

NGQUSHWA MUNICIPALITY



ANNUAL REPORT

2011/2012

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ABBREVIATIONS

ABBREVIATIONS	MEANING
ADM	<i>Amathole District Municipality</i>
AG	<i>Office of the Auditor General</i>
BTO	<i>Budget and Treasury Office</i>
CBD	<i>Central Business District</i>
CBNRM	<i>Community Based Natural Resource Management</i>
CBO's	<i>Community Based Organisations</i>
CDW's	<i>Community Development Workers</i>
DBSA	<i>Development Bank of South Africa</i>
DEDEA	<i>Department of Economic Development and Environmental Affairs</i>
DLA	<i>Department of Land Affairs</i>
DM	<i>District Municipality</i>
DWEA	<i>Department of Water and Environmental Affairs</i>
ECDC	<i>Eastern Cape Development Corporation</i>
EEP	<i>Employment Equity Plan</i>
EPWP	<i>Expanded Public Works Programme</i>
FMG	<i>Local Government: Finance Management Grant</i>
FY	<i>Financial Year</i>
GDP	<i>Gross Domestic Product</i>
GVA	<i>Gross value Added</i>
HDI	<i>Human Development Index</i>
Hh	<i>Households</i>
HOD	<i>Head of Department</i>
IDP	<i>Integrated Development Plan</i>
IPW	<i>Instruction to Performance Work</i>
IT	<i>Information Technology</i>
KDC	<i>Kei Development Corporation</i>
kWh	<i>Kilowatt hour</i>
HR	<i>Human Resources</i>
LED	<i>Local Economic Development</i>
LM	<i>Local Municipality</i>
MFMA	<i>Municipal Finance Management Act</i>
MIG	<i>Local Government: Municipal Infrastructure Grant</i>
MOU	<i>Memorandum of Understanding</i>
MPAC	<i>Municipal Public Accounts Committee</i>
MSA	<i>Local Government: Municipal System Act(Act No.32 of 2000)</i>
NGOs	<i>Non-Government Organisations</i>
NHBRC	<i>National Home Builder Registration Council</i>
NLM	<i>Ngqushwa Local Municipality</i>
NYDA	<i>National Youth Development Agency</i>
P.A	<i>Personal Assistant</i>
PAC	<i>Project Adjudication Committee</i>
PDOHS	<i>Provincial Department of Human Settlements</i>
PGDP	<i>Provincial Growth and Development Plan</i>
PMS	<i>Performance Management System</i>
PMU	<i>Project Management Unit</i>
SAICA	<i>South African Institute of Chartered Accountants</i>
SDBIP	<i>Service Delivery and Budget implementation Plan</i>
SDF	<i>Spatial Development Framework</i>
SMME	<i>Small Micro and Medium Enterprise</i>
UFH	<i>University of Fort Hare</i>
VLP	<i>Village Link Person</i>

ABBREVIATIONS	MEANING
WSA	<i>Water Services Authority</i>
WSDP	<i>Water Services Development Plan</i>
WSP	<i>Water Services Provider</i>
WTW	<i>Water Treatment Works</i>
PMS	<i>Performance Management System</i>
SAPS	<i>South African Police Service</i>
UIF	<i>Unemployment Insurance Fund</i>
SASSA	<i>South African Social Security Services</i>
CPF	<i>Community Policing Forum</i>
LSDF	<i>Land Development Spatial Development</i>
SEDA	<i>Small Economic Development Agency</i>
DLTC	Driver's License Testing Centre
ANC	African National Congress
IDC	Industrial Development Corporation

PART ONE INTRODUCTION AND OVERVIEW

1 FOREWORD BY THE MAYOR

It is with great pleasure for me to present this annual report to the broader community of Ngqushwa Local Municipality in compliance with legislative and accountability requirements. I must mention that I present this report at a time when we are celebrating 100 years of the existence of our movement, the ANC and 18 years in our democracy. I wish to thank the ANC and its leadership for the support and guidance provided to us as we are deployed in this municipality.

This report gives account to the performance of our Council and the entire administration, notwithstanding that our municipality is facing some challenges. It will also give details on the use of the budget and how these resources were used qualitatively for the benefit of the lives of Ngqushwa people.

As a municipality that wants to build a strong economy and that is responsive to the needs of the Country, during the year under review we have managed to establish all statutory structures to execute our mandate. Various positions as per our organogram have been occupied with the exception of the critical position, that of the Municipal Manager. The municipality developed a comprehensive Regeneration strategy/ Master plan that technically outline areas of investment that could elevate sustainable economic development and also LSDF to accelerate service delivery.

Again, there is massive development of projects in Hamburg, which are set to change the face of the town for the better. The performance highlights under the year reviewed are as follows:

1. The development of Hamburg Artist Residency by Aspire, a world class facility that seeks to promote arts and culture as well as attracting investment opportunities to the locality. This project is moving at high speed wherein the infrastructure has been completed and
2. A plan to Hamburg Town Centre upgrade wherein a large sum of money has been secured from the neighbourhood development partnership grant of National Treasury and IDC and also an aquaculture fish farm project which has been uploaded with phase 2.

Other challenges experienced that hampered service delivery are the following:

- a) Very low revenue base because our residents are unemployed and poverty is very high which makes it difficult for the Municipality to meaningfully facilitate accelerated development;
- b) Serious financial constraints that added to existence of backlogs on service delivery programmes and activities;
- c) Poor state of internal controls and anti-corruption initiatives; and
- d) Unable to maintain unqualified opinion.

Although we are aware of the challenges facing us, I trust that our municipality has the capacity to overcome these challenges and elevate service delivery standards.

I take this opportunity to thank my fellow Councillors, Management and Staff led by the Acting Municipal Manager, various stakeholders as well as all the people of Ngqushwa who impacted positively and made us to achieve the good results. Together we can do more to make Ngqushwa a better place for all us.

Cllr. S.E Ndwayana

HONOURABLE MAYOR

2 MUNICIPAL MANAGER'S ANNUAL PROGRAM PRIORITIES' STATEMENT

It is my privilege to present the 2011/12 Annual report which has been compiled in accordance with the provision of Section 46 of the Municipal Systems Act (MSA) No 32 of 2000 as amended and Municipal Finance Management Act No (MFMA) No 56 of 2003 as amended. The year under review has successes and challenges and to work hard to service the community of Ngqushwa.

Local Economic Development: This year saw the development and completion of many critical projects within the Municipality. The amazing working relations with Aspire on the Hamburg Regeneration programme is starting to bear fruits with the completion of the Hamburg Artist Retreat (now known as Emthonjeni Arts) and the revival of the aquaculture initiative also has created job opportunities for the local communities and DAFF amongst other critical stakeholders are key to this pilot project and expansion is definitely going to create more sustainable job opportunities.

We have also taken strides in bringing institutions and avenues for SMME's & cooperative development services closer to the people. This is evidenced by the sound working relations with the Small Enterprise Development Agency (SEDA), and the CIPC on the development of SMME's.

On tourism we have a fully functional visitors information centre and we continue to market Ngqushwa as a tourist destination. On agriculture we are funding irrigation schemes, livestock improvement, piggery project, food gardens, and household food gardens at Ethembeni Location. We have developed a concept Document for Agricultural Centre which will assist in centralization of agricultural equipment. The two, agriculture and tourism remains the critical pillars within which to develop the local economy, working with DRDAR and DEDEAT respectively are continually assisting SMME's that demonstrate potential to play an imperative role in the quest of denting poverty in the area.

- **Basis Service Delivery:** Despite the fact that our municipality is not a water service authority, 95% of our villagers have access to clean water except for three villages but their plight is being considered and addressed to relevant stakeholders. Again on electricity, approximately 90% of the population has access to electricity except for extensions in the villages and ESKOM has a plan to fast track the setback. On the state of our roads, we have a role to restore all access roads and minor roads but according to our plan we managed to complete only one project, others still under construction and not yet started due to challenge on variations orders.
- **Refuse Removal:** As stated in the Constitution of the Republic that everyone has the right to have access to an environment that is not harmful to their health or wellbeing. Ngqushwa has developed and completed Integrated Waste Management Plan which is implemented in both towns and surrounding townships.
- **Institutional Transformation and Organizational Development:** We have facilitated the review of the organizational structure and added ten (10) positions of which priority was given to infrastructure, ICT and Small Town revitalization. In the year under review we focused on leave administration which in the past years has always been in the wrong of the audit. Draft leave policy was developed and is being implemented. Also the workplace skill plan to improve Councillor, employee and ward committee skills was developed and submitted to Department of Labour as required.

A Municipal Public Accounts Committee that consists of nine Councillors was established to assist council in ensuring appropriate standards and value for money in the delivery of services.

- **Financial Viability:** Audit Committee meetings sit regularly as stated in terms of statutory requirements and the team is involved in reviewing all financial reports i.e. financial statements, budget and monthly reports]. We foresee an input on revenue enhancement as the Driver's License Testing Centre [DLTC] is being completed. Though we see improvement in some areas,

we are still challenged due to the fact that the Auditor General could not express an opinion of completeness on areas such as financial statements, revenue, asset management and the collection of debtors as a result we were issued with disclaimer opinion.

I believe with the work that is done so far by the management and staff, we commit ourselves to continue supporting Council, by bringing new ideas to make this municipality a better place. I also thank stakeholders for the good working relations we have that I trust will make us remain strong in order to ensure that Ngqushwa develops.

Thank you,

**Ms. V Mbelane
ACTING MUNICIPAL MANAGER**

3 OVERVIEW OF THE MUNICIPALITY

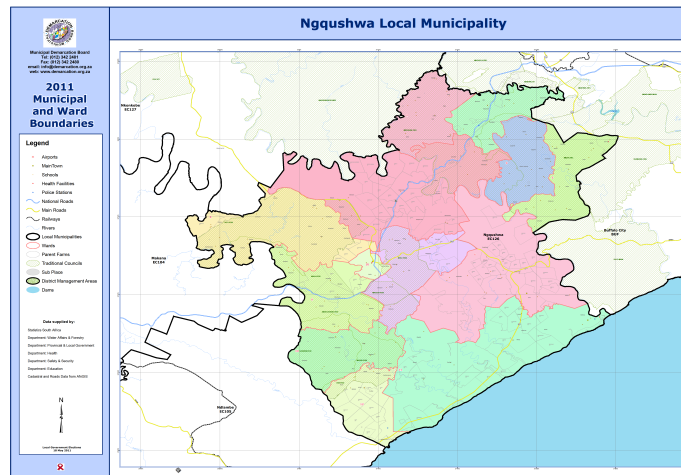
3.1 GEOGRAPHIC AND DEMOGRAPHIC PROFILE

3.1.1 Geographic Profile

Ngqushwa Local Municipality falls within the jurisdiction of the Amathole District Municipality which is situated in the Eastern Cape Province, Amathole District Municipality and covers an area of 23 573km² and the Ngqushwa municipal area covers 2245 square kilometers which accounts for 10% of the district. The administrative seat of the Municipality finds itself in Peddie and the municipal area is divided into 13 wards.

Ngqushwa is located in the west of the Amathole district and consists of two towns Peddie and Hamburg, a portion of King William's Town villages. It is one of the eight municipalities that fall within the Amathole District Municipality. Ngqushwa Municipality consists of 118 villages. Ngqushwa is bordered by the Great Fish River to the west and the Keiskamma River to the East. The southern boundary comprises a part of the coastline of the Indian Ocean.

FIGURE 1: NGQUSHWA LOCATION



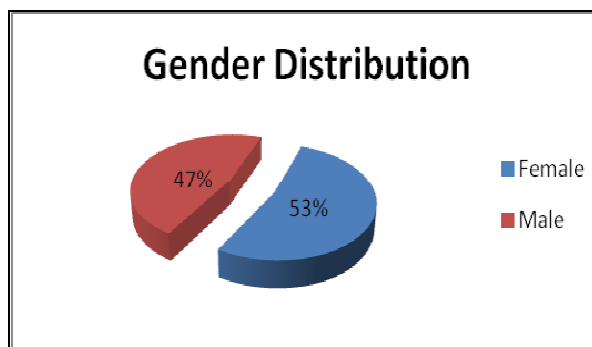
3.1.2 Demographic Profile

Ngqushwa Local Municipality has an estimated total population of 84233 people according to the 2001 census figures. It is estimated that the population growth rate is 1.2% per annum and the population figure for 2007 can therefore be estimated at 90482 people. The population density in 2001 was calculated at 37.5 people per square kilometer. If this is escalated by the population growth rate, it will give a density of 40.3 people per square kilometer for 2007 which is somewhat lower than some of the municipalities in the Eastern Cape. The municipal area is predominantly rural in nature with 95% of the population residing in rural areas and only 5% residing in the urban areas.

3.1.3 Age and Gender Composition

Approximately 38% of the population of Ngqushwa are 19 years or younger and approximately 10% of the population are 65 years and older which means that 52% of the population are between the ages of 20 and 64 years. Approximately 53% of the Ngqushwa population is female and the remaining 47% is male.

FIGURE 2: GENDER DISTRIBUTION WITHIN NGQUSHWA



3.2 SOCIO ECONOMIC CONTEXT

3.2.1 Unemployment and Household Income

Unemployment figures in the NLM are very high and according to Global Insights (2006) are calculated at 78%. The table below provides a comparative summary showing NLM as having the highest unemployment rate (more than 20% above the Eastern Cape average). The number of households earning less than R1500/month is estimated at 66.8% which is very high comparable to the rest of the province.

TABLE 1: Unemployment Rate within Ngqushwa

Area	Unemployment	H.H Income < R 1500 P.M
Eastern Cape	53.5	65.2
Amathole (District)	52.7	67.0
Ngqushwa	78.0	66.8

3.2.2 Economic Sector

Agriculture and tourism sectors were identified in the 2006/07 IDP review as being major sources of generating income in the Ngqushwa area. The municipality has some agricultural enterprises that need to be promoted under the auspices of local economic development. The tourism industry has been identified as an industry that needs to be properly developed to reach its full potential.

3.2.3 Human Development Index

Amathole District Municipality's HDI is 0.48 which is an indication of low level development. The HDI for Ngqushwa is 0.46 which is one of the lowest for the district but comparable to others in the district (e.g Mbashe-0.42 and Buffalo City-0.59). The skills levels of the population are very low as reflected by the district's statistics. Approximately 29% of workers in the Amathole District have either elementary skills or are unskilled workers. 4% of Amathole's working people fall into the skilled category and 14% have professional skills.

3.2.4 Climatic Conditions

The municipal area is characterized by different levels of elevation and this result in climatic variation. The coast is subtropical and is usually cool and humid whereas the conditions inland are hot and semi-arid. Rainfall is low to moderate and varies between 400mm in inland areas and 700mm per annum along the coast. The area falls within the summer rainfall climatic zone. The coastal areas are characterized by high velocity winds. The climate of the region is conducive to the tourism potential of the area as it is moderate throughout the year with no extremes of temperature or rainfall.

4 EXECUTIVE SUMMARY

4.1 VISION STATEMENT

“To be the preferred, vibrant, and socio-economically developed municipal area that embraces a culture of human dignity, good governance, and characterized by good quality service for all.”

4.2 MISSION STATEMENT

Ngqushwa Local Municipality will strive to become a benchmark institution in the country in respect of good quality and affordable services, through efficient resource mobilization and management, stimulation of economic growth and good governance practices.

4.3 NGQUSHWA OBJECTIVES (STRUCTURED INTO 5 KPA'S OF LOCAL GOVERNMENT STRATEGIC AGENDA)

⇒ KPA 1: Local Economic Development

- A thriving economy capable of meeting the economic development challenges of unemployment, poverty, skills shortage and slow economic growth on a sustainable basis.

⇒ KPA 2: Service Delivery

- To ensure universal access to basic household, community and social services

⇒ KPA 3: Good Governance

- To strengthen municipal governance and administrative capacity

⇒ KPA 4: Financial Viability

- To have a financial sound, self-sustainable, transparent and accountable municipality

⇒ KPA 5: Municipal Transformation

- A Responsive, accountable, effective and efficient local government system

PART TWO KEY PERFORMANCE AREAS ACHIEVEMENTS REPORTS

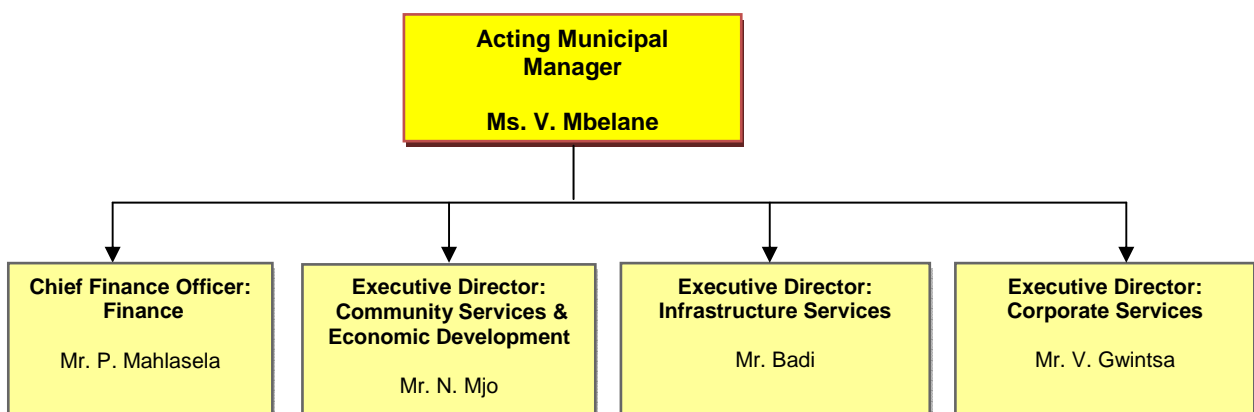
CHAPTER ONE: ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (KPA 1)

The purpose of this function is to render a professional support service that is well aligned to the municipality's Integrated Development Plan (IDP) as well as to the needs of the municipality's stakeholders and customers.

The main objectives of this function include:

- A well trained, motivated and developed workforce to deliver quality services;
- The implementation of the Employment Equity Plan (EEP) paying special focus on recruitment, training and retention;
- All municipal employees and leadership possess the required competencies;
- A systematic human resources development and management;
- Sufficiently representative municipal systems;
- Safe and healthy working environment;
- Optimal utilization of available information system tools and processes;
- Maintained good employer employee relations;
- Continuous improvement of municipal performance;
- Proper functioning council committees;
- Proper management and maintenance of the municipal fleet;
- Proper talent management of the municipality's human capital;
- Reduction of risk exposure of the municipality in terms of assets, personnel, financial and general political context;
- Professional management of the development planning processes within the municipality; and
- Alignment of the municipality's organizational establishment in-line with the assigned powers and functions.

1.1 MANAGEMENT ORGANISATIONAL STRUCTURE (AS AT 30 JUNE 2012)



1.2 EMPLOYMENT EQUITY

The following tables below represent the status of the employment equity within Ngqushwa Municipality as at 30 June 2012.

1.2.1 Top management levels (section 57 managers)

TABLE 2: Employment Equity within Top Management Level

Target group: Gender and race	Level of representation: Required figure/total workforce	% of total workforce
African female	0/4	0%
African male	4/4	100%
Coloured female	0/4	0%
Coloured male	0/4	0%
Indian female	0/4	0%
Indian male	0/4	0%
White female	0/4	0%
White male	0/4	0%

1.2.2 Total workforce

TABLE 3: Employment Status within the Municipal Total Workforce

Target group: Gender and race	Level of representation: Required figure/total workforce	% of total workforce
African female	76/163	46.63%
African male	85/163	52.15%
Coloured female	0/163	0%
Coloured male	1/163	0.61%
Indian female	0/163	0%
Indian male	0/163	0%
White female	0/163	0%
White male	1/163	0.61%

1.2.3 Employees with disabilities

TABLE 4: Disability Status within Ngqushwa

Target group: Gender and race	Level of representation: Required figure/total workforce	% of total workforce
African female	0/163	0%
African male	0/163	0%
Coloured female	0/163	0%
Coloured male	0/163	0%
Indian female	0/163	0%
Indian male	0/163	0%
White female	0/163	0%
White male	0/163	0%

1.3 HUMAN RESOURCES STATISTICS PER FUNCTIONAL AREA

The total number of approved posts of the entire institutions according to the approved organogram is 185 and the number of vacant posts within the entire institution is 22.

1.3.1 Functional Areas per Organogram

The table below reports on the vacancy rate within functional departments of Ngqushwa Municipality.

TABLE 5: Vacancy Rate within Departments

Department	Total number of Posts available	Total number of Posts Filled	Total number of Posts Vacant
Municipal Manager	11	08	3
Budget and Treasury	24	14	10
Community Services	78	64	14
Corporate Services	38	30	8
Technical Services	31	21	10
TOTALS	182	137	45

1.3.2 Full Time Staff Complement per Functional Area

The table below reports on the vacancy rate at a level of Municipal Manager, section 57 Managers and line manager's offices.

TABLE 6: Vacancy Rate within Management Level

EXECUTIVE MANAGEMENT				
No	Approved Positions	Approved and Budgeted Position	Filled Posts	Vacant Posts
1	Municipal Manager	5	4	1
2	Budget and Treasury	5	5	0
3	Community Services	6	6	0
4	Corporate Services	6	4	2
5.	Technical Services	6	4	2

1.3.3 Infrastructure Staff Registered with Professional Bodies

The table below reports on the Infrastructure staff registered with professional bodies within Infrastructure department.

TABLE 7: Officials within Technical Department Registered with Professional Bodies

Technical Services	No. of Managers within Technical Services	No Registered In The Accredited Professional Body	Pending Registration Confirmation In The Accredited Professional Body	No. Not Yet Registered In The Accredited Professional Body
Technical Services Manager	6	0	0	6

1.3.4 Office of the Municipal Manager Staff Registered with Professional Bodies

The table below reports on staff registered with professional Bodies within the office of Municipal Manager.

TABLE 8: Staff Registered with Professional Bodies within the Office of the Municipal Manager

Municipal Manager's Office	Total number of Managers in the Office of MM	Total number registered in the accredited professional bodies	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
	5	1	0	4

1.3.5 Corporate Services Staff Registered with Professional Bodies

The table below reports on staff registered with professional Bodies within the Corporate Services department.

TABLE 9: Staff Registered Professional Bodies within Corporate Services Department

Corporate Service	Total number of Corporate Services 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
	6	0	0	6

1.3.6 Budget and Treasury Staff Registered with Professional Bodies

The table below reports on staff registered with professional Bodies within the Budget and treasury office.

TABLE 10: BTO Staff Registered with Professional Bodies

Budget and Treasury	Total number of BTO Managers	Total number registered in the accredited professional body	Total number registered in the accredited professional body	Total number not yet registered in the accredited professional body
	5	1	0	4

1.3.7 Community Services

The table below reports on staff registered with professional Bodies within the Community Services.

TABLE 11: Community Services Staff Registered with Professional Bodies

Community Services	Total number of Community Services Managers	Total number registered in the accredited professional bodies	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
	6	0	0	6

1.4 LIST OF PENSION AND MEDICAL AIDS TO WHOM EMPLOYEES BELONG

TABLE 12: Names of Pension and Medical Aids Staff Belongs to

Names of pension fund	Number of members	Names of Medical Aid	Numbers of members
SAMWU National provident fund	141	SAMWUMED	17
Municipal Councillors Pension Fund	25	Bonitas Medical Aid	38
		Discovery / LA Health	27

1.5 SENIOR OFFICIALS' WAGES AND BENEFITS

TABLE 13: Executive Management Annual Wages and Benefits

Name	Wages	Benefits
Municipal Manager	R 427 563.00	R 63 000.00
Chief Financial Officer	R 717 949.00	R126 000.00
Corporate Services Executive Manager	R 761 541.00	R 169 673.00
Technical Services Executive Manager	R 658 290.00	R 115 500.00
Community Services Executive manager	R 745 246.00	R 153 066.00

1.6 TRAININGS ATTENDED BY STAFF AND COUNCILLORS

TABLE 14: Training Attended by Staff and Councillors

ITEM	DATES	Course Attended	CHALLENGES	Status
Learnerships	12/07/2011	2 Managers, clerks, 1 cashier are attending SAICA.	Continuous reassessment	Completed
	21-25/02/2011	Skills Development Facilitator attending ODETDP.	None	Completed
	07-11/02/2011	2 Managers attending Municipal Financial Management Program	None	completed
	21-25 /11/2011	New Venture Creation Learnership for unemployed people with disabilities.	None funded by ADM	Still in progress
Skills Programmes	17-18/08/2011	Advance customer care attended by receptionist	Not on WSP and funded by FMG	completed
	24/08/2011	Venus Administrative training attended by IT Technician	Not on WSP and funded by FMG	completed
	26/09-25/11/2011	Plumbing course attended by Supervisor park	Not on WSP	completed
	11-12/10/2011	Budgeting & financial planning	None	completed
	18/10/2012	Attended 1 manager, intern , clerk	None	completed
	19-20/10/2011	Protocol training attended by 2 managers	None	completed
	08-09/11/2011	Biannual reconciliation attended by Payroll clerk	None	completed
	24-25/10/2011	Project management for engineers attended by 3 managers and 1 intern	Not on WSP and funded by MIG	completed
	26-28/10/2011	Applying SHE principles and procedures attended by 1 HOD	None	completed
	14-18/11/2011	Introduction to SAMTRAC attended by 1HOD	None	completed
	14-18/11/2011	Advance archives and records management attended by registry clerk	None	completed
	26/09-25/11/2011	Basic computer skills attended by 21 Councillors	Not well attended	completed
	05-09/12/2011	Grade D EDL course attended by traffic Officers	None	completed
	26-30/09/2011	Comp TIA Server + attended by IT Technician	None	completed
	20-24/02/2012	Government Media Essential tools	None	completed

ITEM	DATES	Course Attended	CHALLENGES	Status
		attended by communications		
	23-01-03/02/2012	Fundamental Project Management attended by PMU administrator Grader Operating training	None	completed
	01-02/03/2012	Payroll practical workshop attended by Payroll Clerk	None	completed
	21-24/02/2012	Prince 2 Foundation Training attended by 2 managers and administrator	None	completed

1.7 KEY PERFORMANCE INDICATORS IN MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

TABLE 15: 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
1	Vacancy rate for all approved and budgeted posts;	13	High	100%
2	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	100%	High	100%
3	Percentage of Managers in Technical Services with a professional qualification	1	High	100%
4	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	2	Low	5%
5	Percentage of councillors who attended a skill development training within the current 5 year term	21	High	90%
6	Percentage of staff complement with disability	2	Low	0%
7	Percentage of female employees	6	High	100%
8	Percentage of employees that are aged 35 or younger	7	High	60%

1.8 IMPLEMENTATION OF PERFORMANCE MANAGEMENT FRAMEWORK

This sub section constitutes a summarized version of the framework for Ngqushwa Municipality's performance management system.

It arises out of a revision of Ngqushwa's previous performance management framework completed in 2003. The Municipal Planning and Performance Management Regulations (2001) stipulate that "a municipality's performance management-system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players".

The framework acts as a municipal policy document that defines its performance management system. It constitutes council policy with regards to:

- The requirements that a PMS for Ngqushwa will need to fulfill;
- The principles that will inform its development and application;
- A model that describes what areas of performance will be managed, in Ngqushwa Municipality;
- What processes will be followed in managing performance;
- What institutional arrangements are necessary for this;
- Who will take responsibility for parts of the system;
- How this links to S57 Performance agreements ;
- How S57 Managers will have their performance managed and
- An action plan for the development and implementation of the system

In other words the framework is a documented record of the municipality's performance management system to be implemented. This document was adopted by the Council during period of 2011/2012 financial year.

As required in terms of the municipality's Performance Management Framework the Ngqushwa Municipality embarked on its Year End Performance Review for the 2011/2012 financial year. Annual performance report for 2011/2012 is contained on the **[Annexure F]** of this Annual report.

CHAPTER TWO: BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS (KPA 2)

2.1 WATER SERVICES

2.1.1 Water Service Provision

Ngqushwa Municipality is not a Water Service Authority (WSA) or Water Service Provider (WSP); therefore NLM is not involved with matters related to water. Amathole District Municipality is the Water Services Authority and the Water Service Provider; they take full responsibility of all water services activities.

As the WSA, the ADM is responsible for ensuring access, regulating, planning and for formulating the provider arrangements within its region. The capacity of the ADM to fulfill its WSA function is being developed as a jointly funded venture between the ADM and DWEA under the WSA Capacitation Business Plan Project

The ADM undertakes water service provision in the rural areas of the Amathole District. A two year bulk water supply agreement was concluded between the ADM and Amatola Water in March 2004 for the provision of bulk potable water to, amongst other municipalities, Ngqushwa Local Municipality. The ADM has accepted a proposal submitted in February 2008 by a joint ADM / Amatola Water task team concerning the future of the water provision function in the region. The key principle of the proposal was to split the water service provision function between bulk and reticulation services. This change started from 1 April 2009 when Amatola Water commenced with a bulk water services provider contract for the entire ADM region. The ADM are now managing the water service reticulation only from that date onwards.

2.1.2 Water Supply Services

The table below provides a broad overview of the current extent of water supply service provision within the Municipality.

TABLE 16: Overview of the Extent Water Supply Provision in the WSA

Population above RDP	Population at RDP	Population below RDP	% of Population Below RDP ²
13003	65154	6187	7.3%

Source: ADM 2011/2012 five-year WSDP

The table above illustrates that, the service levels in NLM are generally at RDP standards and above with only 7.3% below RDP standards. The table below further indicates the type of service distribution throughout NLM.

TABLE 17: Water Service type Distribution within the WSA.

Erf/yard Connection	Communal Standpipe	Borehole/Spring/Rain water Tanks	No Infrastructure
15.42%	70.66%	3.45%	10.48%

Source: ADM 2011/2012 five-year WSDP

A strategic perspective has been adopted in pursuit of achieving 100% water supply coverage to all domestic consumers in the WSA by 2014. In the interim the target is a safe supply to all, which does not necessarily mean supply to RDP standards in terms of walking distances, volume and rate of supply, but prevention of harvesting contaminated water from dams, rivers, unprotected springs, etc. This is set to be achieved through the development of wall to wall regional schemes, rehabilitation and extension of existing infrastructure.

The regional schemes will be developed progressively with all the major bulk infrastructure in place by 2014 and supply points in place within reasonable proximity to the consumers. Rudimentary schemes are proposed to be developed in such areas where bulk extension is not feasible. Operations are seen playing a major in rehabilitation and extension of existing infrastructure thus improving efficiencies and coverage.

2.1.3 Sanitation Service Levels

Adequate sanitation services in terms of its fullest application, relative also to municipal / environmental health, requires an additional focus over and above what has been occurring to date. According to the 2008 DWEA Reference Framework there are a total 457,469 people (24.49% of the population) who still do not receive services to RDP standards or who are not serviced at all. The latest ADM scorecard – 2011 indicates sanitation backlog to be 64.43%. Table 13 below provides a broad overview of the extent of sanitation provision within the NLM.

TABLE 18: Overview of the Extent of Sanitation Services Provision

Population Above RDP	Population at RDP	Population Below RDP	% of Population Below RDP
465	42687	41192	48.84%

Source: ADM 2011/2012 five-year WSDP

The condition of the sewerage infrastructure in the towns within the is often one of inadequate capacity, old and / or poorly maintained infrastructure, which the ADM area often results in sewerage discharges into the river systems. The rural population including NLM communities either has access to a basic sanitation service (limited coverage), a sub-basic service or no service at all. Table 14 provides the types of service distribution according to the DWEA Reference Framework.

TABLE 19: Sanitation: Level Of Service Distribution within the Municipality

Waterborne	VIP ¹	Pit (Unventilated)	Latrine	Bucket	Other or None
17,332	4,299	0		164	17,060

Source: ADM 2011/2012 five-year WSDP

2.1.4 Water Services Infrastructure Profile

The ADM region is serviced by a number of regional, local and rudimentary schemes, which are supplied either from dams, run-of-river, boreholes or springs. The following water supply schemes and associated water treatment works exist within the NLM.

¹ VIP's include chemical toilet facilities

TABLE 20: Domestic Water Services Supply and Demand; Current Situation

Scheme		Demand					Supply				Availability		
Scheme Name	Surface Water / Ground Water	Population	% Population Indigent	Basic Use @ 25l/C/D	Actual Consumption	Theoretical Demand @ 60l/C/D	Dam Yield	WTW Capacity	Borehole Capacity	Scheme Capacity	Surface	Ground	Planning Issue
	Name or Number of boreholes		%	MI/day	MI/day	MI/day	MI/day	MI/day	MI/day	Mm ³ /a	MI/day	MI/day	
Ngqushwa Municipality													
Peddie Regional (Wesley / Birha)	Keiskamma River	35 500	90	0.888	3.231	2.130	Unknown	6.56	-	2.4	6.56	-	-
Dabi		4720	90	0.118	0.076	0.284	1.37	0.72	-	0.5	0.72	-	-
Glenmore	Dabi Dam	2060	90	0.052	0.513	0.124	Unknown	0.5	-	0.18	0.5	-	-
Laing Dam Supply Area	Orange/Fish	2550	90	0.064	Unknown	Unknown	40.82	21.8	-	14.9	21.8	-	-
Sandile Dam Supply Area	Laing Dam												Treatment Capacity
Prodoe	Sandile Dam	142000	90	3.550	17.202	8.520	49.32	18	-	18	18	-	-
Lujiko	Boreholes	640	90	0.016		0.039			Unknown	Unknown			
Gwabeni /Horton	Boreholes	2060	90	0.052		0.124			Unknown	Unknown			
Gquwa	Boreholes	730	90	0.018		0.044			Unknown	Unknown			
	Boreholes	820	90	0.021		0.049			Unknown	Unknown			

2.2 ELECTRICITY SERVICES

2.2.1 Electricity services Provision

Ngqushwa Municipality is not an electricity service provider. Eskom plays a major role in all aspects of electricity and takes full responsibility. The needs and identification of areas without electricity is done during the Annual Development Plan road shows and handed to Eskom for inclusion in their Annual Development Plan.

2.2.2 Level and standards in electricity services

The electricity supply to the area is provided and maintained by Eskom in accordance with their Rural Electrification Programme. Approximately 90% of the population has access to electricity. In the near future the municipality will look at its capacity to sell and maintain electricity taking over from Eskom.

70% of the population makes use of electricity for lighting purposes, but only 11% make use of electricity for cooking purposes. Wood is the most commonly used source of energy for cooking purposes (52%) which can have serious environmental consequences. Paraffin is the second most commonly used fuel for both lighting and cooking.

The Municipality will investigate the use of alternative renewable energy sources, such as wind turbines, solar heating and electricity generated from solid waste should industrial and commercial expansion require such. The Municipality will also investigate ways to conserve energy in view of the current national problem of load shedding and resultant distribution disruptions.

FIGURE 3: Sources of Energy Consumption

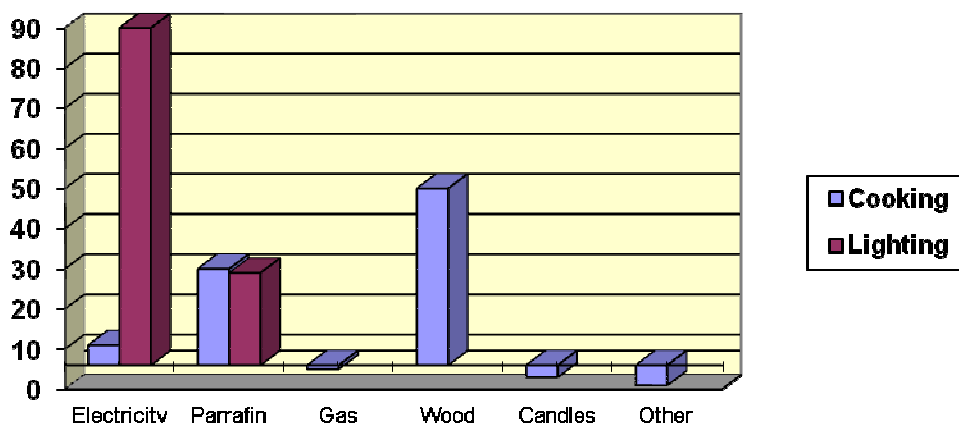


TABLE 21: Annual Performance as per Key Performance Indicators in Electricity Services

No	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 household with access to electricity services	69	6609	249	249	100%
2	Percentage of indigent households with access to free	N/A	N/A	N/A	N/A	N/A

No	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
	alternative energy sources					

2.4 ROADS AND ROAD MAINTENANCE

Our role is to rehabilitate all access roads and minor roads as well as provincial and district roads though they are responsibilities of the department of roads and public works. The Provincial department remains the planning authority in terms of road-based public transport services.

The role players in road maintenance are the local municipality; the district municipality and the department of roads and public Works.

TABLE 22: Annual Performance as Per Key Performance Indicators in Road Maintenance Services

No	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	0%	0%	N/A	N/A	N/A
2	Percentage of road infrastructure requiring upgrade	89%	1117	R9757m	767	95%
3	Percentage of planned new road infrastructure actually constructed	2%	98%	2%	767 Households	95%
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used			R 11 167m	R 11 167m	95%

2.4.1 Municipal Infrastructure Grant

This section aims at providing summary of activities, challenges, achievements and financials during the implementation of MIG 2011/2012.

A PMU Manager was appointed starting from 01 July 2011 and the financial management is performed by the Finance Department of Ngqushwa Municipality and monitored closely by Project Management Unit and lastly co-ordination with stakeholders is done on a personal (one-on-one) basis and at scheduled Provincial MIG meetings.

The PMU unit is responsible for the management of local infrastructure programme (municipal scale) as well as physical project implementation activities while ensuring that:

- All projects meet overall planning objectives and specific key performance indicators as determined by the Senior MIG Manager;

- The co-ordination of regular progress meetings at local level and representation at the provincial/national progress meetings;
- The associated project management administrative functions from project registration, evaluation through to final project completion reports;
- Reporting on the MIG Programme is done as per the schedule of dates received from the Provincial MIG Office;
- Socio-economic impact assessments detailing how the MIG Programme has impacted on the communities and municipalities in terms of ,skills development, community involvement, municipal partnerships ,local economic development and how the lives of the communities have improved;
- Facilitation of backlog studies and environmental impact assessments of projects then necessary;
- All data is analysed in terms of expenditure, funding received, progress to date, etc. Where after it is submitted to the Municipal Manager for verification and signing before data is submitted; and
- The PMU administration is responsible for financial reporting and non-financial reports.

TABLE 23: MIG Project Implementation

National No.	Project description	Ward	2011/12	Status as at 30 June 2012
MIG/EC/3060/RST 2011	Tyeni to Gobozane access road	1	R6 612 380.00	Still under Construction
MIG/EC/2087/CF 2011	Lower Gwalana Community Hall	13	R 1 500 000.00	Still under Construction
MIG/EC/2088/CF 2011	Jubisa Community Hall	2	R 1 500 000.00	Still under Construction
MIG/EC/3059,RST 2011	Machibi access road	5	R 2 478 000.00	Completed
MIG /EC/20110034	Ngqwele Community hall	1	R 1 500 000.00	Not yet started
MIG/EC/20110033	Woodlands Community hall		R 1 500 000.00	Not yet started
MIG/EC/20110035	Peddie Extension Community Hall		R 1 500 000.00	Not yet started

2.4.2 MIG High level Allocations and Expenditure

TABLE 24: MIG Allocation Received

Item Description	2008/09	2009/10	2010/11	2011/12
Approved budget	R8 915 000	R 12 426 000	R 14 349 000	R17 257 000.00
Spent to date	R8 915 000	R 12 426 000	R 14 349 000	R10 989 581.09
Difference	0	0	0	R 6 267 418.03

2.4.3 Level and Standards in Road Maintenance Services

The district comprises national, trunk, main, district, minor and access roads. The Major towns are linked by an adequate network of roads and there is also a good network of proclaimed gravel roads traversing the municipal area. There are approximately 1271.38km of roads in the municipal area. According to the Department of Roads and Public Works only 153.9km of these roads are tarred which translates to (12.11%) of the roads in the municipal area. The roads linking the various rural settlements are in a poor state of repair and are not adequately maintained.

2.4.4 Major Challenges in Road Maintenance Services

Maintenance and upgrading of roads restricted due to limited funds available as services must be provided in accordance with the affordability of citizens and therefore there is a need for the development of rural networks.

A road development plan needs to be linked to an economic development plan to promote trade and tourism potential provided in accordance with the affordability of citizens.

2.5 WASTE MANAGEMENT

2.5.1 Waste Management Services

The Ngqushwa Municipality is mandated to provide waste collection, disposal and cleansing service to all its residents. Ngqushwa Municipality acknowledges the inadequacy of its current management of waste.

Almost all waste is landfilled, which is an inefficient use of natural resource as well as of the municipal budget. The Municipality has a principal strategic planning document (IDP) which aims to maximize social development and economic growth through the promotion of a local democracy thereby meeting basic needs and achieving the identified development goals. The main role-players involved in waste management are, Ngqushwa Local Municipality, refuse collection and managing waste site.

Ngqushwa Municipality has developed an Integrated Waste Management Plan which focuses on waste collected and disposed of by the Ngqushwa Waste Management Service Department on the activities and operations of that department.

2.5.2 Goal

To implement sustainable waste minimization, re-use, recycling and recovery programmes through strategic interventions including the promotion of composting by the community and parks department and recycling initiatives supported by the introduction of waste separation at source programmes.

To promote and ensure effective delivery of waste services to all waste generators within the municipality by extending appropriate waste services to all un-serviced areas and continually improving the level of service given

To raise awareness about waste management, including treatment and disposal impacts and options, and building capacity in support of waste minimization, reuse, recycling and recovery initiatives.

Preventing pollution and ecological degradation through strategic interventions that will address issues pertaining to littering, illegal dumping and hazardous waste management.

2.5.3 Target

The municipality has the following in respect to waste management services:

- Undertake a waste survey including waste characterization in order to direct waste minimization, reuse, recycling and recovery programmes;
- The percentage increase in volume of waste disposal to landfill should not exceed its potential population. All landfills should be licensed and compliant to their license conditions by December 2012;
- Register and maintain reporting for all disposal sites on the national WIS; and
- All households within the municipality to receive a basic level of waste service, including a daily cleansing service to all informal settlements by 2014. Identify areas where service needs improvement and initiate and implement appropriate waste collection systems.

2.5.4 Level and Standards in Waste Management Services

Ngqushwa Municipality has an estimated population of 72 190 (Statistics South Africa, 2011) and it covers 2 245 square kilometers. There are two approved and licensed dump sites in the municipal area and these are situated at Peddie and Hamburg. These two dump sites are considered adequate for the current usage. About 6.7% (Statistics South Africa 2011) of the people have access to refuse removal service by the municipality. Where the refuse removal service is rendered it is done by means of door to door refuse removal twice a week. There are no refuse removal sites in the rural areas and as a result of the predominantly rural nature of the population. This means that 96% of the population either make use of informal and unlicensed dump sites or have no access to dump sites whatsoever. A further 1% makes use of communal refuse dumps.

2.5.5 Annual Performance as per Key Performance Indicators in Waste Management Services

TABLE 25: Annual KPI in Waste Management

No	Indicator Name	No Of Hh Expected To Benefit	Estimated Backlogs	Target	Number Of Hh Reached	Percentage Achieved
1	Percentage of households with access to refuse removal services		118 Villages are not planned yet		6.7% Refuse is collected in urban areas only.	

2.5.6 Major challenges in waste management services and remedial actions

Insufficient waste collection is one of the most important deficiencies currently facing the municipality's commercial waste collection service, which incorporate the collection of general waste (i.e. not Hazardous or special waste) from businesses.

This is another serious challenge with waste in Ngqushwa municipality as businesses are not properly planned for as they do not have refuse collection point designated during architectural planning stage. This has to be rectified for any new business development in Ngqushwa Municipality. Waste is scattered all over the streets on windy days due to lack of collection points

Insufficient waste collection, coupled with low public awareness, is also the cause for widespread littering, which is possibly the most obvious symptom of the insufficiency of proper waste management. In addition to causing unattractive surroundings, the piles of waste (containing discarded food scraps and other biodegradable waste) act as breeding grounds for insects and rodents carrying disease to their immediate surroundings .

The general low control of waste leads to the inadvertent disposal of hazardous and medical waste on municipal sites, which aggravates the pollution situation even further.

2.6 HOUSING AND TOWN PLANNING

2.6.1 Housing and town planning services

The housing section in the municipality, housed in the Infrastructure Development Department is currently comprised of two officials, The Estate Manager and the Housing Clerk. The organogram made provision for the Manager, Spatial Development to carry out town planning tasks, the Building Technician and the Land Clerk. These posts are yet to be filled. In the housing delivery the municipality acts as Social Facilitators and the Department of Human Settlements are Developers.

The municipality carries the town planning tasks like processing subdivisions, rezoning, consent use, removal of restriction and township establishment but until the Council approval and the final approval by the Department of Local Government and Traditional Affairs as per applicable legislations.

2.6.2 Level and Standards in Housing and Town Planning Services

The Municipality is mostly rural and has a high level of poverty thus increasing the need for proper housing in the rural areas than in the urban areas. The backlog on housing delivery encompasses mostly the Middle to high income category. Only 5% of the population is living in urban areas as opposed to 95 % living in rural areas making the area to have low level of town planning services.

Peddie and Hamburg are the only two proclaimed towns within the municipality. There are peddie-urban settlements established outside of both of these nodes which in the case of Peddie almost encircle it. Peddie can be regarded as a regional hub for service rendering to the entire municipal area. The majority of the region's services and facilities are located here and economic and social functions are performed from here. It also plays an important administrative role as the seat of the municipality is also in Peddie. Not all areas of the town are serviced, particularly the lower income areas which are found in the main part of the town.

Hamburg is primarily a holiday destination. Development in this area has become stagnant over the past 3 decades and facilities are in a poor condition. The area is also not actively promoted as a holiday destination.

2.6.3 Annual Performance as per Key Performance Indicators in Housing and Town Planning Services

TABLE 26: Annual KPI in Housing and Town Planning

Project Title	Ward Area	Sites	Project Value (R'000)	Houses Completed	No of units not started/under construction	Project Type	Project Status	Comments
Peddie Masakhane	10	500	7 500	395	105	Green Fields- PLS	The project is in progress	Awaiting top up funding (R721 828.06) Approved for completion
Peddie Ph 2R/L 2	10	1420	38 802	710	710	Green Fields PHP	The project is in progress	710 houses are under construction.
Hamburg (Low cost Pilot Project)		30	-	-	-	-	Completed	-
Peddie Low cost pilot project	10	28	-	-	-	-	Completed	-
Prudhoe	12					In-situ	ADM Project	
Gcinisa South	11	500	-	-	-	-	Planning stage	Awaiting approval from the MEC
Hamburg	11	500	-	-	-	-	Planning stage	Awaiting approval from the MEC
Mpekweni	12	500	-	-	-	-	Planning stage	Awaiting approval from the MEC
Qaga	2	500	-	-	-	-	Planning stage	Awaiting approval from the MEC

Project Title	Ward Area	Sites	Project Value (R'000)	Houses Completed	No of units not started/under construction	Project Type	Project Status	Comments
Peddie Alf Dlamini heights- middle income	10	150	-	-	-	-	Planning stage	Developer already
Total		1978	R46302	1105	815			

2.6.4 Major Challenges in Housing and Town Planning Services and Remedial Actions

A major challenge facing the municipality is the difficulty in extending bulk infrastructural services to the outlying areas due to the scattered nature of the settlements. Efforts have been made to provide water up to the RDP standard (public stand pipes) but it has not been possible to connect pipes to individual households. This problem equally affects electricity supply because the cost of providing new connections for new extensions will further stretch the resources of the Municipality.

Another challenge facing housing delivery were difficulties experienced in transporting building materials due to the poor state of rural road networks. Suppliers of materials are also not able to supply the required quantities at the given times. Local contractors are also not able to obtain contracts because they are not registered with the NHBRC. These challenges will be addressed and explored in terms of Local Economic Development opportunities.

2.7 SPATIAL PLANNING

The objective is to promote Peddie as the major compact settlement within the municipal area and ensure efficient provision of infrastructure and services to all.

Proposals:

- Preparation and implementation of land use management guidelines;
- Political intervention and negotiation with Department of Public Works to transfer their properties to Ngqushwa Municipality;
- Development of a Master Plan/Structure Plan to guide development for the next 5 – 10 years;
- Identify infill areas within the town and villages to be earmarked for densification;
- Investigate smallholdings zoned as agricultural to determine intensity of use and make recommendations for densification;
- Implementation and monitoring of unblocked project in Peddie (710 and 500);
- Formalisation of all informal settlements in and around Peddie;
- Conduct a land use audit for Ngqushwa;
- Investigate infrastructure backlogs and make plans to eliminate such backlogs;
- Identify market or business sites for informal traders;
- Education and skills development amongst the local community; and
- Development of adult education centers

2.7.1 Hamburg Settlement Zone

The objective is to actively promote, develop and market Hamburg as a holiday destination, planning to ensure the proper conservation of the sensitive coastal and river areas and the unblocking of land related problems for tourism development.

Proposals:

- The municipality to partner with Aspire in the development plans for Hamburg. This will also guarantee capacity building and sustainability of the envisaged programs;
- Investigate smallholdings zoned as agricultural to determine intensity of use and make recommendations for densification;
- Development of a Master Plan/Structure Plan to guide development for the next 5 – 10 years;
- There is a need to develop a tourism association that will drive a calendar of events including the Hamburg Beach Festival; and
- Investigate infrastructure requirements which will meet the needs and ensure existing potential is fully utilized.

Besides Hamburg and Peddie settlement zone, other settlement zones were identified in the previous SDF. These areas have huge potential to develop into vibrant focus areas but have limited services and development. The land in these settlements should be administered and managed in a sustainable way to support both the settlements and agricultural livelihood of the community. Land use planning is also required to ensure conservation along the Fish River and nature reserve areas.

These settlement zones include the following. Appropriate infrastructure should also be developed to enhance the potential in these areas:-

- Prudhoe / Mpekweni Area Settlement Zone (located just inland of the coast and is bounded by the Fish River which forms the Western boundary of the Ngqushwa municipal area.);
- Glenmore/Breakfast Vlei Area Settlement Zone (located in the north west of the municipal area and bounded by the Fish River to its west.);
- Tyeni/Ntilini/Gaukeni Settlement Zone (northern area of the municipality);
- Mavatulana/Zondeka Settlement Zone (located in wards 1 and 3 in the northeastern part of the municipal area.); and
- Tuku / Crossroad Settlement Zone

2.7.2 Coastal Belt Settlement Zone

Located along the coast and incorporates numerous rural settlements just inland of the coastal belt. It extends from just south of Hamburg in a westerly direction to the Fish River. This zone includes the coastal resorts of Wesley, Mtana, Gqutywa, Birha, Mgwalana, Mpekweni and the Great Fish River Mouth.

These resorts fall within the coastal belt, which has been earmarked as a conservation zone and thus form part of the primary environmental sensitive area. Parts of Ngqushwa municipal area also fall within the subtropical thicket zone, which is currently the domain of the STEP project.

2.7.3 Land Use Management

Very few land use management applications are received due to the rural nature of the municipality, as it is already mentioned that only 5% of the area is urban. Lack of information amongst the communities is also a challenge. Development of by-laws and policies relating to Land Use Management and the population of organogram with skilled personnel can remedy the situation.

2.7.4 Major challenges in Spatial Planning Services and Remedial Actions

Redistribution of land is also a complex issue and is a major issue within this municipality. The Amathole District Land Reform and Settlement Plan identified the following crucial issues in respect of the current state of land disposal process.

- There is a lack of consultation between the local municipality and DLA/DoA over decisions regarding the disposal of state farms;
- There is insufficient information about the extent and availability of land earmarked for disposal available to the local authority and communities;
- Legitimate land owners do not have their title deeds;
- The process whereby the legal occupant of land is identified needs to be done faster;
- Communities need to be given information on how to access land for farming and the relevant policy provisions and
- There is a need for greater support and communication from DLA.

The restructuring agreements and subsequent land rights and transfers between the former parastatal, Ulimocor and the Peddie Community Development Trust need to be finalized as there are economic benefits to this. There are unresolved land claims that still need to be resolved.

2.8 INDIGENT POLICY IMPLEMENTATION

2.8.1 Preparation and approval process of the Indigent policy

There are households that are unable to pay for normal municipal services due to the levels of unemployment and poverty in the municipal area. The municipality recognizes its responsibility in terms of the Municipal Systems Act, Act 32 of 2000, of ensuring that poor households have access to at least basic services.

An indigent management policy has been adopted by the Ngqushwa municipality to ensure that these households have access to basic municipal services. In this regard the municipality is guided in the formulation of this policy by the national government's policy.

The municipality therefore adopts an indigent support policy which embodies an indigent support programme not only providing procedures for the subsidisation of service charges to indigent households in its area of jurisdiction , but also to increase the quality of life of the beneficiaries by assisting them to exit from indigence.

2.8.2 Implementation of the policy

As a developmental institution, the municipality commits to supporting measures that assist and empower its community. It is accepted that large sections of community cannot exist without intervention and it is therefore the duty of the municipality to support and to ensure that citizens are able to access their constitutional right to have access to a basic level of services.

The subsidies on rates and the specified service charges will be determined as part of each annual budget and in terms of the municipality's policies on property rates and tariffs. The source of funding of the indigence subsidy is the portion of the equitable share contribution to the municipality made from the national government's fiscus and as provided for in the municipal budget. As such, the subsidy can only be credited to the qualifying customer's accounts until the amount received by the Municipality from National Government for this purpose has been exhausted, whereupon no further credits will be made, or the level of the credits reduced, until further national funds are received.

In respect of water, a 100% subsidy up to 6 kilolitres per household per month will apply. In respect of electricity, a 100% subsidy up to 50kWh per month will apply. If consumption exceeds any of the above per metering period (month), the consumer will be charged at normal tariffs for actual consumption on the quantity exceeding the above mentioned limits. If a customer's consumption or uses of municipal services are less than the subsidised service, the unused portion may not be accrued by the customer and will not entitle the customer to cash or a rebate in respect of the unused portion.

The annual rates and service charges on the indigent's account will automatically be converted to monthly installments.

If the situation occurs that consumers are minors due to circumstances, the support will be determined as per Council decision from time to time.

2.9 MAJOR BACKLOGS IN BASIC SERVICE DELIVERY

Basic service delivery area	30 June 2011			30 June 2012		
	Required	Budgeted	Actual	required	budgeted	Actual
Road maintenance backlogs						
Backlogs to be eliminated (n0. HH not receiving the minimum standard service)	4649	2325	1500	4649	2325	1500
Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)	70.3%	35%	23%	70.3%	35%	23%
Spending on new infrastructure to eliminate backlogs (R000)	R177m	R2.385m	R 3.27m	R177m	R2.385m	R 3.27m
Spending on renewal of existing infrastructure to eliminate backlog (R000)	0	0	0	0	0	0
Total spending to eliminate backlogs (R000)	R177m	R2.385m	R3.27m	R177m	R2.385m	R3.27m
Spending on maintenance to ensure no new backlogs (R000)	R177m	R6.950m	R 0m	R177m	R6.950m	R 0m
Basic service delivery area	30 June 2011			30 June 2012		
Refuse removal	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (n0. HH not receiving the minimum standard service)	0	0	0	0	0	0
Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)	0% 6613	0	0	0% 6613	0	0
Spending on new infrastructure to eliminate backlogs (R000)	R0	R0	R0	R0	R0	R0
Spending on renewal of existing infrastructure to eliminate backlog (R000)	RO	RO	RO	RO	RO	RO
Total spending to eliminate backlogs (R000)	R0	R0	R0	R0	R0	R0
Spending on maintenance to ensure no new backlogs (R000)	R1,2M	R0	R0,71M	R1,2M	R0	R0,71M

CHAPTER THREE: MUNICIPAL (LED) FRAMEWORK IMPLEMENTATION (KPA3)

3 OVERVIEW OF THE LED STRATEGY

The LED strategy maps out the strategic and tactical approaches of the Ngqushwa Local Municipality for stimulating sustainable economic growth and pushing back the frontiers of poverty. In achieving this goal, the municipality is guided by its IDP. Briefly, the LED is a process designed to stimulate the economy of a community, town, city or municipality with the view to improving the quality of life for all. The Ngqushwa Municipality is in the process of reviewing its LED Strategy.

The document was developed in 2009 and due to developments taking place and introduction of various programmes such as small town's revitalisation etc. It is critical therefore to have an LED strategy that is up to the current times, and that seeks and guides to accelerate local economic development.

The development of the Municipal strategy is based on the National Economic Development Framework; Growth and Development priorities as agreed upon by the social pact and compact; the Provincial Growth and Development pillars as well as the National Spatial Development Perspective principles. This is further entrenched in the activities of the clusters and all the IGR structures operating within the jurisdiction of Ngqushwa Municipality.

3.1 LED UNIT

The following platforms are utilised for participation purposes and there are as follows:

- Intergovernmental Relations;
- Community-based Planning;
- Representative Forum;
- Area-based Planning; SMME/Co-operatives Forum;
- Local Tourism Organisation;
- Ngqushwa Agricultural Stakeholders Forum; and
- Small Towns Revitalisation Technical Committee.

3.2 LED EXPERTISE

Currently the section is composed of an Agricultural Manager, Tourism Manager and LED Manager, a Cooperatives Administrator, and a volunteer at the Visitors Information Centre situated just outside Peddie Town.

It is the opinion of the municipality that LED is a mainstream issue and that all departments and organizations have a role to play in the creation of an enabling environment. A fully functional LED department is needed to thrive, and a development agency is also another critical special purpose vehicle that the Municipality is exploring in order to accelerate LED

3.3 LED STAKEHOLDER FORUM

TABLE 27: LED Stakeholders

Role-players	Roles
Government and Development agencies	<ul style="list-style-type: none">• Policy guide and development framework• Facilitate development and funding opportunities• National and International linkages for local economic development

Role-players	Roles
	<ul style="list-style-type: none"> • Research and guide on Best practice
Traditional Leadership	<ul style="list-style-type: none"> • Facilitate Community Participation • Information dissemination • Act as Role Models • Educate Communities & Other Role-players on Customary Law and Practices
Local Businesses/Private sector	<ul style="list-style-type: none"> • Investing in LED and the urban Business Centres • Attracting and creating opportunities for LED to thrive
NGO/CBO/FBO'S/Forums	<ul style="list-style-type: none"> • Promote public participation • Empower Communities with needed Information & Skills • Represent their particular membership/constituency's concerns and issues
Ward Committees/CDWs	<ul style="list-style-type: none"> • Assist Ward Councillors • Facilitate communication between local communities and the municipality on matters of local governance and development

3.4 PROGRESS TOWARDS ACHIEVING THE LED KEY OBJECTIVES

3.4.1 Spatial Development Framework

In terms of its Spatial Development Framework, the Ngqushwa Local Municipality has identified its key LED Principles as follows:

- Directing public and private investment in areas that would ensure the most sustainable return on investment;
- Directing Development Agencies in decision – making which directly or indirectly impacts on the municipal area;
- Guiding developments in a spatially efficient and effective way, whilst ensuring linkage and alignment to regional and national development policies and programmes;
- Directing investment to areas of greatest potential and target areas of greatest need to alleviate poverty and promote economic growth;
- Improving linkages within Ngqushwa Municipality and beyond its boundaries to stimulate effective and sustainable integrated development;
- Creating a strategic framework for the formulation of an appropriate land use management system, and
- Protecting the eco-systems (environmental stewardship) in the Ngqushwa municipal area

3.4.2 Investment and Trading By-laws

The economic activity that exists in the NLM is mainly found in the Peddie town, similarly most tourism development and facilities are mainly found along the coast but with some in the inlands of the Municipality. Peddie is the economic hub in the municipality, with economic activities concentrated within the CBD. The Municipality has engaged several private sector stakeholders in order to explore investment opportunities. Lack of services within the Municipality has led communities to travel outside the Municipal boundaries, this has a negative impact on the local economy as possible spending that could be circulating within is lost elsewhere. Therefore the Municipality has invited developers to assist with the development of shopping malls, and government multipurpose offices within the area so as to make services available closer to our people. The upgrade of the N2 will definitely make a huge difference in as far as investment opportunities are concerned. It has also been a strong belief of the LED unit that investing in capital projects that are local development related is highly critical as this will not only provide enabling environment for investment but also an attraction for tourists and more investors to Peddie. Other economic activities include a number of agricultural enterprises such as but not limited to pineapples, cattle farming honey production, and some citrus

There is a need for the development of more by-laws in the town to try and regulate the trading sector. The town is characterised by the retail shop, various shops, and informal traders. It is therefore imperative to ensure internal capacity to deal with such challenges and enforce the by-laws.

3.4.3 Comparative and Competitive Advantage

Agriculture's competitive advantage in the area is enhanced by:

- Proximity to markets;
- Product diversity (across agro-ecological zones);
- Business services/ICT/logistics network and
- Irrigated horticulture and field crops.

Competitive advantages of the NLM regarding tourism are as follows:

- The coastline inclusive of the existing development nodes, is still unspoilt (pristine) with many opportunities for further development;
- The existing R72 route provides easy access to the coast for visitors and investors. It is currently being upgraded;
- The NLM is situated on the primary route between the Garden Route and the Wild Coast, both of which are popular tourist attractions centres. The area is a good stopover point for these visitors;
- There are many opportunities for secondary tourism enterprises that could cater for specialist niche markets, for example, bird-watching, extreme sports, mountain biking, hiking, to mention but a few of these possible activities;
- The Hamburg Artists Residency (now known as Emthonjeni Arts) development will bring many special interest visitors interested in buying locally produced art and crafts;
- The history (Xhosa, English and German Settlers, Frontier Wars) and culture of the area are interesting and there are a number of historical sites that have been identified. These have been incorporated into the tourism routes. Furthermore, information boards are available at the sites and brochures as well as posters are distributed at tourism information hubs;
- There is the potential to tap into the German tourism market given the involvement of the German settlers in the development of the area, and
- The coast is renowned for the high quality of recreational fishing that it affords anglers. This resource offers real opportunities for sea and river angling enterprises to be developed in the NLM.

3.4.4 Enterprise support and business development

- The Municipality has established ties with the Companies and Intellectual Property Commission in order to directly assist and fast track the registration of cooperatives. A dedicated Cooperatives administrator has been employed by the Municipality to assist with the process. This saw over 130 cooperatives being registered to date. The aim is to assist these SMMEs to get the necessary resources and to operate as legal and sustainable business ventures
- An MOU has been signed to assist in the acceleration of socio-economic development in the Municipality with both the private and the public sector institutions. These include
 - Eastern Cape Appropriate Technology Unit – to train people on interlocking bricks and net wire; the objective is to assist the trainees formalize as cooperative and start operating as business ventures that can create a difference in the people's lives;
 - Small business Enterprise Development Agency – to establish a satellite office in Peddie; the aim is to bring services closer to the people, as SMMEs had to travel to East London or elsewhere for these services, and
 - Department of Roads and Public Works – this to release underutilized and vandalized land and properties for development purposes.

- Discussions are underway to sign an MOU with the following:
 - NYDA: to establish a satellite office in Peddie, this also with the aim to bring services closer to the community, and this will be very helpful to the unemployed youth in the Municipality;
 - Cape Concentrate: To effectively utilize the arable land for tomatoes production and harvesting with the aim to create employment opportunities for the villages in the Municipality; and
 - ECDC: to handover properties to the Municipality to manage for Local Economic development initiatives, and so that SMMEs can a conducive space to operate their businesses.

- Whilst the Municipality is trying to source funding to provide fully fledged hawker stalls, street traders have been provided with umbrellas in order to operate their business much better than before, this has been done in partnership with the Amathole District Municipality, more support will be provide for the hawkers. The Municipality is in the process of providing more support for the street vendors.

- Different government programmes have been implemented in the Municipality to create thousands of employment opportunities. These include the Community Works programme, working for the Coast, Beautification of the CBD, EPWP and internships.

3.5 CHALLENGES REGARDING LED STRATEGY IMPLEMENTATION

According to the AREDS report, the historic lack of, or inappropriate, investment in Amathole District, considerable challenges to economic development are faced due to

- low level of human capital development;
- under-developed infrastructure and
- Ineffective governance.

The following specific issues are considered barriers to economic growth in Amathole in general. These can be grouped into the following categories:

- Infrastructure – outdated, inadequate and poorly maintained infrastructure is an impediment to cost effective enterprise. This issue is a very high priority because of the distance of the district from markets and the lack of raw materials locally. As Ngqushwa Municipality we are in the process developing a Regenerating/Master plan and part of this process is the analysis of the existing infrastructure and its capacity to absorb investment opportunities and develop means and projects to increase these in order to deal with these barriers indicated.

- Land related issues – this includes the resolution of land ownership and use rights, land use planning and land use management to exploit (where applicable) and protect (where applicable) the environment. The land issue relates to both rural and urban localities. In the former, it relates to use for agriculture and settlements, while in the latter it relates to land for investment in production facilities, offices and housing. A Land Audit process has been long concluded by the Department of Public Works, and the Municipality together with its stakeholders is in the process of ensuring these are transferred to the Municipality for the benefit of attracting development opportunities and unlocking development potential that exist in these land parcels.

- Lack of competitiveness of the sectors and localities. This resolves into the following key aspects:
 - Support systems and services – there is inadequate technical and systemic (e.g. for maintenance, provision of supply, production) support across all the sectors. However the Municipality has capacitated the LED section with human and financial resources (though not sufficient) able to create a conducive environment for the sectors to thrive. Therefore

internal capacity has been built in order to drive the sectors and provide development support.

- Skills – inadequate and inappropriate skills are a constraint to growth. There is constant engagement with relevant institutions to provide training interventions in order to address the issues of inadequate and inappropriate skills in the Municipality.
- Governance – across sectors and areas lack of governance systems and capacity are impediments to enterprise growth and development. The Municipality has provided platforms for engagements and to deliberate issues affecting the sectors, hence the establishment of sector forums, such as the agricultural stakeholders' forum, hawkers' forum and others.
- Licensing – the process to license is still in progress to ensure that the business environment is regulated to avoid improper business structures and operations. Lack of personnel has been a challenge to see to this problem.

3.6 KEY PERFORMANCE INDICATOR IN LOCAL ECONOMIC DEVELOPMENT

TABLE 28: KEY PERFORMANCE INDICATOR IN LOCAL ECONOMIC DEVELOPMENT

	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	R 3 500 000	R2 153 849	60%
2	Number of LED stakeholder forum held	40	12	140%
3	Percentage of SMME that have benefited from a SMME support program	46	148	321%
4	Number of job opportunities created through EPWP	596	936	134%
5	Number of job opportunities created through PPP	150	550	60%

CHAPTER FOUR: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

4.1 AUDITED FINANCIAL STATEMENTS

The audited consolidated financial statements for year 2011/2012 for Ngqushwa Municipality include the following items:

- Statement of financial position;
- Statement of financial performance;
- Cash flow statement;
- Statement of changes in net assets;
- Supporting notes to the financial statements and
- Remuneration of councillors, Directors, officials, and members.

The Audited Financial Statements of the Municipality are contained in [Annexure “A”].

4.2 ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN FINANCIAL VIABILITY

TABLE 29: Annual Performance as per Key Performance Indicators in Financial Viability

	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage of expenditure on capital budget	100%	R19295447.18	62%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
2	Salary budget as a percentage of the total operational budget	35%	R25758683	92%
		Target set for the year (20% or less) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the actual revenue
3	Total actual trade creditors as a percentage of total actual revenue	15%	R94197705	10.79%
		Target set for the year (80% and more) R(000)	Achievement level during the year R(000)	Achievement percentage during the year
4	Total municipal own revenue as a percentage of the total actual budget	80%	R14598419	16.72%
		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	15%	R1560000	7%
6	Percentage of MIG budget appropriately spent	100%	R10699340	62%

7	Percentage of MSIG budget appropriately spent	100%	R790000	100%
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4.3 GRANTS RECEIVED AND SPENT

TABLE 30: Grants Received and Spent

Grant details			Amount received and spent each quarter									
Project name	Name of Grant	Brought Forward amount	01 JUL – SEPT		OCT - DEC		JAN - MAR		APR – JUN		Total	
			Rec.	Spent	Rec.	Spent	Rec.	Spent	Rec.	Spent	Rec.	Spent
Ward Committee Expenses	MSIG	0	0	260,000	790,000	260,000	0	135,000	0	13,5000	0	790,000
AFS, Asset Register & Interns	FMG	0	1,450,000	410,235	0	352,517	0	343,624	0	343,624	0	1,450,000
	LED & Small Town Revitalization	0	800,000	166,667	0	166,667	0	466,667	0	0	0	800,000
Roads & Community Halls	MIG	0	0	5,004,117	0	4,267,850	0	1093,653	0	608,959	0	10,974,579

4.4 ARREARS IN PROPERTY RATES AND SERVICE CHARGES

The arrears in property rates and services charges over the review period are reflected in the table below.

TABLE 31: Arrears in Property Rates and Service Charges

	2012	2011
<u>Rates: Ageing</u>		
Current (0 – 30 days)	754,434	-
31 - 60 Days	335,665	-
61 - 90 Days	564,650	-
91 - 120 Days	330,673	-
121 - 365 Days	2,885,969	-
+ 365 Days	8,960,383	-
Total	13,831,775	-
<u>Refuse: Ageing</u>		
Current (0 – 30 days)	68,343	-
31 - 60 Days	23,517	-
61 - 90 Days	22,550	-
91 - 120 Days	22,306	-
121 - 365 Days	153,251	-
+ 365 Days	910,118	-
Total	1,200,084	-

4.5 BUDGETED TO ACTUAL COMPARISON

Actual income for the year amounted to **R 18 375 Million**, compared to the Budget of **R19 923 Million**.
Actual expenditure for the year amounted to **R 81 532 Million**, compared to the Budget of **R92 875 Million**.

4.6 LONG TERM CONTRACTS ENTERED INTO 2011/2012 (One year and above)

NGQUSHWA LOCAL MUNICIPALITY CONTRACT REGISTER 2011-2012				
BID NO.	SERVICE PROVIDER	DESCRIPTION OF SERVICE	AWARD DATE	AMOUNT COMMITTED
8/2/118/2010-2011	AML/Kayalihle Trading JV	Machibi Access Road	07 November 2011	R 1 714 123.95
8/2/132/2011-2012	Barlworld	Supply and delivery of 1 motor grader	20 June 2012	R 2 542 200.00
8/2/159/2011-2012	Business connexion (pty) Ltd	Supply and installation of Software and Server	20 June 2012	R 246 847.98
8/2/145/2011-2012	Fourways consulting service	Preparation of business plan, planning and survey	24 October 2011	R 110 853.60
8/2/160/2011-2012	Gciyela trading	Supply and delivery of 3 motor vehicles	20 June 2012	R 485 000.00
8/2/154/2011-2012	Golden rewards	Supply and delivery of electrical equipment	12 April 2012	R 49 600.00
8/2/101/2010-2011	M. James Construction	Construction and completion of Hamburg Satellite Office	31 March 2011	R 1 524 529.00
8/2/154/2011-2012	Marvicept cc	Supply and Delivery of street bins	12 April 2012	R49 077.00
8/2/139/2011-2012	Ndlambe electrical services	Repairs and replacement of stree lights and high mast lights	22 May 2012	R 128 130.00
8/2/155/2011-2012	Penny wndstroom	Procurement of private property valuers	20 June 2012	R 1 150 000.00
8/2/120/2010-2011	Price Waterhouse Coopers	Preparation of annual financial statements for the year ended 30 June 2011	24 August 2011	R 456 800.00
8/2/143/2011-2012	Price waterhouse coopers	Co-Sourcing of internal audit service for a period of 3 years	20 June 2012	R 913 311.00
	Rakoma & associates	Asset register reviewal	18 August 2011	
8/2/145/2011-2012	Reflex minds consulting	Effective discipline management training	27 February 2012	R 77 760.00
8/2/109/2010-2011	Tshani consulting cc	Renewal plan for ngqushwa local municipality	01 March 2012	R 987 838.60

4.7 AUDIT COMMITTEE FUNCTIONALITY

4.7.1 Introduction

The function of the Audit Committee (hereinafter referred to as the Committee) is primarily to assist the Ngqushwa Municipality (hereinafter referred to as the Council) in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of financial reports and statements.

4.7.2 Members of the Audit Committee

The audit committee consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference. In terms of the Audit Committee Charter, the committee should consist of a minimum of 3 members. During the current financial year the Municipality had one member resign from the Committee. The current audit committee held five (5) meetings during the year under review.

TABLE 32: Audit Committee Members

Member of Committee	Number of Meeting Attended
T Cumming	5
V Mthimkhulu	2
G Bana	4
WA Plaatjes	5
L Fokazi (resigned 06 December 2011)	2

The committee meetings are also attended by the Municipal Manager, Chief Financial Officer, internal and external auditors. In addition to the prescribed audit committee meetings, a special audit committee meeting was held on 23 August 2011.

The audit committee identified in their review that systems of internal control were not entirely effective for the period under review. During the period under review, several deficiencies in the system of internal control and/or deviations were identified by the audit committee and the internal auditors. In certain instances, the matters reported previously have not been fully and satisfactorily addressed.

4.7.3 The Quality of in Year Management and Monthly/Quarterly Reports

The Audit Committee was satisfied with the content and quality of monthly financial reports prepared and issued by the Municipal Manager during the period under review.

The Audit Committee was not satisfied with the content and quality of the quarterly performance reports prepared and issued by the Municipal Manager during the period under review. Quarterly performance reports were not timely compiled and/ or submitted for review.

4.7.4 Audit Committee Meetings Attended by Committee Members

TABLE 33: Audit Committee Meetings attended by Committee Members

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
G .Bana	3	1	4
L. Fokazi (resigned in Dec 2011)	1	3	4
A Plaatjie	4	0	4
V.Mthumkhulu (Gatywa)	2	2	4
T. Cumminy	4	4	4

4.3 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) FUNCTIONALITY

The Ngqushwa Local Municipality established the Municipal Public Accounts Committee is currently led by Cllr S Jali. This committee is comprised of the below listed 9 Councillors:

- **Councillor S.A Jali (Chairperson)**
- Councillor T.M.Dyani
- Councillor N.Y. Ndabazonke
- Councillor A. Ndanda
- Councillor T. Tusani
- Councillor N.C. Gxasheka
- Councillor T.G. Dyibishe
- Councillor M.C. Mapuma
- Councillor G. Ntonjane

4.3.1 Number of Public Hearing Held by MPAC during 2011/2012 within Ngqushwa

TABLE 34: Schedule of Meeting held by MPAC

MEETING	VENUE	DATE	TIME
MPAC Public Hearing on annual Report 2011-2012	Mpekweni Community Hall	13/03/2012	10H30-14H00
MPAC Public Hearing on annual Report 2011-2012	Imidushane Tribal Authority-Tamara	12/03/2012	10H30-14H00
MPAC Hearings Annual Report	Ncumisa Kondlo Indoor Sport center	19/03/2012	10h30
MPAC Public Hearing on annual Report 2011-2012	Phole Community Hall	12/03/2012	10h30-14h00
MPAC Public Hearing on annual Report 2011-2012	Phole Community Hall	12/03/2012	10h30-14h00
MPAC Public Hearing on annual Report 2011-2012	Phole Community Hall	12/03/2012	10h30-14h00
MPAC Public Hearing on annual Report 2011-2012	Wesley Community Hall	13/03/2012	10h30-10h00
Annual Report	Mankone Community Hall	14-03-2012	10h30
Annual Report	Mankone Community Hall	14-03-2012	10h30
Annual Report	Mankone Community Hall	14-03-2012	14-03-2012
MPAC Public Hearing on annual Report 2011-2012	Ncumasi Kondlo Indoor Sport Center	19-03-2012	10h30

4.3.2 The responsibility of this Committee is as follows:

- To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report on the annual report;
- In order to assist with the conclusion of matters that may not be finalized, information relating to past recommendations made on the Annual Report, must also be reviewed. This relates to current in-year reports, including the quarterly, mid-year and annual reports;
- To examine the financial statements and audit reports of the municipality and municipal entities, and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee's and the Auditor General's recommendations have been implemented;
- To promote good governance, transparency and accountability on the use of municipal resources;
- To recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the municipality or the Audit Committee; and
- To perform any other functions assigned to it through a resolution of council within its area of responsibility.

4.5 FRAUD AND PREVENTION PLAN

This is an overview of a fraud and Prevention for Ngqushwa Local Municipality for year 2011/2012.

Ngqushwa subscribe to the principle of good corporation governance, which requires the conducting business in an honest and transparent fashion. Consequently Ngqushwa is committed to fighting fraudulent behaviour at all levels within the organisation.

The plan is premised on the organisation core ethical values driving the business of Ngqushwa, the development of its systems, policies and procedures, interactions with rate payers, the public and other stakeholders, and even decision-making by individual managers representing the organisation. This means that in practise all departments and other business units of Ngqushwa and even external stakeholders must be guided by the Plan as the point of reference for their conduct in relation to Ngqushwa.

In addition to promoting ethical conduct within Ngqushwa, the plan is also intended to assist in preventing, detecting, investigating and sanctioning fraud and corruption. This dynamic document details the steps, which have been, and will continually be taken by Ngqushwa to promote ethical conduct and address

4.5.1 Policy Stance

The policy of Ngqushwa is zero tolerance to fraud and corruption. In addition, all fraud and corruption will be investigated and followed up by the application of all remedies available within the full extent of the law and the implementation of the appropriate prevention and detection controls.

These prevention controls include the existing financial and other controls and checking mechanism as prescribed in the systems, policies and procedures of Ngqushwa. The efficient application of instructions contained in the policies and procedures of Ngqushwa, is one of the most important duties to be applied by every employee in the execution of their daily tasks.

4.5.2 Components of Fraud and Prevention Plan

The main principle upon which the plan of Ngqushwa is based on and aligned to the LGAS includes the following:

- Creating a culture which is ethical and intolerant to fraud and corruption;
- Deterrence of fraud and corruption;
- Preventing fraud and corruption which cannot be deterred;
- Detection of fraud and corruption;
- Investigating detected fraud and corruption;
- Taking appropriate action in the event of such irregularities, e.g. disciplinary action, recovery of losses, prosecution, etcetera; and
- Applying sanctions, that includes blacklisting and prohibition from further employment

The above is not intended to detract from the premises that all components are equally essential for the successful implementation of the plan. The components of the plan for Ngqushwa are the following

- Focus on the Organisation;
- Focus on Employees;
- Focus on other stakeholders; and
- Implementation.

4.5.3 Implementation Structure

Ngqushwa will consider the establishment of Fraud Prevention Committee whose responsibility will include the implementation of the plan. This Committee will include champions from all faculties and other business units. The terms of reference of this team will include the following in relation to the Plan:

- Securing buy-in from all stakeholders;
- Information sharing;
- Ongoing identification of weaknesses in systems and solutions;
- Creating awareness and ensuring adequate training and education to promote the Plan and;
- Assessing progress and ongoing maintenance and review.

CHAPTER FIVE: GOOD GOVERNANCE

5 OVERVIEW OF THE EXECUTIVE AND COUNCIL FUNCTION AND ACHIEVEMENTS

Ngqushwa Local Municipality is governed by the executive committee led by the Mayor who is the political head of the IDP processes. The municipality has four standing committees which are chaired by political heads. These standing committees report to the executive committee which is chaired by the mayor. The executive committee reports on the progress implementation processes to council. The council consists of 25 Councillors including the Mayor, the Speaker and the portfolio councillors. However the 2011 demarcation process has reduced the number of wards from 14 wards to 13 wards.

5.1 THE COUNCIL

The table below represents Council committee meetings attended by Councillors.

TABLE 35: Council Meetings

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
Z Jowela - Chairperson	2	5	6
S. E Ndwayana	1	5	6
M. Boqwana	2	5	6
L. Cuka	2	5	6
T. Dyani	2	5	6
T G. Dyibishe	2	5	6
M. Falteni	0	5	6
Z Gqadushe	2	5	6
NC. Gxasheka	2	5	6
SA. Jali	2	5	6
NNC Maphekula	2	5	6
MC Mapuma	2	5	6
N. MNtanga	2	5	6
A Mtshakazi	1	5	6
NY Ndabazonke	2	5	6
A. Ndanda	2	5	6
MW. Nonyukela	1	5	6
GM Ntonjane	2	5	6
MB. Sethuntsa	2	5	6
NA. Seysman	1	5	6
P. Sitole	1	5	6

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
T. Siwisa	2	5	6
N. Tele	1	5	6
T. Tusani	2	5	6
MG. Yolelo	2	5	6

5.2 SPECIAL COUNCIL MEETING

TABLE 36: Special Council Meetings

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
Z Jowela- Chairperson	9	0	N/A
S.E. Ndwayana	9	0	N/A
M. Boqwana	8	1	N/A
L. Cuka	6	3	N/A
T. Dyani	9	0	N/A
T G. Dyibishe	9	0	N/A
M. Falteni	7	2	N/A
Z Gqadushe	8	1	N/A
NC. Gxasheka	8	1	N/A
SA. Jali	9	0	N/A
NNC Maphekula	9	0	N/A
MC Mapuma	9	0	N/A
N.MNtanga	9	0	N/A
A Mtshakazi	8	1	N/A
NY Ndabazonke	9	0	N/A
A. Ndanda	9	0	N/A
MW. Nonyukela	8	1	N/A
GM Ntonjane	9	0	N/A
MB. Sethuntsa	9	0	N/A
NA. Seysman	9	0	N/A
P. Sitole	9	0	N/A
T. Siwisa	9	0	N/A
N. Tele	8	1	N/A
T. Tusani	9	0	N/A
MG. Yolelo	9	0	N/A

5.3 SPECIAL EXECUTIVE COMMITTEE

TABLE 37: Special EXCO Meetings

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
S Ndwayana- Chairperson	7	1	N/A
L. Cuka (PH) Corporate Services	4	4	N/A
M. Falteni (PH) Infrastructure Development	7	1	N/A
T. Siwisa (PH) Budget and Treasury	7	1	N/A
N. Tele (PH) Planning and Development	3	5	N/A

5.4 STANDING COMMITTEES

This section represents reports on the functioning of the standing committees by reflecting the attendance status of standing committee members. The table represents the attendance status of committee members.

5.4.1 Infrastructure Development Committee

TABLE 38: Infrastructure Standing Committee

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
M. Faltein- Chairperson	2	1	3
M. Yolelo	2	1	3
Z. Gqadushe	2	1	3
A. Mtshakazi	2	1	3
T. Dyibishe	1	1	3

5.4.2 Budget and Treasury Committee

TABLE 39: Budget and Treasury Standing Committee

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
MT Siwisa – Chairperson	3	0	4
M.Boqwana	1	2	4
T. Dyani	2	1	4
N. Gxasheka	3	0	4
N. Mntanga	2	1	4
G. Ntonjane	3	0	4

5.4.3 Corporate Services Committee

TABLE 40: Corporate Service Committee

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
L Cuka- Chairperson	2	2	4
N.N.C Maphekula	1	3	4
A. Ndanda	2	2	4
M. Nonyukela	1	3	4
M.B Sethuntsa	2	2	4
T. Tusani	1	3	4

5. 4.4 Planning and Development/Community Services Committee

Member of Committee	Number of meetings attended	Number of meetings absent	Number of scheduled committee Meetings
N.Tele - Chairperson	2	2	4
S.A Jali	2	2	4
N.Y Ndabazonke	1	3	4
M.Mapuma	1	3	4
N.Seysman	2	2	4
P.Sitole	2	2	4

5.4.4 Planning and Development Committee/Community Services Department

5.5 PUBLIC PARTICIPATION CONSULTATION

Ngqushwa municipality utilizes various mechanism of reaching to its communities and is as follows:

- Road-shows which are normally held by the municipality for the preparation of IDP and annual budget;
- Workshops are held in all wards were inputs are derived from community members;
- The IMBIZO which are usually facilitated by the National cabinet and
- Council meetings which invites and encourages members of the public to participate

5.6 MMUNITY BASED PLANNING

The municipality is currently not embarking on community based planning however there are intensions to start with the community based planning in the next financial year.

5.7 WARD COMMITTEES

The municipality has 13 functional ward committees, with 130 ward committee members who are paid a monthly stipend of R1000.00 a month. The ward committee is chaired by the Ward Councillor. Ward committees report to the Speaker's office and all reports are channeled through this office. The Ward Committees term of office is in line with the term of Councillors.

As per Municipal system's act, ordinary ward committee meetings are held quarterly and four times a year. They are also allowed to hold special meetings. Ward Committee Members do attend the ward committee meetings and 50 + 1 (quorum) is the required. Also the Municipality holds an annual meeting for Ward Committees where all the Committees converge under one roof to look at matters affecting them. This meeting also serves as a motivational gathering for Ward Committees as they share their experiences and also senior government officials and politicians both from the local municipalities and the province are invited to have an input.

Committee Clerks are one of designated officials to sit in ward committee meetings. Minutes of the meetings are kept at the Municipal offices. The Municipality bought stationery for all the members in order to keep the information and give feedback to their communities. The secretary of each committee is also responsible for taking minutes and keep records.

Reports of meetings are compiled and submitted to the office of the Municipal Speaker and from there to the Council.

Only ward committee members hold feedback meetings with the communities and during the official meetings of the municipality members submit reports of their meetings.

5.7.1 Elections of Ward Committees

Elections of Ward Committees for Ngqushwa Municipality were held on the 19th of July 2011 and the table reflect venue where they were held.

TABLE 41: Venues for Elections of Ward Committees

Number	Venue	Ward	Transport fee R
1	Ncumisa Kondlo Indoor Sport Center	1	100
2	Ncumisa Kondlo Indoor Sport Center	3	100-110
3	Ncumisa Kondlo Indoor Sport Center	4	20-50
4	Ncumisa Kondlo Indoor Sport Center	6	40-42
5	Ncumisa Kondlo Indoor Sport Center	7	20-32
6	Ncumisa Kondlo Indoor Sport Center	8	42-68
7	Ncumisa Kondlo Indoor Sport Center	9	24-40
8	Ncumisa Kondlo Indoor Sport Center	10	14-30
9	Ncumisa Kondlo Indoor Sport Center	11	32-58
10	Ncumisa Kondlo Indoor Sport Center	12	40-42

5.7.2 Ward Committee Meeting Held in 2011/2012

TABLE 42: Ward Committee Meetings

Ward	Status of Meeting Held	Venue	Date	Time
1	Ordinary	Tyeni Hall	06-02-2012	10h00
	Ordinary	Nonibe Secondary School	21-05-2012	10h00
2	Ordinary	Jubisa Mini Hall	06-02-2012	14h00
	Ordinary	Jubisa Mini Hall	02-05-2012	14h00
3	Ordinary	Dlova hall	07-02-2012	10h00
	Ordinary	Dlova hall	03-05-2012	10h00
4	Ordinary	Mgwangqa hall	08-02-2012	10h00
	Ordinary	Mgwangqa hall	04-05-2012	10h00
5	Ordinary	Phole Hall	15-02-2012	10h00
	Ordinary	Phole Hall	03-05-2012	14h00
6	Ordinary	Tuku Hall	08-02-2012	14h00
	Ordinary	Tuku Hall	16-05-2012	10h00
7	Ordinary	Cisira Hall	17-02-2012	10h00
	Ordinary	Cisira Hall	10-05-2012	14h00
8	Ordinary	Mankone Hall	09-02-2012	14h00
	Ordinary	Mankone Hall	23-05-2012	10h00
9	Ordinary	Technical Boardroom	10-02-2012	10h00

Ward	Status of Meeting Held	Venue	Date	Time
	Ordinary	Council Chamber	15-05-2012	10h00
10	Ordinary	Technical Boardroom	13-02-2012	10h00
	Ordinary	Technical Boardroom	15-05-2012	14h00
11	Ordinary	Wesley Hall	13-02-2012	14h00
	Ordinary	Wesley Hall	14-05-2012	14h00
12	Ordinary	Mpekwani Hall	11-02-2012	10h00
13	Ordinary	Lower Gwalana Creche	14-02-2012	12h00
	Ordinary	Lower Gwalana Creche	10-05-2012	10h00

5.7.3 Highlights of Some of the Issues Discussed during Ward Committee Meeting

This information is extracted from the minutes of ward committee meetings held

- Netball/Soccer trial is to be held on Saturday, 18th February 2012 at Mahlubini Location and the Mayor's cup is on Saturday, 03rd March 2012 at Mngquma.
- They tasked the Ward Councillor to assist in challenges related to electricity.
- Food parcel issues are being handled by Councillor Ndabazonke and still waiting on reports.
- The council through the department of local government made a plea to ward committee members to assist on enumerators in maximum coverage of their areas.
- Twenty four individuals out of thirty four that was identified have been trained by the department of agriculture.
- The Department of Human Settlement constructed four new hoses for the disadvantage and the Ntakana family is one of the beneficiaries

704 out of 710 houses have been completed by the new creation contractors some households are occupying the houses and there is a challenge of burglary

5.8 COMMUNITY DEVELOPMENT WORKERS

The Department of Local Government and Traditional Affairs appointed Community Development Workers to assist the municipalities in enhancing public participation by ensuring that communities are consulted and their problems are communicated through all government departments.

5.8.1 The names of CDWs appointed are as follows:

TABLE 43: CDW Members

Name	Ward
N. Mahlaza	1
L. Soya	2
M. Nodi	3
N. Yaphi	4
N. Ngeni	5
V. Bekani	6
N. Nombewu	7
N. Mbana	8
N. Lukhwe	9
Z. Bala	10
C. Miila	11
G. Woji	12
N. Mpalala	13

This section reports on the activities carried out by CDW during 2011/2012 financial year. It further reflects on the success stories experienced working in collaboration with government departments, municipalities and communities within Ngqushwa Municipality.

CDW embarked on door to door campaign with ADM safety forum co-ordinator Mr. Gabelana, GCIS officials, CDW's, CPF members and ward committees to discuss all challenges experienced by communities. The CDW were intending to make an event much bigger to answer all the outcomes of the door to door held earlier on. On the 15th of August 2011, we held an information sharing day to discuss gathered from door to door. Departments presented all their plans clearly on how their intending to work with communities in expediting service delivery.

CDW spent their Mandela Day with a child headed family living in the Boloti family, where there are two children living on their own. Clothes, food and shelter were requested from the Social Development, Ngqushwa housing unit and delivered accordingly.

5.8.2 CDW's Key Performance Area

Key Performance Area	Achievements	Statistics
Strengthening Social Well Being	Disability Grant (8)	17
	Foster Care Grant (7)	
	Child Support Grant (1)	
	Old Age Grant (1)	
	Food Parcel (1)	1
	Maintenance Referrals	2
	Claim of UIF	2
Strengthening Civic Services	Application for ID's for the school campaign	221
	Late registration of birth certificates	85
	Birth Certificates	1
	Attendance of Home Affairs district stakeholder round table	
	School Campaign	
Stimulate Local Economic Development	Registration of Co-Operatives	
	Funded Co-Operatives	
	Business Plan	
	Assessment visit to 17 projects funded by the Municipality	
	67 Minutes spent on Mankone Garden project and plan the seeds	
	Attendance of goat information sharing day to Siphumeze Goat Project at ward 4	
	Attendance of Algriculture show at Mankone	
Public Participation for Services Delivery	Mobilisation of Community to attend public hearings in connection with demarcation	
	Attendance of ward committee meetings	
	Attend MRM event done by ADM	
	Attend stakeholders of SAPS	
	Attend ADM safety forum	
	Attend Ngqushwa Safety forum	
	Attend district round table	
	Attend free basic electricity	
	CDW Attended Ngqushwa round table with GICS, SAPS, Home affairs, Social Development Portfolio of Community Services and Khula Development Agency at ward 11	
	Continuation on the second day of information with ward stakeholders	

5.8.3 Challenges Experienced by CDW in 2011/2012

- Proficiency in report writing;
- Vastness of area which presents challenges in transporting people

5.9 TRADITIONAL LEADERS

The Member of the Executive Council responsible for Local Government and Traditional Affairs in the Eastern Cape Province published in terms of Section 81(2)(a) and (4) of Local Government: Municipal Structures Act, 1998 of (Act No. 117 of 1998) the names of the identified traditional leaders who may participate in the proceedings of the municipal council as listed in schedule 1 and also the guidelines regulating the participation of Traditional Leaders in the municipal council.

Below are the Traditional Leaders identified for participation in the Ngqushwa Municipal Council.

- Chief MV Kaulela;
- Chief SS Ngwekazi;
- `Prince B Matomela;
- Prince GL Zitshu; and
- Princess NV. Njokweni.

5.10 LEGAL MATTERS

The table below provides the status of legal cases the municipal embarked on during under the year review:

COMPANY NAME	REASON(S) FOR THE USE OF ATTORNEYS	SCM PROCESSES FOLOWED –YES /NO	AMOUNT PAID	STATUS OF THE CASE
Dyushu Majebe Attorneys	Investigate and prosecute in the case between Mrs N.Y. Zongo & NLM	No	R 741 959.00	Case closed
	Represented in the municipality in the arbitration case between N.Y. Zongo NLM	No	R 272 963.00	Case closed
Malusi and Company Attorneys	Removal of EXCO members and Speaker from office	No	R 153 318.40	Case closed
Magqabi Seth Zita Attorneys Inc	Removal of members and Speaker from office	No	No payment made	Case closed
ENM Khumalo	Presiding Officer in the case of Investigation and prosecution – N.Y Zongo vs NLM	No	R 41 640.00	Case closed

PART THREE: FUNCTIONAL AREA OF REPORTING AND ANNEXURES

GENERAL INFORMATION (POPULATION STATISTICS)

GENERAL INFORMATION			
REPORTING LEVEL	DETAIL	TOTAL	
Overview:	Provide a general overview of municipality: this may include a short narrative of issues peculiar to the municipality and issues specific to the financial year being reported		
Information:	<i><Provide statistical information on (as a minimum):></i>		
1	Geography:	2245 km ²	
	Note: Indicate source of information	IDP Document	
2	Total population	Ngqushwa Local Municipality has an estimated total population of 72190 people	
	Note: Indicate source of information	2011 Census figures	
3	Indigent Population	16941	
	Note: Indicate source of information and define basis of indigent policy including definition of indigent	<i>Revenue Officer</i>	
4	Total number of voters		
5	Aged breakdown:		
	- 65 years and over	11.9% of the population are 65 years and older.	
	- between 15 and 64 years	58.1% of the population are between the ages 15 and 64	
	14 years and under	30% of the population of Ngqushwa are 14 years or younger	
6	Household income:		
	- Over R3499 per month		
	- Between R2500 and R3499 per month		
	- Between R1100 and R2499 per month		
	-		
	Under R1100 per month		
	Note: Indicate source of information		

Function:	Finance and Administration		
Sub Function:	Finance		
Reporting Level	Detail	Total	
Overview:	Include all activities relating to the function of the municipality. Note: grants information should appear in Chapter 4 on Financial Statements and Related Financial Information. (Refer to Financial Statements)		
Description of the Activity:	The function of finance within the municipality is administered as follows and includes:		
	<List administration of each function here: this should detail what is offered, and how it is offered to the community>		
	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>		
	The strategic objectives of this function are to:		
	<List here>		
	The key issues for 200X/0Y are:		
	<List here>		
Analysis of the Function:	<Provide statistical information on (as a minimum):->		
1	Debtor billings: number and value of monthly billings: Number of debtors	6089	R (436348.34 000s)
	Function - <list function here eg: water, electricity etc>	<total>	<total>
	- Number and amount billed each month across debtors by function (eg: water, electricity etc) and by category: Government, Business, Residents and Indigents	3402	R7072289.88
	Note: create a suitable table to reflect monthly billed and received (against billed) across debtors by function (eg: water, electricity etc) and by category	Rates 5192 Refuse 342	385171 51177.34
2	Debtor collections: value of amount received and interest:	R 5068843.48	R 0
	Function - <list function here eg: water, electricity etc>		R1521766.81
	- Value received from monthly billings each month and interest from the previous month across debtors by function (eg: water, electricity etc) and by category: Government, Business, Residents and Indigents Note: create a suitable table to reflect amount received from that month's billings plus interest from the previous month across debtors by function and by category	Prev Gov 1 826 468 BU 295 134 DO 888 885 AG 539 429	<interest>
3	Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days: Function - <list function here eg: water, electricity etc>	30days 864 104 60days 377578 90days + 13 373 918	
	- Total debts outstanding over 30, 60, 90 and 120 plus days across debtors by function (eg: water, electricity etc) and category Note: create a suitable table to reflect debts outstanding over 30, 60, 90 and 120 plus days across debtors by function and category	Rates 30days 754 434 60 days	

		335 665 90 + 11 498 803	
		Refuse 30 days 8863	
		60 days 7154	
		90 + 611 367	
4	Write off of debts: number and value of debts written off: - Total debts written off each month across debtors by function (eg: water, electricity etc) and category	Quit rentals 460 270	R (000s)
	Note: create a suitable table to reflect write offs each month across debtors by function and category	Once off not on mothly basis	<value>
5	Property rates (Residential):		R (000s)
	- Number and value of properties rated	5192	1537 024 129
	- Number and value of properties not rated	1617	941 917 772
	- Number and value of rate exemptions	4	658 000
	- Rates collectible for the current year		
Reporting Level		Total	
6	Property rates (Commercial):		R (000s)
	- Number and value of properties rated	34	32 795 000
	- Number and value of properties not rated	0	0
	- Number and value of rate exemptions	0	0
	- Rates collectible for the current year		459 130
8	Property valuation:		
	- Year of last valuation	<year>	2008/2009
	- Regularity of valuation	<cycle>	After 4 yrs
9	Indigent Policy:		
	- Quantity (number of households affected)	<total>	
	- Quantum (total value across municipality)	<value>	
9	Creditor Payments:	R (000s)	
	<List creditors here>	<value>	<age>
	Note: create a suitable table to reflect the five largest creditors individually, with the amount outstanding over 30, 60, 90 and 120 plus days		
10	Credit Rating:	R (000s)	
	<List credit rating details here>	<value>	<date>
	List here whether your Council has a credit rating, what it is, from whom it was provided and when it was last updated		
11	External Loans:	R (000s)	R (000s)
	- Total loans received and paid during the year	<received>	<paid>
	Note: Create a suitable table to reflect the balance of each external loan at the beginning of the year, new loans raised during the year and loans repaid during the year as well as the balance at the end of the year. Interest rates payable on each loan, together with the date of repayment should be also disclosed in the table.		

12	Delayed and Default Payments:		
	<List delayed and default payments here>	<value>	<date>
	List here whether Council has delayed payment on any loan, statutory payments or any other default of a material nature		
	Note: This information need not be reported here if reported as notes to the accounts.		

Function:	Community and Social Services		
Sub Function:	All inclusive		
Reporting Level	Detail	Total	
	Includes all activities associated with the provision of community and social services		
Overview:			
	The function of provision of various community and social services within the municipality is administered as follows and includes:		
Description of the Activity:	<ul style="list-style-type: none"> • Traffic • Environmental, Parks, Cemeteries & Waste Management • Agriculture • Tourism • LED • SPU 		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
1	Nature and extent of facilities provided:	no of facilities:	no of users:
	- Library services	3	<number>
	- Museums and art galleries	none	<number>
	- Other community halls/facilities	29	<number>
	-Cemeteries and cenmatoriums	3	<number>
	- Aged care (including aged homes, home help)	-	<number>
	- Schools	99 primary schools, 37 secondary schools	<number>
	- Sporting facilities (specify)	4	<number>
	- Parks	1	<number>
	Note: the facilities figure should agree with the assets register		
	Total operating cost of community and social services function		
Key Performance Area		Current	Target
<ul style="list-style-type: none"> • Approved HIV/AIDS strategy; • Approved Disaster management policy frameworks and plans (Metro and DM) 	<p><i>HIV/AIDS strategy was approved by the council but still to be reviewed.</i></p> <p><i>Disaster Management is under Amathole District Municipality this therefore means that all the disaster related issues are dealt with according to ADM plans.</i></p>		

Function:	Community Services - Waste Management		
Sub Function:	Solid Waste		
Reporting Level	Detail	Total	
Overview:	Includes refuse removal, solid waste disposal and landfill, street cleaning and recycling		
Description of the Activity:	<p>The refuse collection functions of the municipality are administered as follows and include:</p> <p>2.7% of the people have access to refuse removal service by the municipality</p> <p><i>There are two landfill sites that we use for our refuse in Hamburg and Peddie Town. We have developed a business plan to solicit fund for integrated waste management plan. Trainings do take place for staff members on waste management issues.</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:		
	<List here>		
	The strategic objectives of this function are to:		
	<List here>		
	The key issues for 200X/0Y are:		
	<List here>		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
1	Number and cost to employer of all personnel associated with sewerage functions:		R (000s)
	- Professional (Engineers/Consultants)	<total>	<cost>
	- Field (Supervisors/Foremen)	<total>	<cost>
	- Office (Clerical/Administration)	<total>	<cost>
	- Non-professional (blue collar, outside workforce)	<total>	<cost>
	- Temporary	<total>	<cost>
	- Contract	<total>	<cost>
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
2	Number of households with sewerage services, and type and cost of service:		R (000s)
	- Flush toilet (connected to sewerage system)	<total>	<cost>
	- Flush toilet (with septic tank)	<total>	<cost>
	- Chemical toilet	<total>	<cost>
	- Pit latrine with ventilation	<total>	
	- Pit latrine without ventilation	<total>	
	- No toilet provision		
	Note: if other types of services are available, please provide details		
3	Anticipated expansion of sewerage:		
	- Flush/chemical toilet	<current>	<future>
	- Pit latrine	<current>	<future>
	- No toilet provision		
	Note: provide total number of households anticipated to benefit and		

	total additional operating cost per year to the municipality		
4	Free Basic Service Provision:		
	- Quantity (number of households affected)	<capacity>	<lifespan>
	- Quantum (value to each household)	<capacity>	<lifespan>
Reporting		Total	
Level	Detail		
5	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.		
	Total operating cost of sewerage function		R (000s)

PART FOUR

ANNEXURES

- **Audited Annual Financial Statement - 2011/2012** [Annexure A]
- **Full Auditor General's Report - 2011/2012** [Annexure B]
- **Audit Action Plan - 2011/2012** [Annexure C]
- **Audit Committee report - 2011/2012** [Annexure D]
- **Approved Municipal Organisational Structure - 2011/2012** [Annexure E]
- **Annual Performance Information Report - 2011/2012** [Annexure F]