (Secretaries ,Audit ,SPU,PMS,HIV • Co-ordinator, IDP,LED and Communications Officer) | | |

- | | |
|----------------|------------------------------|
| Sea Field | - Foreman |
| Bathurst | - Finance and Infrastructure |
| | • Library (cacadu) |
| Kenton -on-Sea | - Finance |
| | • Infrastructure |
| | • Environmental Health |
| | • Library |
| Alexandria | - Finance |
| | • Infrastructure |
| | • Youth Centre |
| | • Library (Cacadu) |
| | • Housing |
| | • Corporate Services |

The Financial Server (Abakus and Pay day), Mail Server, Domain Server (Documents, file sharing ,authentication and group policies) , Kaspersky Server (Antivirus Software) Citrix Xen virtual Server (Monitoring Hardware and Software, GLPI call logging) and Firewall Server (Security) housed in I.T Server Room. The Server Room is air cooled, with fire extinguisher and smoke detector installed. A fingerprint access control device need to be installed as it is an audit requirement. This can only be done once a capital budget for I.T is available and approved.

The Imis Server, Backup Server and Domain Server (Documents, file sharing ,authentication and group policies) are housed in a room at Corporate Services. This room needs to be secured by installing steel door, security gate, fire extinguisher, fingerprint access control device and smoke detector. Buildings in Port Alfred are networked and interconnect via a wireless network. Bathurst, Kenton and Alexandria connect to server via ADSL and VPN servers.

Automated backup of financial info, documents and e-mails for domain .gov.za is being done daily to backup server housed at Corporate Service. Daily tape backups are taken of the financial modules and payday module. Staff doing these backups must on a daily basis lock tapes in safe at Corporate Service.

Domain Controllers

Two new servers with Windows server 2008 R2 were installed: One in the Corporate Services building and one in the Finance building.

These serve the following purpose:

- They act as Active Directory domain controllers for the entire network, and as such control user access and IT Policies for all workstations across all directorates from a central point
- They host user documents:
 - ⇒ A file system layout was designed and deployed which provides each directorate with their own shared document space on the network where authorised users may place their files to be shared with the rest of the Municipality. These shared files are read-only to all except the owner of the files and other users that the owner specifically granted write access to.

⇒ Each user has his/her own private document space on the servers that is only accessible by him/her, and which is automatically mapped to his/her “My Documents” folder on his/her workstation. There for, all documents saved in users’ “My Documents” folders on workstations will automatically be stored on the servers. This ensures that users’ settings and documents are not coupled with their workstations and that a user’s workstation can consequently be replaced with a new one without the user losing information. Documents stored to the server are backed up regularly.

- The domain controllers restrict access to certain services and the tasks that users are allowed to perform in order to enforce compliance with the IT policies of the Municipality.
- User naming policies ensure that user names are unique and named according to the convention adopted by the Municipality. Currently the user’s initial and surname. Password policies ensure that users must change their password upon first login, and regularly thereafter.
- The WPKG software installed on the servers automatically configures new workstations according to system policies. This means that required software and system settings as well as desktop shortcuts to e-mail and other required systems are automatically pushed to new workstations that are joined to the domain. This happens without user intervention, which greatly speeds up new desktop deployments and ensures desktop standardization and software policy enforcement.

Mail Server

The mail server was updated to the latest available version and was also moved to its own dedicated server in order to speed up mail services and to accommodate the bigger load on the servers due to the increased number of users.

Additional licenses were installed to accommodate the other directorates.

Firewall

The firewall was reloaded with Endian version 2.5, which is a web-managed system that greatly simplifies firewall rules management and reporting. This software is based on the Linux operating system and also incorporates a web proxy for Internet filtering and usage reporting.

Additional features that are available for future use include spam filtering, virus filtering and VPN access.

Monitoring server

The monitoring server was configured to host the GLPI IT Services helpdesk for issue tracking, the OCS IT asset tracking system for IT inventory management, and the Zabbix network monitoring system for uptime and statistical monitoring.

The OCS IT asset tracking system automatically tracks all IT assets, including hardware components, installed software and software licenses.

The GLPI helpdesk software will be used to keep track of all IT related tickets/ issues and integrates with OCS to provide additional financial, warrantee and operational management information on all IT assets.

Zabbix is a monitoring system that is used to monitor the status of the wireless network, servers and systems. The software notifies IT staff of identified problems and keeps statistical information for uptime reporting and identification of long-term problems from network patterns.

Municipal Website

The municipal website was transferred to a hosted server outside of the Municipality's infrastructure in order to reduce the impact on Municipal bandwidth and to ensure that power outages does not have an impact on the availability of the service to the public.

Integration of existing systems

Existing systems, including Abakus and IMIS were integrated into the new domain.

The I.T disaster policy should form part of Ndlambe's disaster recovery plan / policy and not be seen in isolation. A draft DRP/Risk Analysis and Master Systems Plan were done and await I.T Steering Committee and Council approval. Currently busy with Cobit Framework. Council have approved

the Internet/ E-mail Policy and IT Data and Network Security Policies.

It must be noted that to have policies (as required) is good but cannot be implemented without staff. Currently there are one Manager .

Some challenges I.T are facing

- Funding
- Buy-in from Directors and officials
- Resistance to change and adhere to policies
- Capacity issues such as I.T staff and budgets

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

Abakus :Centralised server-Users connect to same via network-a user code issued to each user who in turn enter own password-password change is forced to happen every 30 days. Access to programs is set up on a must have basis i.e creditors or ledger etc

Zimbra :(gov.za)Centralised server- Users connect to same via network-User names and passwords set up where after user must change password .For communication between staff and public and for research purposes.

Kaspersky Antivirus: Centralised server- Users computers connect to same via network - update computers on regular basis automatically – protection against malware ,Trojans and other viruses.

Caseware : Software installed on 4 laptops –drawing up of annual financial statements.

Baud : Software installed on one laptop – asset management.

Imis/TGIS: Centralised server-- Users computers connect to same via network-a user code issued to each user who in turn enter own password. Access to programs is set up on a must have basis i.e land or building etc

| | | | |
|---|---|-----|-------------|
| | <p>Other: Cacadu District Municipality installed servers with 3G (Vodacom internet connection) to Port Alfred, Bathurst, Alexandria and Ekuphumleni libraries for public use of internet and e-mail. Note this equipment belongs to Cacadu</p> <p>The strategic objectives of this function are to:</p> <p>Improvements in service delivery and operations such as having all computers connected to Ndlambe network. It can also have broader impact, changing the ways Ndlambe staff do their “jobs” or changing types of services IT provides and the ways of service delivery.</p> <p>The key issues for 2012/13 are:</p> <ul style="list-style-type: none"> • No issues can be addressed as no capital budget has been approved. • The Following issues to be addressed in future : • Generators x 2 (Finance and Corporate Services) • Wireless network to all towns including townships • Helpdesk for all towns as to combine all requests/problems from public and have a proper record thereof | | |
| Analysis of the Function: | <Provide statistical information on (as a minimum):> | | |
| | Number and cost to employer of all IT personnel: | | R (000s) |
| | - Professional (Directors / Managers) | 1 | 360 |
| | - Non-professional (Clerical / Administrative) | | |
| | - Temporary | | |
| | - Contract till 30 June 2012 | 1 | 72 |
| | Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package | | |
| | Detail and cost of business investment: (hardware and software)Note that items purchased were not all funded from I.T budget – equipment like servers, computers, laptops and switches all funded via grants from Finance and Infrastructure Directorates | | R (000s) |
| Software <ul style="list-style-type: none"> Kasperky Zimbra MS 2010 Office Pro MS 2010 Office Home & Bus Windows 7 Pro Windows Upgrade Orgplus Caseware MS 2010 Project MS 2010 Publisher MS 2010 Access Adobe Acrobat MS 2010 Visio | 145 100 2 116 13 4 1 4 2 1 1 1 1 | 380 | |

| | | | |
|-------------------------------------|-----------|---------|-----|
| Printers/Scanner | | 7 | 8 |
| Computers | | 14 | 79 |
| Laptops/Notebooks/Tablets | | 30 | 173 |
| Keyboards/Mouse | | 10KB 9M | 2 |
| Charger | | 3 | 1 |
| PSU | | 11 | 11 |
| Batteries | | 3 | 5 |
| Servers / Cabinets | | 6 | 112 |
| Repairs | - Printer | 3 | 3 |
| | UPS | 1 | 4 |
| Locks | | 18 | 3 |
| Monitor | | 1 | 2 |
| Projector | | 1 | 8 |
| Service – Fire Extinguishers | | 2 | 1 |
| Remote Control Device – Programming | | 2 | 1 |
| Relocate DVR from Finance to IT | | 1 | 2 |
| Switches | | | |
| | 8 port | 1 | 1 |
| | 16 port | 9 | 16 |
| | 24 port | 5 | 12 |
| | 48 port | 1 | 6 |
| Network cable 500m | | 2 | 3 |
| Network Card | | 4 | 1 |
| Adapter | | 4 | 1 |
| Convertor | | 3 | 1 |
| Trunking 3m | | 23 | 1 |
| Hard drives / Flash | | | |
| | 8G | 3 | 1 |
| | 16G | 3 | 1 |
| | 500GB | 3 | 2 |
| | 1TB | 3 | 3 |
| | 2TB | 2 | 3 |
| RAM 2GB DDR3 | | 15 | 2 |
| Motherboards | | 14 | 8 |
| CPU | | 11 | 5 |

| | | |
|--|---|--|
| Detail and cost of other IT related matters: | | R (000s) |
| Radix meter reading system – interface with financial system Abakus Cobol runtime 30 users S A On Line 4 x modems 15 gig pm Zimbra Licence fee 150 users(gov.za) Kaspersky Antivirus licence fee 161 users Caseware 4 x licence fee(financial statements) Baud License fees (5 users asset management) | | 0 15 43 18 7 10 11 |
| Note: list strategies by project, with total actual cost to municipality for year | NA | |
| Detail and cost of IT Service Contracts: | | R (000s) |
| Payday (Payrol)Licence fee only Payday Monthly Support Fujitsu (Financial system)-2 hrs per month Fujitsu Abakus Modules Licence fees Ubertechnologies (Technical support and maintenance of Servers and network and operating systems) 24/7 Ubertechnologies Financial Support on Abakus TGIS (Electronic document system, cadastral data ,deeds ,diagrams etc)site visits 8 hrs every 2 months, telephone support 2 hrs per month ,maintenance and updating data on monthly basis TGIS Modules Licence fee Fleet Management Border Internet | | 19 28 19 166 480 213 190 98 94 41 |
| Details of IT Issues Dealt With: | | |
| - Maintenance of networks, servers pc's, laptops, printers network switches, software malfunctioning etc. Pc's laptops and printers are old and need constant attention. Operators of equipment not fully trained on use of equipment and software | Not quantifiable until necessary software installed also part of Service Level Agreements | |
| - Value of work | Included in salary bill and Service Level Agreement payments | |
| Type and number of grants and subsidies received: | | R (000s) |

Annexures





I. Grants and Transfer Spending

| Grant details | | Amount received and spent each quarter | | | | | | | | | | | | Total |
|----------------------------|-------------------|--|-----------|----------------|------------|----------------|------------|----------------|------|----------------|------------|-----------|-------|------------|
| | | 1/04/ to 30/06 | | 01/07 to 30/09 | | 01/10 to 30/12 | | 01/01 to 30/03 | | 01/04 to 30/06 | | Rec. | Spent | |
| Project name | Donor name | BF amount | Rec. | Spent | Rec. | Spent | Rec. | Spent | Rec. | Spent | Rec. | | | Spent |
| EquitablShare | National Treasury | 0 | | | 16 171 000 | | 12 381 000 | | | | 49 186 000 | | | |
| FMG | National Treasury | 1 980 460 | 2 000 000 | 684 000 | | 699 000 | | 524 000 | | | 3 980 460 | | | 1 907 000 |
| MSIG | National Treasury | 23 860 | | 66 000 | 790 000 | 126 000 | | 304 000 | | | 813 860 | | | 562 000 |
| MIG | National Treasury | 0 | 8 400 000 | 1 572 901 | 10 700 000 | 6 002 785 | 3 349 000 | 8 343 649 | | | 22 449 000 | 6 535 622 | | 22 454 957 |
| DME | National Treasury | 0 | 2 000 000 | | | 1 700 000 | | | | | 2 000 000 | | | 1 700 000 |
| Drinking Water Safety Plan | Cacadu | 0 | 250 000 | | | | | | | | 250 000 | | | 250 000 |
| IDC Chicory | IDC | 0 | 1 600 000 | | | 9 882 | | 4 685 | | | 1 600 000 | 73 875 | | 88 442 |
| IDC -Ndlamb Eco Dev Infr | IDC | | | | | | | | | | 1 200 000 | | | 1 200 000 |

| Grant details | | Amount received and spent each quarter | | | | | | | | | | | | |
|---------------------------------|---------------------|--|------------|----------------|--------|----------------|--------|----------------|--------------|----------------|------|-------|--------------|------------|
| | | 1/04/ to 30/06 | | 01/07 to 30/09 | | 01/10 to 30/12 | | 01/01 to 30/03 | | 01/04 to 30/06 | | Total | | |
| Project name | Donor name | BF amount | Rec. | Spent | Rec. | Spent | Rec. | Spent | Rec. | Spent | Rec. | Spent | Rec. | Spent |
| Library | Cacadu | | 157 306 | | 89 131 | | 65 228 | | 264 246 | | | | 576 208 | |
| IDP | Cacadu | 0 | | | | | | | 50 000 | | | | 50 000 | 50 000 |
| Fire | Cacadu | 0 | | | | | | | 375 000 | 21 299 | | | 375 000 | 99 185 |
| Preparation Strategy | DWAF | 0 | | | | | | | 350 000 | | | | 350 000 | 350 000 |
| EPWP | Public Works | 0 | | | | | | | 137 000 | | | | 137 000 | 137 000 |
| Infra Asset Register | DWAF | 0 | | | | | | | 1 000 000 | 49 817 | | | 1 000 000 | 83 408 |
| Vuna Awards | LGTA | 0 | | | | | | | 35 000 | | | | 35 000 | 35 000 |
| PA Water Treatment Works | Cacadu | 0 | | | | | | | | | | | 1 000 000 | 990 203 |
| Augmenting Ndlambe Water Supply | Cacadu | 0 | 450 000 | | | | | | | | | | 450 000 | 0 |
| Public Awareness Campaign | Amatola Water Board | 157 482 | 276 656 | | | | | | | | | | 276 656 | 434 138 |

2. Arrears in property rates and service charges

| Total Amount Outstanding | | | | | | | | | | | | | |
|--------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|
| Categories | Jul-11 | Aug-11 | Sep-11 | Oct-11 | Nov-11 | Dec-11 | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | |
| RATES | Current | 4 396 211.75 | 2 842 569.30 | 2 747 579.79 | 2 741 307.12 | 2 785 845.66 | 3 031 925 | 3 045 816 | 3 021 606 | 3 022 379.93 | (148) 970.44 | 645 549.85 | |
| | 30 days | 3 028 937.69 | 3 192 071.46 | 1 467 061.68 | 1 493 797.39 | 3 711 423.26 | 1 687 631.79 | 1 399 537 | 1 380 196 | 1 323 780 | 1 425 917.89 | 1 053 871.41 | 438 653.06 |
| | 60 days | 777 345.30 | 2 209 897.23 | 1 623 217.95 | 906 786.11 | 1 353 057.30 | 834 457.63 | 1 075 166 | 850 370 | 810 054 | 817 966.02 | 361 805.53 | 252 569.57 |
| | 90 + | 7 063 811.50 | 7 266 796.40 | 8 760 064.17 | 9 662 619.97 | 10 883 597.48 | 10 217 002.75 | 10 299 628 | 10 255 485 | 10 365 151 | 10 291 708.51 | 8 183 495.99 | 5 581 938.57 |
| | Interest | 874 162.32 | 920 571.83 | 951 909.29 | 1 000 183.99 | 1 044 296.07 | 1 114 609.77 | 1 155 138 | 1 152 891 | 1 082 440 | 1 108 125.46 | 778 130.82 | 753 151.20 |
| | Handed over | 2 279 868.13 | 2 913 675.54 | 2 877 790.47 | 2 888 632.29 | 2 639 566.98 | 2 541 310.76 | 2 540 826 | 550 280 | 506 451 | 2 808 111.90 | 1 809 458.74 | 1 829 528.63 |
| | Total | 18 420 336.69 | 19 345 581.76 | 18 427 623.35 | 18 693 326.87 | 18 925 055.93 | 19 180 858.36 | 19 502 220.03 | 19 235 038.11 | 19 109 481.39 | 19 474 209.71 | 12 037 792.05 | 9 501 390.88 |
| | Current | (193) 160.03 | (193) 863.20 | (194) 684.51 | (196) 181.99 | (269) 851.70 | (195) 494.12 | (201 143) | 197 731 | (199 501) | (63) 391.75 | (725) 380.08 | 3 335 327.01 |
| | 30 days | 141 642.36 | 74 616.74 | 74 542.86 | 73 218.09 | 73 027.02 | 70 380.42 | 70 969 | 65 258 | 64 481 | 63 292.71 | 2 862 607.84 | 901 590.10 |
| | 60 days | 81 765.62 | 141 224.70 | 74 194.97 | 73 770.61 | 71 253.69 | 70 690.70 | 69 459 | 70 644 | 64 591 | 63 603.56 | 936 631.21 | 402 718.34 |
| 90 + | 7 258 372.60 | 7 386 443.55 | 7 522 807.88 | 7 588 549.95 | 7 725 719.19 | 7 716 404.00 | 7 778 429 | 839 841 | 894 559 | 7 929 434.65 | 2 581 052.88 | 1 952 507.74 | |
| Interest | 1 764 229.70 | 1 792 102.35 | 1 819 564.25 | 1 847 165.60 | 1 871 880.34 | 1 899 220.58 | 1 922 197 | 948 415 | 293 037 | 1 339 802.68 | 167 240.87 | 170 220.11 | |
| Handed over | 2 604 362.98 | 2 600 399.36 | 2 589 209.20 | 2 599 553.59 | 2 604 204.86 | 2 597 322.92 | 2 599 285 | 601 541 | 436 421 | 2 448 675.62 | 1 333 678.48 | 1 323 359.86 | |
| Total | 11 657 213.23 | 11 800 923.50 | 11 885 634.65 | 11 986 075.85 | 12 076 233.40 | 12 158 524.50 | 12 239 196.39 | 12 327 969.77 | 11 553 588.33 | 11 781 417.47 | 7 155 831.20 | 8 085 723.16 | |

| | | | | | | | | | | |
|--------------|---------------|---------------|---------------|---------------|---------------|-------------------|---------------|---------------|---------------|---------------|
| | 607 | 449 | 455 | 440 | 433 038 | 439 795 | 436 352 | 507 | (38 | 411 |
| Current | 921.87 | 133.74 | 534.35 | 947.09 | 433 038 | 439 795 | 436 352 | 761.36 | 761.88) | 780.37 |
| | | | | (215 | | | | | | |
| | | | | 891.09) | | | | | | |
| 30 days | 464 | 462 | 346 | 341 | 330 570 | 325 379 | 320 775 | 330 | 792 | 353 |
| | 253.02 | 248.37 | 664.13 | 688.30 | 330 570 | 325 379 | 320 775 | 330.38 | 272.14 | 609.79 |
| | | | | 252 | | | | 242 | 235 | 193 |
| 60 days | 366 | 386 | 340 | 503.41 | 252 396 | 250 302 | 242 304 | 432.48 | 556.89 | 125.42 |
| | 235.54 | 491.76 | 751.11 | 503.41 | 252 396 | 250 302 | 242 304 | 7 470 | 7 650 | 4 971 |
| | | | | 7 | | | | 106.50 | 066.90 | 769.44 |
| 90 + | 5 917 | 6 207 | 6 501 | 7 002 | 142 346 | 260 463 | 383 505 | 719 | 649 | 642 |
| | 029.85 | 233.94 | 392.31 | 265.76 | 142 346 | 260 463 | 383 505 | 843.16 | 884.71 | 899.99 |
| | | | | 913.83 | | | | 2 017 | 1 656 | 1 575 |
| Interest | 082.75 | 476.56 | 823.65 | 913.83 | 731 540 | 753 642 | 698 771 | 966.92 | 568.61 | 023.44 |
| | | | | 2 | | | | 796.39 | | |
| Handed over | 2 122 | 2 118 | 2 106 | 2 090 | 088 387 | 084 862 | 968 450 | 2 534 | 10 945 | 8 148 |
| | 253.30 | 659.27 | 525.80 | 713.81 | 088 387 | 084 862 | 968 450 | 270.27 | 587.37 | 208.45 |
| | | | | 10 839 | | | | 270.27 | | |
| Total | 10 066 | 10 240 | 10 392 | 10 839 | 10 978 | 11 | 11 050 | 11 288 | 10 945 | 8 148 |
| | 776.33 | 243.64 | 691.35 | 032.20 | 276.77 | 114 441.64 | 156.77 | 270.27 | 587.37 | 208.45 |
| | | | | 3 | | | | | | |
| Current | 3 999 | 3 876 | 3 112 | 3 134 | 323 795 | 248 764 | 743 890 | 2 534 | (218 | 2 970 |
| | 815.84 | 936.18 | 650.98 | 670.00 | 323 795 | 248 764 | 743 890 | 966.92 | 657.83) | 423.53 |
| | | | | 670.00 | | | | | | |
| Current | 1 089 | 1 359 | 1 499 | 1 032 | 1 179 | 1 179 | 1 179 | 1 179 | 3 353 | 1 195 |
| | | | | 3 | | | | | | |
| 30 days | 481.85 | 987.38 | 230.81 | 301.95 | 104 869 | 295 516 | 273 218 | 671.42 | 379.86 | 516.89 |
| | | | | 301.95 | | | | | | |
| 60 days | 381 | 358 | 559 | 357 | 392 862 | 432 151 | 465 996 | 527 | 1 303 | 729 |
| | 825.51 | 995.33 | 221.55 | 654.58 | 392 862 | 432 151 | 465 996 | 410.64 | 651.30 | 491.38 |
| | | | | 1 899 | | | | | | |
| 90 + | 1 463 | 1 551 | 1 628 | 1 77.61 | 952 961 | 986 723 | 977 547 | 1 954 | 9 197 | 7 787 |
| | 908.22 | 241.94 | 443.95 | 177.61 | 952 961 | 986 723 | 977 547 | 977.49 | 326.20 | 459.03 |
| | | | | 147 | | | | | | |
| Interest | 450.24 | 046.89 | 641.69 | 440.85 | 152 490 | 160 082 | 162 117 | 894.99 | 654.76 | 768 |
| | | | | 440.85 | | | | | | |
| Handed over | 1 232 | 1 210 | 1 196 | 1 138 | 119 894 | 144 385 | 236 053 | 1 377 | 857 | 834 |
| | 065.18 | 216.89 | 740.21 | 112.60 | 119 894 | 144 385 | 236 053 | 186.87 | 114.68 | 747.35 |
| | | | | 7 709 | | | | | | |
| Total | 8 287 | 8 484 | 8 131 | 7 709 | 8 046 | 8 | 7 858 | 7 738 | 15 248 | 14 285 |
| | 546.84 | 424.61 | 929.19 | 357.59 | 870.72 | 267 622.16 | 820.29 | 108.33 | 468.97 | 829.31 |
| | | | | (24 | | | | | | |
| Current | 445.28) | 314.65) | 248.38) | 297.11) | (25 762) | -25 127 | (24 675) | (23 | (35 | (17 |
| | | | | 142.21) | (25 762) | -25 127 | (24 675) | 830.23) | 646.56) | 350.77) |
| | | | | | | | | | | |
| 30 days | 12 | 12 900.40 | 852.29 | 13 | 13 049 | 12 706 | 12 288 | 12 | 20 | 9 |
| | 760.62 | 12 900.40 | 852.29 | 052.97 | 13 049 | 12 706 | 12 288 | 247.50 | 670.88 | 589.96 |
| | | | | | | | | | | |
| 60 days | 11 | 12 608.31 | 877.51 | 12 | 12 765 | 12 926 | 12 479 | 12 | 12 | 4 |
| | 791.02 | 12 608.31 | 877.51 | 496.56 | 12 765 | 12 926 | 12 479 | 189.32 | 389.60 | 077.43 |
| | | | | | | | | | | |
| 90 + | 726 | 735 | 746 | 778 | 788 854 | 799 440 | 810 838 | 819 | 833 | 152 |
| | 009.39 | 814.65 | 947.21 | 508.28 | 788 854 | 799 440 | 810 838 | 336.92 | 068.03 | 824.31 |
| | | | | | | | | | | |
| Interest | 239 | 241 | 243 | 250 | 252 381 | 254 118 | 104 440 | 106 | 107 | 39 |
| | 847.80 | 550.00 | 027.27 | 539.62 | 252 381 | 254 118 | 104 440 | 568.28 | 961.46 | 009.56 |
| | | | | | | | | | | |
| Handed over | 429 | 430 | 430 | 429 | 429 918 | 431 078 | 429 812 | 430 | 424 | 321 |
| | 431.49 | 377.20 | 913.50 | 386.38 | 429 918 | 431 078 | 429 812 | 718.36 | 870.15 | 786.50 |
| | | | | | | | | | | |
| Total | 1 389 | 1 402 | 1 416 | 1 459 | 1 471 | 1 | 1 345 | 1 357 | 1 363 | 509 |
| | 395.04 | 935.91 | 369.40 | 686.70 | 205.58 | 485 140.63 | 181.43 | 230.15 | 313.56 | 936.99 |
| | | | | | | | | | | |

REFUSE

ELEC-TRICITY

HOUS-ING

| | | | | | | | | | | | | |
|--|--------------|---------------|-------------------|---------------|-------------------|-------------------|---------------|-------------------|---------------|---------------|---------------|---------------|
| | | (361) | (354) | (291) | (317) | (397) | (380 230) | -381 514 | (383 099) | (366 | (356 | (325 |
| | Current | 792.15) | 349.70) | 822.82) | 277.43) | 765.96) | | | | 935.13) | 291.10) | 292.05) |
| | 30 days | 65 347.63 | 3 964.50 | 270.04 | 49 978.53 | 103 834.91 | 25 180 | 2 376 | 22 266 | 46 | 133 | 124 |
| | 60 days | 55 834.91 | 64 431.31 | 011.30 | 50 013.54 | 56 476.22 | 100 552 | 25 144 | 2 167 | 21 | 38 | 37 |
| | 90 + | 2 570 | 2 | 2 625 | 2 | 2 659 | 2 | 2 | 2 | 2 736 | 2 754 | 1 976 |
| | Interest | 465.02 | 594 280.82 | 394.30 | 608 730.13 | 682 526.22 | 696 511 | 769 664 | 767 013 | 625.21 | 258.69 | 624.86 |
| | Interest | 9 485.82 | 9 485.82 | 402.70 | 9 088.99 | 9 088.99 | 9 089 | 9 089 | 4 814 | 4 | 4 | 4 |
| | Interest | 3 765.28 | 1 130.90 | 130.90 | 1 130.90 | 1 630.90 | 1 631 | 1 631 | 701 | 700.90 | 450.90 | 450.90 |
| | Handed over | 2 343 | 2 | 2 396 | 2 | 2 427 | 2 452 | 2 | 2 413 | 2 443 | 2 574 | 1 817 |
| | Total | 106.51 | 318 943.65 | 386.42 | 401 664.66 | 455 791.28 | 731.39 | 426 389.37 | 862.68 | 204.47 | 790.41 | 665.97 |
| | Current | (51 | (52 | (50 | (49 | (50 | (50 793) | -55 666 | (56 057) | (36 | (15 | (13 |
| | Current | 679.71) | 799.96) | 150.37) | 075.38) | 844.65) | | | | 289.69) | 154.54) | 515.01) |
| | 30 days | 4 034.96 | 39.55 | 55.56 | - | - | 160 | - | - | 500.00 | 2 | 2 |
| | 30 days | 182.33 | 4 016.09 | 39.55 | - | 440.00 | - | 160 | - | - | 1 | 1 |
| | 60 days | 535 | 538 | 538 | 537 614.17 | 536 932.13 | 536 670 | 535 795 | 534 303 | 532 | 532 | 122 |
| | 90 + | 225.56 | 535 065.55 | 551.64 | 537 614.17 | 536 932.13 | 536 670 | 535 795 | 534 303 | 759.97 | 781.31 | 811.33 |
| | Interest | 70 188.09 | 70 821.73 | 589.60 | 72 483.21 | 73 205.68 | 74 475 | 74 983 | 28 676 | 30 | 32 | 29 |
| | Interest | 1 898.05 | 18 986.10 | 859.15 | 17 833.06 | 17 906.11 | 18 047 | 18 114 | 17 278 | 17 | 14 | 14 |
| | Handed over | 559 | 577 | 577 | 578 855.06 | 577 639.27 | 578 | 573 | 524 | 545 | 569 | 155 |
| | Total | 849.28 | 576 129.06 | 945.13 | 578 855.06 | 577 639.27 | 559.10 | 387.24 | 199.74 | 223.44 | 165.80 | 749.81 |
| | Current | (1 287 | (1 346 | (1 112 | (1 103 | (1 176 | (1 | -1 | (1 | (1 245 | (1 361 | (1 343 |
| | Current | 036.69) | 436.19) | 728.35) | 214.23) | 438.50) | 287 837) | 232 116 | 216 880) | (888.04) | 560.73) | 613.21) |
| | 30 days | 26 680.83 | 49 546.69 | 084.45 | 54 291.34 | 84 565.19 | 53 653 | 36 282 | 44 987 | 44 | 137 | 44 |
| | 30 days | 203 | 33 | 33 | 38 637.33 | 41 873.57 | 31 689 | 42 981 | 30 697 | 33 | 31 | 26 |
| | 60 days | 478.93 | 214 386.48 | 440.50 | 38 637.33 | 41 873.57 | 31 689 | 42 981 | 30 697 | 803.70 | 544.67 | 148.79 |
| | 90 + | 2 628 | 2 | 2 897 | 2 | 2 813 | 2 | 2 | 2 | 2 671 | 2 653 | 2 149 |
| | 90 + | 462.72 | 753 980.89 | 383.97 | 867 363.66 | 880 522.07 | 798 567 | 754 368 | 738 089 | 404.77 | 531.72 | 898.69 |
| | Interest | 269 | 294 | 294 | 309 202.61 | 321 774.43 | 348 060 | 358 225 | 347 226 | 354 | 364 | 354 |
| | Interest | 433.07 | 282 200.60 | 982.26 | 309 202.61 | 321 774.43 | 348 060 | 358 225 | 347 226 | 681.80 | 891.83 | 598.53 |
| | Handed over | 472 | 465 | 465 | 467 943.44 | 465 891.91 | 466 039 | 493 464 | 483 860 | 554 | 527 | 514 |
| | Handed over | 973.86 | 470 834.64 | 589.72 | 467 943.44 | 465 891.91 | 466 039 | 493 464 | 483 860 | 016.03 | 789.75 | 367.82 |
| | Total | 2 313 | 2 | 2 626 | 2 | 2 510 | 2 410 | 2 | 2 427 | 2 412 | 2 353 | 1 745 |
| | Total | 992.72 | 424 513.11 | 752.55 | 634 224.15 | 559 414.97 | 171.40 | 453 203.94 | 978.43 | 657.27 | 350.08 | 829.77 |

LEGAL
FEESINDI-
GENT

SUNDRY

3. Debtors Billings

| | | TOTAL AMOUNT BILLED PER CATEGORY | | | | | | | | | | | | |
|-----------------------|-----------------------|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| | | Jul-11 | Aug-11 | Sep-11 | Oct-11 | Nov-11 | Dec-11 | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | Total |
| RATES (ANNUAL) | 01/05/01/30 10/081 | 6 383 816 | 3 820 101 | 3 767 491 | 3 755 534 | 3 745 435 | 3 733 235 | 3 728 467 | 3 710 492 | 3 692 859 | 3 686 221 | 3 707 742 | 3 538 567 | 47 269 959 |
| SERVICE CHARGE | 05/25/55/30 10/083 | 233 309 | 233 309 | 233 050 | 232 104 | 232 018 | 224 617 | 218 162 | 218 420 | 218 506 | 218 162 | 221 863 | 222 207 | 2 705 726 |
| WATER | 15/20/55/30 10/084 | 1 801 569 | 1 613 517 | 2 521 344 | 1 622 478 | 1 658 797 | 1 402 801 | 2 356 002 | 1 496 738 | 1 246 950 | 2 246 414 | 2 271 747 | 2 376 515 | 22 614 873 |
| SEWERAGE | 01/05/01/30 10/085 | 1 100 376 | 978 112 | 973 900 | 972 828 | 971 362 | 972 178 | 971 770 | 971 634 | 971 091 | 968 304 | 979 850 | 979 896 | 11 811 301 |
| SANITATION | 01/05/01/30 10/086 | 107 644 | 93 759 | 89 186 | 76 524 | 89 295 | 148 981 | 144 453 | 95 224 | 69 082 | 149 661 | 133 863 | 106 511 | 1 304 183 |
| REFUSE | 01/05/01/30 10/087 | 1 392 349 | 1 173 602 | 1 166 175 | 1 164 349 | 1 162 158 | 1 161 367 | 1 160 271 | 1 157 350 | 1 155 464 | 1 155 768 | 1 159 601 | 1 162 225 | 14 170 679 |
| ELECTRICITY | 10/20/45/30 10/088 | 3 722 031 | 3 573 753 | 3 166 775 | 2 951 081 | 3 196 172 | 3 265 310 | 3 436 442 | 3 237 014 | 2 907 249 | 2 923 898 | 2 661 352 | 3 271 337 | 38 312 416 |
| HOUSING | 05/25/55/30 10/091 | 13 664 | 13 659 | 13 653 | 13 598 | 13 642 | 15 071 | 13 630 | 13 383 | 13 378 | 12 603 | 12 805 | 6 774 | 155 860 |
| SUNDRIES | 01/05/01/30 10/090 | 88 085 | 89 915 | 81 387 | 82 133 | 87 985 | 94 272 | 86 510 | 83 832 | 85 858 | 84 296 | 90 769 | 85 661 | 1 040 702 |
| ENV. LEVY | 01/05/01/30 10/095 | 790 348 | 705 879 | 703 006 | 701 506 | 699 974 | 699 240 | 698 537 | 696 877 | 695 760 | 695 920 | 695 345 | 698 282 | 8 480 674 |
| TOTAL MONTHLY BILLING | | 15 633 189 | 12 295 606 | 12 715 969 | 11 572 134 | 11 856 838 | 11 717 072 | 12 814 246 | 11 680 964 | 11 056 197 | 12 141 248 | 11 934 936 | 12 447 974 | 147 866 373 |

Note : Total billed is less than collected, payments made do not necessarily match the billing raised for the period.

4. Debt Collections

| Service Categories | TOTAL AMOUNT RECEIPTED PER CATEGORY | | | | | | | | | | | | Total |
|-------------------------|-------------------------------------|---------------|---------------|---------------|---------------|--------------|---------------|--------------|--------------|---------------|---------------|--------------|----------------|
| | Jul-11 | Aug-11 | Sep-11 | Oct-11 | Nov-11 | Dec-11 | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | |
| RATES | 3 547 386 | 4 159 196 | 3 803 143 | 3 463 101 | 4 200 366 | 3 594 735 | 3 327 568 | 3 709 114 | 4 962 746 | 3 665 085 | 3 675 036 | 3 651 576 | 45 759 051 |
| SERVICES CHARGED | 177 824 | 173 616 | 189 346 | 181 850 | 184 690 | 162 269 | 162 841 | 181 210 | 187 650 | 172 758 | 182 939 | 182 962 | 2 139 955 |
| WATER | 1 398 490 | 1 385 145 | 1 324 133 | 1 209 257 | 1 246 440 | 1 198 495 | 904 392 | 1 265 879 | 1 213 769 | 1 180 313 | 1 199 705 | 1 230 160 | 14 756 177 |
| SEWERAGE | 951 500 | 1 025 791 | 829 664 | 907 753 | 905 637 | 826 189 | 756 722 | 806 679 | 825 064 | 845 225 | 874 790 | 895 144 | 10 450 156 |
| SANITATION | 117 835 | 156 620 | 112 541 | 85 103 | 91 789 | 87 255 | 101 750 | 89 407 | 99 050 | 74 595 | 61 994 | 63 560 | 1 141 499 |
| REFUSE | 1 073 093 | 1 076 455 | 1 086 049 | 1 031 190 | 1 096 948 | 1 049 158 | 945 369 | 1 053 053 | 1 105 825 | 1 036 171 | 1 102 620 | 1 064 498 | 12 720 427 |
| ELECTRICITY | 3 448 578 | 3 392 468 | 3 747 020 | 3 408 597 | 3 381 240 | 3 178 656 | 3 179 261 | 3 974 806 | 3 710 092 | 3 858 179 | 3 333 575 | 3 595 788 | 42 208 260 |
| HOUSING | 6 302 | 3 729 | 3 335 | 3 188 | 6 274 | 2 593 | 985 | 4 239 | 4 379 | 3 441 | 4 619 | 3 544 | 52 627 |
| LEGAL FEES | (19 100) | 48 744 | 55 078 | 27 583 | (33 342) | (5 763) | (7 955) | 75 461 | (29 461) | 55 525 | 49 166 | 55 223 | 271 159 |
| SUNDRY | (1 161) | 6 896 | 2 620 | 4 790 | (135) | (5 938) | 4 329 | 2 056 | (1 504) | 442 | 1 957 | 1 879 | 16 233 |
| INDIGENT | 213 105 | 67 921 | 126 923 | 147 780 | 215 768 | 223 169 | 470 035 | 252 347 | (75 590) | 114 849 | 181 128 | 161 813 | 2 099 249 |
| ENVIRON- MENTAL LEVY | 618 905 | 589 376 | 600 363 | 573 016 | 610 618 | 568 903 | 385 421 | 501 110 | 573 171 | 564 337 | 572 270 | 593 443 | 6 750 931 |
| Total | 11 532 756 | 12 085 956 | 11 880 215 | 11 043 208 | 11 906 293 | 879 719 | 10 236 718 | 915 360 | 575 191 | 11 570 921 | 11 239 798 | 499 589 | 138 365 725 |

5. Debtor Analysis

| | | TOTAL AMOUNT BILLED PER CATEGORY | | | | | | | | | | | | |
|-----------------------------|-----------------------|----------------------------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|
| | | Jul-11 | Aug-11 | Sep-11 | Oct-11 | Nov-11 | Dec-11 | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | Total |
| RATES (ANNUAL) | 01/05/01/3 010/081 | 6 383 816 | 3 820 101 | 3 767 491 | 3 755 534 | 3 745 435 | 3 733 235 | 3 728 467 | 3 710 492 | 3 692 859 | 3 686 221 | 3 707 742 | 3 538 567 | 47 269 959 |
| SERVICE CHARGE | 05/25/55/3 010/083 | 233 309 | 233 309 | 233 050 | 232 104 | 232 018 | 224 617 | 218 162 | 218 420 | 218 506 | 218 162 | 221 863 | 222 207 | 2 705 726 |
| WATER | 15/20/55/3 010/084 | 1 801 569 | 1 613 517 | 2 521 344 | 1 622 478 | 1 658 797 | 402 801 | 2 356 002 | 1 496 738 | 1 246 950 | 2 246 414 | 2 271 747 | 2 376 515 | 22 614 873 |
| SEWERAGE | 01/05/01/3 010/085 | 1 100 376 | 978 112 | 973 900 | 972 828 | 971 362 | 972 178 | 971 770 | 971 634 | 971 091 | 968 304 | 979 850 | 979 896 | 11 811 301 |
| SANITATION | 01/05/01/3 010/086 | 107 644 | 93 759 | 89 186 | 76 524 | 89 295 | 148 981 | 144 453 | 95 224 | 69 082 | 149 661 | 133 863 | 106 511 | 1 304 183 |
| REFUSE | 01/05/01/3 010/087 | 1 392 349 | 1 173 602 | 1 166 175 | 1 164 349 | 1 162 158 | 161 367 | 160 271 | 157 350 | 155 464 | 155 768 | 159 601 | 1 162 225 | 14 170 679 |
| ELECTRICITY | 10/20/45/3 010/088 | 3 722 031 | 3 573 753 | 3 166 775 | 2 951 081 | 3 196 172 | 265 310 | 436 442 | 237 014 | 907 249 | 923 898 | 661 352 | 3 271 337 | 38 312 416 |
| HOUSING | 05/25/55/3 010/091 | 13 664 | 13 659 | 13 653 | 13 598 | 13 642 | 15 071 | 13 630 | 13 383 | 13 378 | 12 603 | 12 805 | 6 774 | 155 860 |
| SUNDRIES | 01/05/01/3 010/090 | 88 085 | 89 915 | 81 387 | 82 133 | 87 985 | 94 272 | 86 510 | 83 832 | 85 858 | 84 296 | 90 769 | 85 661 | 1 040 702 |
| ENV. LEVY | 01/05/01/3 010/095 | 790 348 | 705 879 | 703 006 | 701 506 | 699 974 | 699 240 | 698 537 | 696 877 | 695 760 | 695 920 | 695 345 | 698 282 | 8 480 674 |
| TOTAL MONTHLY BILLING | | 15 633 189 | 12 295 606 | 12 715 969 | 11 572 134 | 11 856 838 | 717 072 | 814 246 | 680 964 | 056 197 | 141 248 | 934 936 | 12 447 974 | 147 866 373 |

Note : Total billed is less than collected, payments made do not necessarily match the billing raised for the period.

6. Write off of Bad Debts

| 2011/12 Debt Written-off | | | |
|--------------------------|--------|------------|---------|
| Categories | No. | Value | % |
| 10 RATES (ANNUAL) | 1 239 | 594 213 | 2.11% |
| 20 RATES (MONTHLY) | 4 027 | 677 961 | 2.40% |
| 30 SERVICE CHARGE | 6 389 | 3 318 810 | 11.77% |
| 35 WATER | 20 644 | 15 176 358 | 53.83% |
| 40 SEWERAGE | 5 454 | 2 952 370 | 10.47% |
| 45 SANITATION | 290 | 27 745 | 0.10% |
| 50 REFUSE | 9 762 | 2 684 091 | 9.52% |
| 55 ELECTRICITY | 659 | 160 572 | 0.57% |
| 70-84 HOUSING | 2 968 | 861 398 | 3.06% |
| 85 LEGAL FEES | 808 | 762 099 | 2.70% |
| 86 INDIGENT CHARGE | 1 715 | 411 435 | 1.46% |
| 90 SUNDRIES | 4 461 | 489 305 | 1.74% |
| 95 Enviromental Levy | 1 763 | 78 585 | 0.28% |
| Total | 60 179 | 28 194 943 | 100.00% |

7. Property Rates

Property Rates(Residential and Commercial)

| Poperty Rates (All) | Number | Value (000) |
|--|--------|-------------|
| Number and value of properties rated | 18 243 | 10 101 674 |
| Number and value of properties not rated | 1 266 | 162 102 |
| Number and value of rates exemptions | NIL | NIL |

8. Rates collectable for current year

| Rates Collectable for Current Year | | |
|------------------------------------|--------|-------------|
| Rates Collectable for Current Year | Number | Value (000) |
| Total Billed (nett) | 18 243 | 47 270 |
| Total Collectible | 18 243 | 47 270 |

9. Property valuation

Property Valuations

| Property Valuation : | Details | Valued Number | YTD Value (000) |
|--|---------|---------------|-----------------|
| Year of Last Valuation (Interim Valuation) | 2008 | 18 243 | 10 101 674.43 |
| Regularity of Valuations | 4 years | - | |
| Note : General Valuation was done in 2008, todate 4 interim valuations had been done. The valuation roll "Value and number of valued properties" is inclusive of all subsequent valuations todate. | | | |
| - The current valuation roll has been extended to 5 years. | | | |

10. Indigent Policy

Indigent Policy

| Rates Collectible for Current Year | Number | Value (000) |
|---|--------|-------------|
| Quantity (No. of households affected) | 6 006 | - |
| Quantum (Total value across municipality) | - | 1 098 |

11. Ten Highest Creditors

| THE 10 HIGHEST CREDITORS FOR THE 2011/2012 FINANCIAL YEAR | |
|---|----------------|
| Ndlambe Local Municipality | R80 938 519.92 |
| Eskom Holdings Limited | R31 575 244.46 |
| Ndlambe Local Municipality | R21 403 660.41 |
| Manelec | R19 069 051.15 |
| Ursa Civils Cc | R15 196 938.53 |
| Ndlambe Local Municipality | R12 744 552.83 |
| Ndlambe Local Municipality | R 9 417 275.33 |
| Development Bank Of South Afri Ca | R 6 356 745.96 |
| Sa Post Office | R 589 5692.91 |