

2011/12 FY

NKANGALA DISTRICT MUNICIPALITY
DRAFT ANNUAL REPORT



Volume I

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Abbreviations and Acronyms

AMR	Automated Meter Reading	kWh	kilowatt
ASGISA	Accelerated and Shared Growth Initiative	ℓ	litre
BPC	Budget Planning Committee	LED	Local Economic Development
CBD	Central Business District	MEC	Member of the Executive Committee
CFO	Chief Financial Officer	MFMA	Municipal Financial Management Act
CPI	Consumer Price Index		Programme
CRRF	Capital Replacement Reserve Fund	MIG	Municipal Infrastructure Grant
DBSA	Development Bank of South Africa	MM	Municipal Manager
DoRA	Division of Revenue Act	MMC	Member of Mayoral Committee
DWA	Department of Water Affairs	MPRA	Municipal Properties Rates Act
EE	Employment Equity	MSA	Municipal Systems Act
EEDSM	Energy Efficiency Demand Side Management	MTEF	Medium-term Expenditure Framework
EM	Executive Mayor	MTREF	Medium-term Revenue and Expenditure Framework
FBS	Free basic services	NERSA	National Electricity Regulator South Africa
GAMAP	Generally Accepted Municipal Accounting Practice	NDM	Nkangala District Municipality
GDP	Gross domestic product	NGO	Non-Governmental organisations
GDS	Gauteng Growth and Development Strategy	NKPIs	National Key Performance Indicators
GFS	Government Financial Statistics	OHS	Occupational Health and Safety
GRAP	General Recognised Accounting Practice	OP	Operational Plan
HR	Human Resources	PBO	Public Benefit Organisations
HSRC	Human Science Research Council	PHC	Provincial Health Care
IDP	Integrated Development Strategy	PMS	Performance Management System
IT	Information Technology	PPE	Property Plant and Equipment
kℓ	kilolitre	PPP	Public Private Partnership
km	kilometre	PTIS	Public Transport Infrastructure System
KPA	Key Performance Area	RG	Restructuring Grant
KPI	Key Performance Indicator	RSC	Regional Services Council

SALGA South African Local Government Association

SAPS South African Police Service

SDBIP Service Delivery Budget Implementation Plan

SMME Small Micro and Medium Enterprises

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CHAPTER 1

EXECUTIVE MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: EXECUTIVE MAYOR'S FOREWORD

The financial year 2011/2012 saw the ushering in of the new Councillors in the Nkangala District Municipality, after very successful Local Government elections on the 18 May 2011. This period though very much exciting, meant that the Council had to realign its programmes with the popular mandate of all the communities in Nkangala District. What made this exciting period more challenging was that the popular mandate of the previous Local Government elections was not exhausted in the preceding five year term of office of the Municipal Council nor were the National and Provincial government election priorities which were as follows:

- Creating conditions for an inclusive economy that will reduce unemployment, poverty and inequality, and produce decent jobs and sustainable livelihoods;
- Access for more and more of our people, especially the youth, to adequate education and training to enable them to participate productively in the economy and the society;
- Better quality health care in a system that is accessible to more South Africans, including the introduction of the national health insurance;
- More and more rural communities benefiting from investments in basic services (water, electricity, sanitation and roads) and empowered to end the hunger by productively using the available or redistributed land. Through rural development we seek to modernize the countryside and bring dignity to rural dwellers; and
- Safer communities as serious and priority crimes are reduced, corruption defeated, and our criminal justice system is radically changed.

Despite the above-mentioned priorities not exhaustively implemented that did not stop Communities from exercising their democratic right of telling the government how they want to be served and how the quality of the services should be, through their vote on the 18 May 2011. The people's priorities, that we at Nkangala District have committed towards paying particular attention to for the next five years, i.e. 2011/12- 2015/16 are as follows:

- Build local economies to create more employment, decent work, and sustainable livelihoods;
- Improve local public services and broaden access to them;
- Build more united, non-racial, integrated and safer communities;

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- Promote more active community participation in local government; and
- Ensure more effective, accountable and clean local government that works together with national and provincial government

All the above priorities have found their way in the District Integrated Development Plan (IDP) of 2011/2012 in the form of twenty (20) Priority Issues. These priority issues have been budgeted for the financial year under review and those that could not be completed one year were rolled to the next year with a budget.

Significant progress was made during the 2011/2012 financial year in intensifying efforts by the district municipality to continuously improve the lives of the people of the district and to fight against the triple challenges of inequality, poverty and unemployment.

Whilst the District acknowledges progress made, it remains conscious of the reality that some sections of our communities continue to suffer, particularly in the previously disadvantaged areas of Dr J S Moroka and Thembisile Hani Local Municipalities, respectively. It is against this background that our vision that says “*Improved quality of life through balanced, sustainable development and service excellence*” is still relevant.

Over the review period the municipality successfully developed and implemented a number of initiatives to stabilize the municipality and put it on a higher trajectory aimed at enhancing service delivery within the district.

This includes the following:

- Review of the organizational structure of the district municipality to align it with the district’s mandate and objectives;
- Filling of strategic vacant positions including that of the Chief Financial Officer;
- Continuous improvement in good governance, performance monitoring and integration;
- Establishment of the Chief Executive Officer (CEO’s) Forum to finalise the strategic partnership between the District Municipality, mining houses operating within the district, and Eskom;
- Continued provision of bulk infrastructure, equipment and responding to specific needs of all the municipalities within the district, through the provision of financial, technical and administrative

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support.

The District is committed to promote more active community participation in Local Government. Without active community participation and empowerment, the challenge of ensuring effective, accountable and clean Local Government cannot be realized.

Our people have trust in our elected public representatives and officials and thus collectively aim to serve their needs and aspirations raised during the IDP, Mayoral Outreach and Budget consultative meetings.

Credit must go to all the members of the Mayoral Committee, Councillors, and Staff for the effective and efficient way in which they continue to manage the affairs of the municipality. The messages from our people in villages, townships and suburbs are clear. “We appreciate the progress, but we want faster change”. Our people have spoken and ours is to implement.

As the honourable President of the Republic of South Africa, His Excellency Dr. JG Zuma said during SALGA’s Special National Conference of the 12 September 2012: “Ultimately all citizens must obtain the basic services they are entitled to. No matter how long it takes us, we will get the work done”.

Together we can do more

Thank you

Cllr S K Mashilo

Executive Mayor

(Signed by :) _____

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COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

The 2011/2012 financial year has indeed been very eventful for us in the Nkangala District Municipality, in that culminating from the constitution of the new Council in May 2011, to maintaining the unqualified audit opinion by the Auditor General (AG) for the 2011/12 financial year. The year saw an unprecedented filling of at least fifty (50) vacant positions including that of the Chief Financial Officer (CFO) that has been vacant for more than two (2) years. It is therefore my pleasure to present the performance of the District in administering its responsibility through this report.

In his foreword, the Honourable Executive Mayor alluded to a number of good things that were done by the District through our different Departments. This Annual Report should provide much more detail in this regard.

Whilst the performance of the District in all its mandates will be elucidated in detail hereunder, it will be critical to elevate the following achievements during the year under review:

1. Our actual general expenditure costs increased with 40.50 % from R13, 712,330 (2010/11) to R19, 265,878 (2011/12). Actual general expenditure costs are 28.71% of the budget. The municipality realised a deficit of R2,091,370 for the 2011/12 financial year and an operating surplus of R72,907,973. This is an indication that the municipality for the first time is moving towards the eradication of roll overs.
2. The Statement of Financial position represents the financial strength of the municipality by a comparison of assets over liabilities. The total assets of the municipality decreased with 1.88% from R846, 254,892 (2010/11) to R830, 332,058 (2011/12). The contributing factors of this decrease in inventory and call investments as a result of the increased project expenditure. Liabilities decreased with 11.17% from R123, 828 251 (2010/11) to R109,996,784 (2011/12), which is mainly due to the decreased accruals for 2012
3. The annual financial statements presented in this Annual Report were prepared and submitted to the

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Auditor General before the 31 August 2012. Further, the draft annual performance report included in this annual report was prepared and submitted together with the AFS to the AG. In this case, the municipality has complied with the timelines for submission of all the documents indicated above.

4. At the beginning of the financial year the post of the Chief Financial Officer (CFO) has been vacant for at least two years. After following the transparent recruitment processes as stipulated in section 56 of the Local Government: Systems Act 32 of 2000 as amended, the position of the CFO was successfully filled in April 2012.

5. NDM is not a Water Services Authority (WSA). However, it continues to play its legislated coordinating and supporting role to local municipalities that are WSAs. As part of a comprehensive strategy to deal with water and sanitation related challenges facing the Nkangala District Municipality (NDM), a range of initiatives are currently prioritized. The priority area is areas where the infrastructure exists, but inadequate service is provided. Below are the key strategic thrusts and initiatives emanating from the Water Master Plan that have been on consideration, implemented which include:

- *Collaboration,*
- *Institutional Arrangements,*
- *Cullinan and the Western Highveld Region Emergency Augmentation Scheme,*
- *Rand Water Augmentation Scheme for Delmas/ Victor Khanye Local Municipality,*
- *Reclamation of Mine Water (Emalahleni & Steve Tshwete Local Municipalities),*
- *Raw water supply to industries,*
- *Refurbishment of Brugspruit Treatment Plant, and*
- *Recycling of Sewer Effluent*
- *Supporting local municipalities to achieve the Blue Drop status in water provision and the Green Drop status for sanitation provision.*

6. The following expenditure has been directed towards infrastructure provision:

	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	TOTAL
WATER	R 29,442,225.00	R 47,517,985.82	R 41 714 695.26	R 47 635 663.00	R 34 520 000.00	R 200 830 569.10
SEWERAGE	R 24,250,446.00	R 23,306,416.73	R 31 989 501.45	R 49 651 164.62	R 18 500 000.00	R 147 697 528.80

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ROADS & SW	R 21,989,148.00	R 19,746,310.82	R 58 905 844.51	R 39 772 311.88	R 82 441 242.28	R 222 854 857.50
ELECTRICITY	R 6,168,241.00	R 2,145,882.12	R 4 749 789.88	R 3 144 630.72	R 25 959 303.34	R 42 167 847.06
URBAN DEVELOPMENT	R 3,431,710.00	R 1,792,477.17	R 548 806.25	R 5 155 866.08	-	R 10 928 859.06
WASTE DISPOSAL	R 0.00	R 366,641.12	R 31 477.50	R 406 875.11	R 4 990 000.00	R 5 794 993.73
OTHER	R 0.00	R 2,859,329.80	R 39 959 920.15	R 42 883 622.89	R 17 576 139.09	R 103 279 011.73
Total	R 85,281,770.00	R 97,735,043.58	R 180 484 975.00	R 188 650 134.25	R 164 784 340.70	R 733 553 667.60

7. Communities in the NDM are fairly well supplied with electricity. The municipal electricity consumption index, which shows the number of people that are living in houses with or without electricity, shows that about 85% of the people lived in houses that were electrified and 15% were not electrified (Stats SA 2006).

8. The general state and conditions of roads throughout the NDM has been identified as an area that needs urgent attention as roads are critical in promoting economic growth and tourism. In order to address this challenge there was a need for a comprehensive strategy that will ensure timely construction, maintenance and repair of roads throughout the region. An integrated transport plan was developed and adopted by Council

9. In the area of Municipal Planning, the District registered the following milestone: Land Use Management Schemes for Emakhazeni, Dr JS Moroka and Thembisile Hani Municipality were developed and completed; Review of Physical Planning functions strategy-(shared services); Land Use Management Systems; Feasibility study of Regional Cemetery; Township establishment 400 sites–Rietfontein & Geluk; Township establishment–Moripe 500 sites; Victor Khanye Land Use Scheme; Dennisig Township establishment 500 sites; Township Establishment –Elibangeni 350 sites; and Township Establishment–Luthuli (Mahlabathini) 1000 sites

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10. The Delmas Magistrate Court Building is very significant in the history of South Africa. The court was the scene of the longest court case after the Rivonia Trial in South African legal History (3 years) – the Delmas Treason Trial led to 22 Black political leaders being charged when the trial started in 1985 and the four(4) who were tried during the ‘‘Trial of Delmas Four’’ in 1989. The trial tested the apartheid legal machinery to the limit and marks a turning point in the history of the struggle for democracy. It is valued as a site of an important event in that it stands against injustice

11. On the 06 November 2011, the Nkangala District Municipality held a District Cenotaph Memorial Lecture at Lynnville Park which marked the re-opening of the Cenotaph Phase II wherein an opportunity is created for the documentation of the victims of the liberation struggle conflict who were not included in Phase I of the Cenotaph. The process afforded the stakeholders an opportunity to submit outstanding information from first phase of the Cenotaph. The Department of Culture, Sports and Recreation and local municipalities remained key stakeholders in driving the process whose objective was amongst others to honor the heroes and heroines of the Liberation Struggle in the region.

12. The NDM hosted a successful region wide Career Expo on 02 June 2012 targeting grade 12 learners from its Local Municipalities. The Career Expo was held within Steve Tshwete Local Municipality. Under the theme ‘‘*Strengthening our pledge to work together through sustainable skills development to attack poverty, unemployment and underdevelopment*’’,

13. The NDM held an AIDS Council Induction Workshop in July 2011 for the region to capacitate all the District Aids Council members. The Induction Workshop was successful and was attended by the all the Executive Mayors (or their representatives), MMC,s responsible for social and health cluster, Municipal Managers, managers responsible for the portfolio, SALGA, and other sector departments forming part of the social cluster.

14. The HIV-AIDS Strategy which was initiated by the district culminated into a draft document upon which a consultative workshop was held 08-09 September 2011 with the view to consider final inputs. As at the end of the financial year, the strategy was tabled and adopted by Council.

15. Arising from the resolutions of 2010 NDM Women Indaba, the NDM elevated the strengthening of cooperatives as a key area of focus for job creation and impartation of skills. The need for training and provision of information to this sector of work was since prioritized. Hence, a two days’ workshop ‘‘themed’’ ‘‘Working together to enhance women’s opportunities to economic

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empowerment” was successfully held on the 25 and 26 August 2011 as part of the women’s month activities. The purpose of the workshop was to address the lack of information especially around the funding sources available as well as knowledge on the running of cooperatives as part of an effort to stimulate employment creation, hence a total of forty five (45) cooperatives benefitted in the initiative.

Noting from our Audit outcome, the District has over more than ten years retained its unqualified Audit status, and has over the year managed to reduce the number of matters of emphasis where they were raised. Under the current year of audit, the issue of Performance Management, Monitoring, Evaluation and Assessment came to the fore particularly in the area of IDP and SDBIP alignment. This is an area that will receive our undivided attention in the subsequent Financial Year.

We are therefore certain that we should improve our audit opinion by 2014.

We would like to take this opportunity and appreciate the invaluable contribution of the Political Leadership, Administration at the District and all our Strategic Stakeholders in ensuring that we do perform all our duties as expected, and acknowledge that indeed without their sterling contributions we should not have achieved the success alluded to herein.

I look forward to another year of investing in sustainable service delivery and providing viable environment for small businesses in the Nkangala District Municipality to thrive. What we have achieved in the year that has just ended will serve as a basis to deepen our role and contribution into areas that are yet untouched, making sure that all of our residents are positively impacted by the various service delivery interventions and development initiatives of Nkangala District Municipality.

Thank you

Mr AG Zimbwa

Acting Municipal Manager

(Signed by :) _____

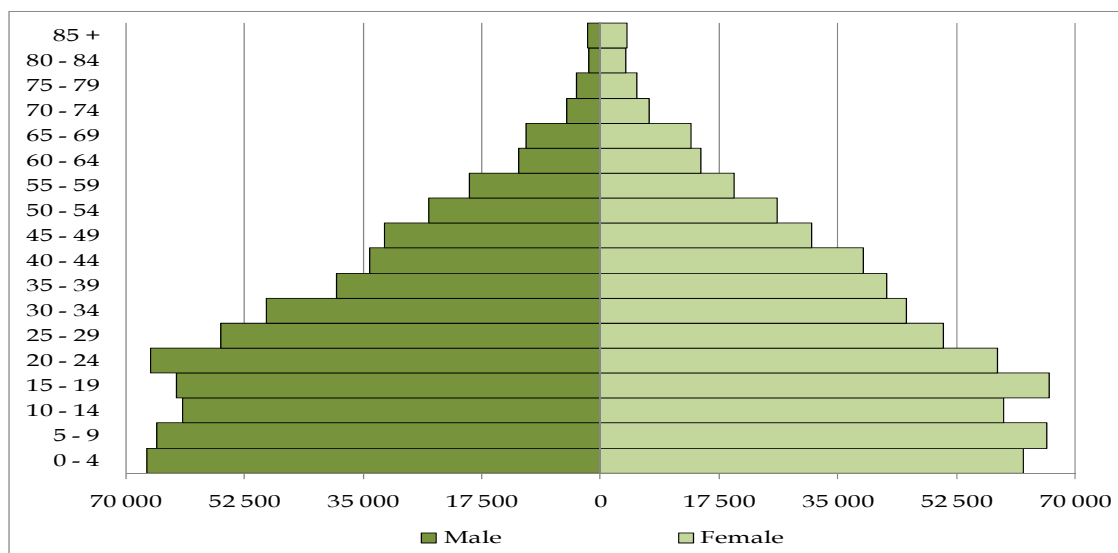
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T1.1.1: Population changes between 2001 census and 2007 Community Survey

District	1980	1985	1991	%	1996	%	2001	%	2007	%	2010	%	2015	%
	Number of people													
Victor Khanye LM	47,794	46,998	48,614	5.5%	52,589	5.5%	56,210	5.5%	50,455	4.1%	50,800	3.9%	51,200	3.8%
Emalahleni LM	152,797	157,150	183,016	20.8%	236,655	24.6%	276,410	27.1%	435,222	35.5%	460,000	35.6%	495,000	36.3%
Steve Tshwete LM	126,088	138,257	140,015	15.9%	135,412	14.1%	142,774	14.0%	182,506	14.9%	193,000	14.9%	210,000	15.4%
Emakhazeni LM	43,020	41,462	38,273	4.4%	37,014	3.8%	43,007	4.2%	32,840	2.7%	51,000	3.9%	54,060	4.0%
Thembisile LM			211,972	24.1%	242,542	25.2%	257,113	25.2%	278,517	22.7%	288,000	22.3%	302,000	22.1%
Dr J S Moroka LM			257,273	29.3%	258,757	26.9%	243,313	23.9%	246,969	20.1%	249,000	19.3%	252,000	18.5%
NKANGALA DM			879,163	100.0%	962,895	100.0%	1,018,827	100.0%	1,226,501	100.0%	1,291,800	100.0%	1,364,260	100.0%
INCREMENT														
District	1980-1985	1985-1991	1991-1996	1996 - 2001	2001 - 2007	2007- 2010	2010 - 2015							
Victor Khanye LM	-796	1,616	3,975	3,621	-5,755	345	400							
Emalahleni LM	4,353	25,866	53,639	39,755	158,812	24,778	35,000							
Steve Tshwete LM	12,169	1,758	-4,603	7,362	39,732	10,494	17,000							
Emakhazeni LM	-1,558	-3,189	-1,259	5,993	-10,167	18,160	3,060							
Thembisile LM			30,570	14,571	21,404	9,483	14,000							
Dr J S Moroka LM			1,484	-15,444	3,656	2,031	3,000							
NKANGALA DM			83,732	55,932	207,674	65,299	72,460							

Source: Statistics South Africa – Community Survey, 2007

T1.1.2: Nkangala population composition by age group and gender, 2007



Source: Statistics South Africa – Community Survey, 2007

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T1.1.3: Overview of neighborhoods Settlements Type within NDM

Settlement Type	Households in 2001		Households in 2007	
	Actual	%	Actual	%
DR JS MOROKA LOCAL MUNICIPALITY				
1. Formal	43 912	82.00	48 929	86.02
2. Traditional	2 697	5.04	1 303	2.29
3. Flats/Rental	1 320	2.46	549	0.81
4. Simplex/Duplex	350	0.65	0	0
5. Backyard Units	1 195	2.23	515	0.91
6. Informal	4 000	7.47	5 291	9.30
7. Other	76	0.14	289	0.51
TOTAL	53 550	100	56 879	100
EMAKHAZENI LOCAL MUNICIPALITY				
1. Formal	6 330	65.12	9 302	76.70
2. Traditional	2 226	22.90	1 130	9.32
3. Flats/Rental	248	2.55	72	0.59
4. Simplex/Duplex	44	0.45	0	0
5. Backyard Units	283	2.91	134	1.10
6. Informal	564	5.80	306	2.52
7. Other	25	0.26	1 183	9.76
TOTAL	9 720	100	12 127	100
EMALAHLENI LOCAL MUNICIPALITY				
1. Formal	44 131	58.92	60 338	57.14
2. Traditional	4 847	6.47	4 089	3.87
3. Flats/Rooms	5 100	6.81	4 132	3.91
4. Simplex/Duplex	1 027	1.37	644	0.61
5. Backyard Units	3 004	4.01	4 775	4.52

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6. Informal	16 512	22.04	28 213	26.72
7. Other	181	0.24	3 401	3.22
TOTAL	74 903	100	105 592	100
STEVE TSHWETE LOCAL MUNICIPALITY				
1. Formal	26 772	73.93	39 795	78.88
2. Traditional	3 513	9.70	2 788	5.53
3. Flats/Rooms	5 853	16.16	7 406	14.68
4. Other	74	0.20	460	0.91
TOTAL	36 212	100	50 449	100
THEMBISILE HANI LOCAL MUNICIPALITY				
1. Formal	44 061	75.72	52 072	79.64
2. Traditional	3 681	6.33	4 107	6.28
3. Flats/Rooms	1 592	2.74	936	1.43
4. Simplex/Duplex	283	0.49	0	0
5. Backyard Units	2 065	3.55	575	0.88
6. Informal	6 416	11.03	7 579	11.59
7. Other	94	0.16	125	0.19
TOTAL	58 192	100	65 384	100
VICTOR KHANYE LOCAL MUNICIPALITY				
1. Formal	7 867	58.68	10 044	66.39
2. Traditional	1 173	8.75	583	3.85
3. Flats/Rooms	338	2.52	193	1.28
4. Simplex/Duplex	109	0.81	0	0
5. Backyard Units	597	4.45	227	1.50
6. Informal	3 290	24.54	3 782	25.00
7. Other	35	0.26	300	1.98
TOTAL	13 409	100	15 129	100

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GRAND TOTAL IN NDM	245 986	-	305 560	-
Source: STATSA and Community Survey 2007				

- 76 957 households have no formal housing in 2009 – 37.8% of total formal housing backlog in Mpumalanga province.
- A backlog of 154 065 households without hygienic toilets in 2009 – 33.3% of Mpumalanga’s total hygienic toilets backlog.
- In 2009, a backlog of 51 883 households without piped water in Nkangala – 22.5% of Mpumalanga’s total piped water/above RDP level backlog.
- Nkangala had the lowest number (45 791) of households without electricity connections – 25.7% of Mpumalanga’s **total** electricity connections backlog.
- In 2009, A backlog of 156 655 households without formal refuse removal in Nkangala – 28.8% of Mpumalanga’s total formal refuse removal backlog.

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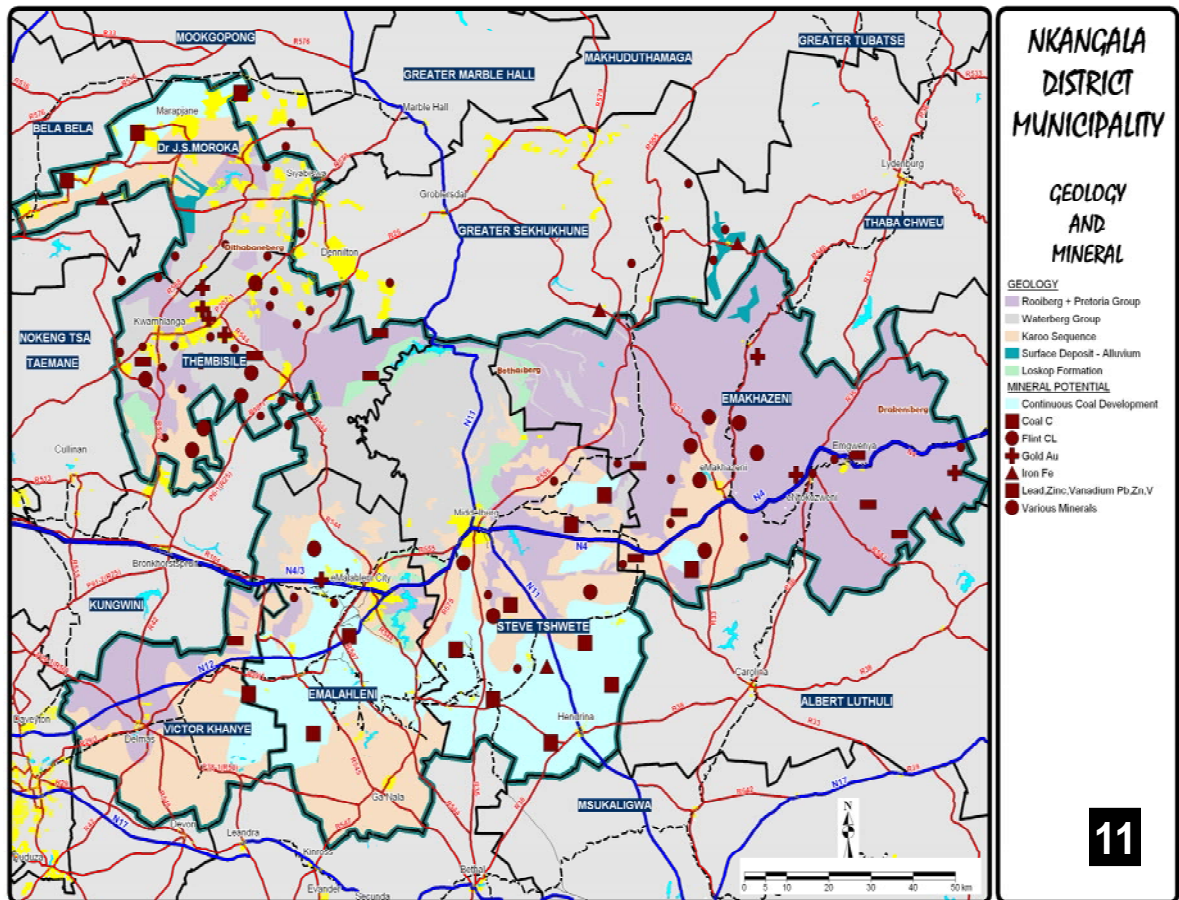


Figure 1

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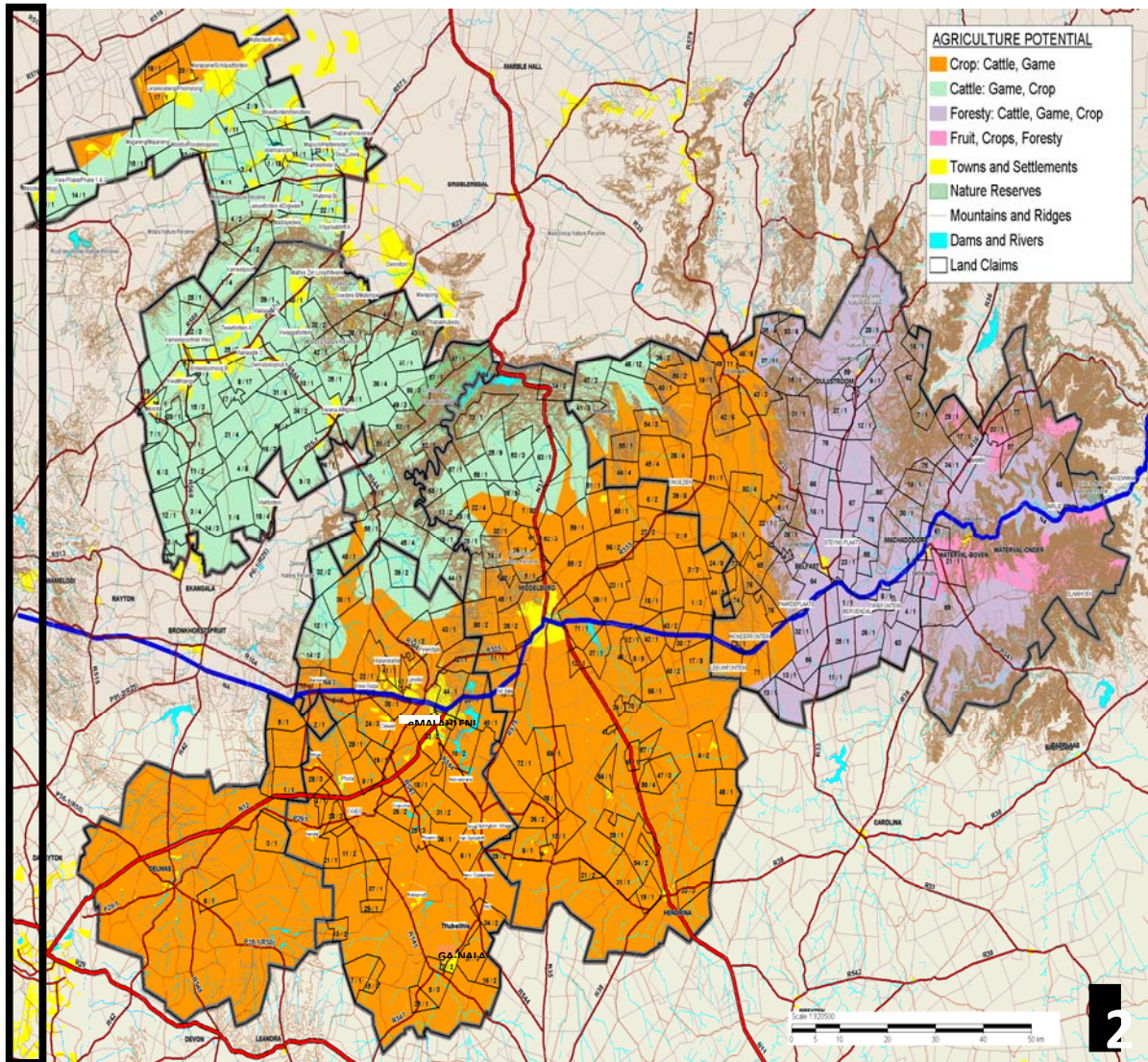


Figure 2

The relevance of these natural resources as shown under map 11 to the community within the District at large is that major employment opportunities are accrued therein, particularly in Mining, Manufacturing, Energy and Agriculture Sectors of the Economy. These opportunities will include the downstream beneficiation, which has not yet fully being exploited thus far. To this end the District have embarked on a process to capacitate the SMMEs and Co-operative in the areas of business management so that they are able to play a meaningful role in the economy of the District, thereby

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reducing the number of the population that leaves in poverty and drastically reduce the current number of unemployed population.

Strategic Partnerships with Key Players in the extraction of these natural resources have been established with the primary aim of leveraging on their financial muscle and technical capacity towards development of communities in the areas of their operations and the so called ‘‘Labour sending areas’’ within the District.

1.2 FINANCIAL HEALTH OVERVIEW

1.2.1 INTRODUCTION

The financial objective of the municipality is to secure sound and sustainable management of the financial affairs of the municipality and to assist the six local municipalities to be financially viable

Critical functional areas for the district municipality and local municipalities include the payment for services, revenue collection, capacity for municipal infrastructure expenditure and compliance with legislation.

Issue 3 of the IDP relates to financial viability and includes projects that contributed to the financial viability of the district and local municipalities.

The Annual financial statements were prepared in terms of the effective GRAP standards and submitted to the Auditor General in terms of section 122 of the MFMA. A copy of the Audited Annual Financial Statements is attached hereto as annexure A in Volume II

1.2.2 REVIEW OF OPERATING RESULTS

The 2011/2012 budget of the Nkangala District Municipality was approved by Council on the 4th of May 2011 in terms of council resolution DM56/05/2011. An adjustment budget was approved on the 22th of February 2012 in terms of council resolution DMS3/02/2012.

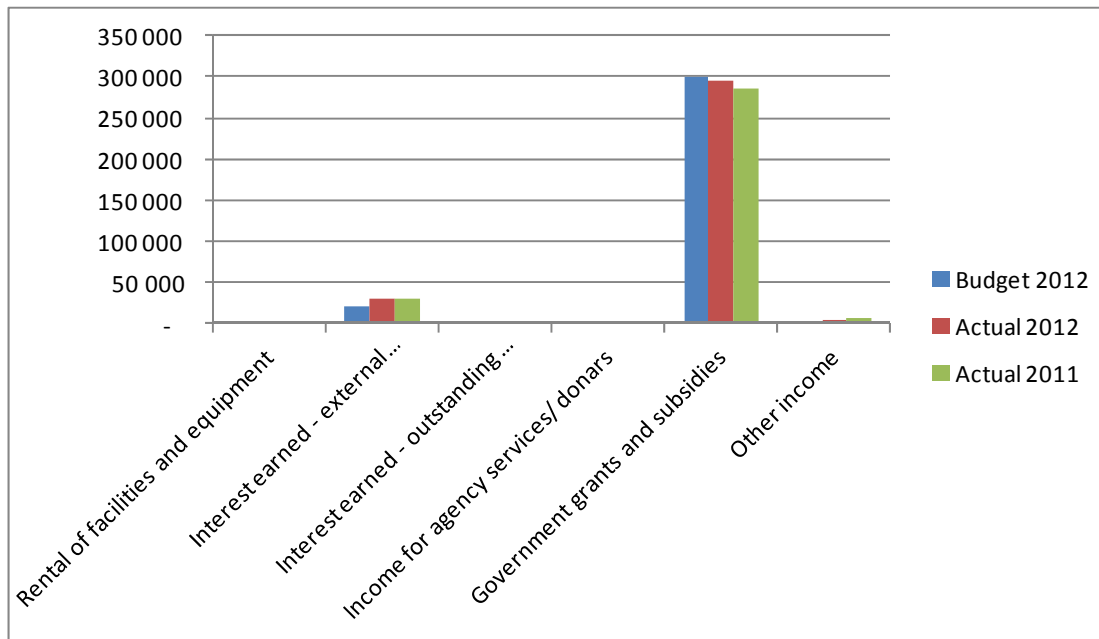
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1.2.3 REVENUE

T1.2.1

2012 Budget		Note	2012 R	2011 R
	REVENUE			
-	Rental of facilities and equipment		256,152	264,347
22,125,000	Interest earned - external investments		30,256,521	31,135,900
103,000	Interest earned - outstanding debtors		20,878	41,486
226,864	Income for agency services/ donars		226,864	112,602
301,055,832	Government grants and subsidies	15	294,684,832	284,659,021
2,384,000	Other income	16	4,707,485	5,919,642
325,894,696	Total revenue		330,152,730	322,132,998

T1.2.2



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1.2.4. GOVERNMENT GRANTS AND SUBSIDIES

Government Grants and subsidies increased with 3.52 % from R284, 659,021(2010/11) to R294, 684,832 (2011/12). Government Grants and subsidies include the RSC Levy Replacement grant, the equitable share, and Fire Service subsidy, Municipal System Improvement Grant, Finance Management Grant and the Transport Grant.

According to the accounting policies in terms of GRAP Standards only the portion that has been expended and meets the conditions of the grant are recognized as revenue

1.2.5. INTEREST EARNED

Interest earned on external investments decreased with 2.82% from R31, 135,900 (2010/2011) to R30, 256,521 (2011/2012). This decrease is attributed to a decrease in interest rates on call deposits.

Interest earned on outstanding debtors decreased with 49.68% from R41, 486 (2010/2011) to R20, 878 (2011/2012) due to better credit control measures.

1.2.6. OTHER INCOME

Other income decreased with 20.48% from R5, 919,642 (2010/11) to R4,707,485 (2011/12), which include discount received.

Total revenue increased with 2.49% from R322, 132,998 to R330, 152,720 from the 2010/2011 financial year. This amount exceeded the budget amount with R4, 258,035.

Indicative allocations published in Division of Revenue Act (DORA) point to an increase in the RSC Levy Replacement Grant.

The outlook for the next financial year is that the total revenue will increase compared to the year under review.

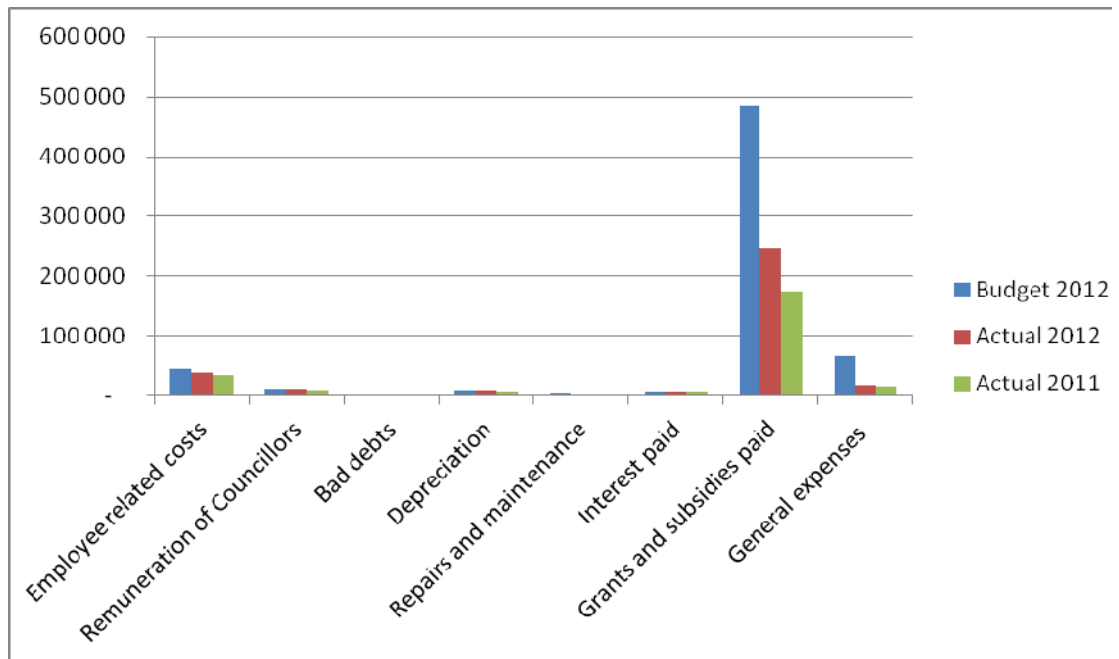
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1.2.7 EXPENDITURE

T1.2.2

2012 Budget	EXPENDITURE	2012 R	2011 R
46,195,331	Employee related costs	38,231,320	35,556,126
10,264,008	Remuneration of Councillors	10,254,697	8,589,272
27,000	Bad debts	17,710	5,960
7,853,000	Depreciation	7,556,871	6,619,085
2,973,533	Repairs and maintenance	2,087,666	2,335,394
6,722,000	Interest paid	5,973,380	6,632,339
484,821,172	Grants and subsidies paid	248,856,578	175,774,518
67,109,165	General expenses	19,265,878	13,712,330
625,965,209	Total Expenditure	332,244,100	249,225,024

T1.2.3



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1.2.8 GRANTS & SUBSIDIES

This expenditure relates to expenditure on infrastructure for local municipalities and regional functions for which the District Municipality is the primary authority.

Actual grants and subsidies paid represent 74.90% (70.53%:2010/11) of the total expenditure and increased with 41, 58% from R175, 774,518 (2010/11) to R248, 856,578 (2011/12). The increased expenditure shows that initiatives to speed- up project expenditure is starting to pay dividends during the period under review.

1.2.9 EMPLOYEE RELATED COST

Actual employee related costs increased with 7.52 % from R35, 556,126 (2010/11) to R38,231,320 (2011/12). Actual employee related costs are 82.76 % of the budget, which is due to vacancies which have not been filled in the year under review.

1.2.10 REMUNERATION OF COUNCILLORS

Payments made to councilors are in terms of the legislation on remuneration of public office bearers.

Actual councilor allowance costs increased with 19.39 % from R8, 589,272 (2010/11) to R10, 254,697 (2011/12). Actual councilor allowance costs are 99.91% of the budget.

1.2.11 DEPRECIATION

Depreciation is charged on Property, Plant & Equipment at rates determined in the accounting policies and asset useful life's is reviewed annually.

Actual depreciation costs increased with 14.17 % from R6, 619,085 (2010/11) to R7, 556,871 (2011/12). Actual depreciation costs are 96.23% of the budget.

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1.2.12 REPAIRS & MAINTENANCE

This expenditure relates to maintenance on the office building which was used for the full duration of the year under review.

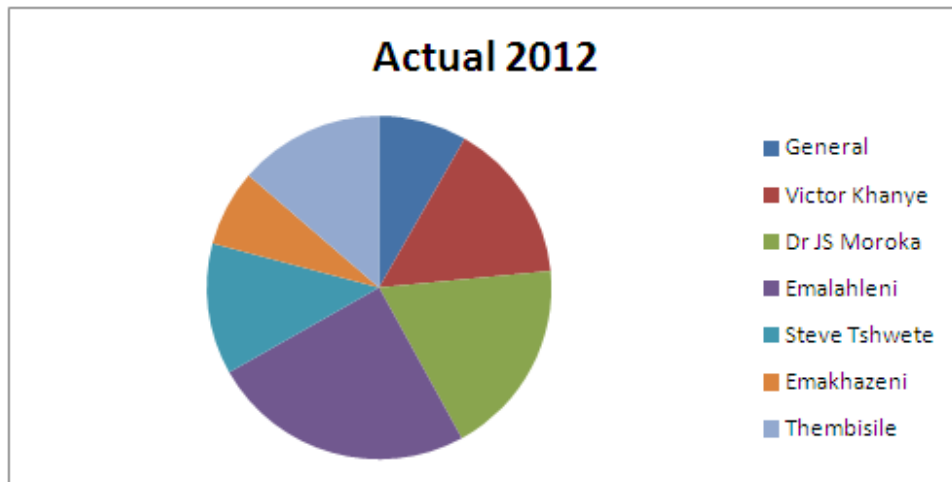
Actual repair and maintenance costs decreased with 10.61 % from R2, 335,394 (2010/11) to R2,087,666 (2011/12). Actual repair and maintenance costs are 70.21% of the budget.

1.2.13. INTEREST PAID

This interest relates to interest on long term loans with INCA, DBSA and financial leases for office equipment.

Actual interest costs decreased with 9.94 % from R6, 632,339 (2010/11) to R5, 973,380 (2011/12). Actual interest costs are 88.86% of the budget.

T1.2.4: ACTUAL



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1.2.14 GENERAL EXPENDITURE

General Expenditure compromise of operating expenditure not disclosed elsewhere on the statement of financial performance. Detail of general expenditure is disclosed under note 22 to the financial statements.

Actual general expenditure costs increased with 40.50 % from R13, 712,330 (2010/11) to R19, 265,878 (2011/12). Actual general expenditure costs are 28.71% of the budget.

The municipality realised a deficit of R2,091,370 for the 2011/12 financial year and an operating surplus of R72,907,973. This is an indication that the municipality for the first time is moving towards the eradication of roll overs.

1.2. 15 FINANCIAL POSITION

The Statement of Financial position represents the financial strength of the municipality by a comparison of assets over liabilities.

The total assets of the municipality decreased with 1.88% from R846, 254,892 (2010/11) to R830, 332,058 (2011/12). The contributing factors of this decrease in inventory and call investments as a result of the increased project expenditure.

Liabilities decreased with 11.17% from R123, 828 251 (2010/11) to R109,996,784 (2011/12), which is mainly due to the decreased accruals for 2012

1.2.16 KEY RATIOS

CURRENT RATIO

This ratio represents the ability of the municipality to pay short term obligations within the next 12 months.

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T1.2.5

	Current assets	Current Liabilities	
	R	R	Ratio
2011	724,459,129	71,355,365	10.15:1
2012	705,682,795	62,962,684	11.21:1

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1.2.17 ACID TEST

A stringent indicator that determines whether a company/institution has enough short-term assets to cover its immediate liabilities without considering inventory. Institutions with ratios of less than 1 cannot pay their current liabilities and should be looked at with extreme caution.

T1.2.6

	Current assets - Inventory	Current Liabilities	
	R	R	Ratio
2011	479,876,417	71,355,365	6.73:1
2012	467,209,191	62,962,684	7.42:1

1.2.18 SOLVENCY RATIO

This represents the ability of the municipality to pay both its long term and short term obligations.

T1.2.7

Total Assets	Total Liabilities	
R	R	Ratio

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2011	846,254,892	123,828,251	6.83:1
2012	830,332,055	109,996,784	7.55:1

1.2.19. OTHER RATIOS

T1.2.8

	30-Jun-12	30-Jun-11
Employee related cost/Total Expenditure	11.51	14.27
Actual Grants and subsidies paid/Total Expenditure	74.90	70.53
Actual Grants and subsidies paid/Budget	51.33	30.41

1.2.20 CREDIT RATING

Fitch's international credit rating committee has affirmed the Nkangala District Municipality's rating (based on the 2010/11 financial year), the Long-term local currency rating at 'BBB+' and National Long-term rating at 'AA-(zaf)'. The Outlook for both ratings is Stable.

At the same time the Committee has decided to upgrade the National Short-term rating to 'F1+(Zaf)' from 'F1(Zaf)'

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1.3.SUPPLY CHAIN MANAGEMENT

1.3.1. OVERVIEW SUPPLY CHAIN MANAGEMENT

Note: MFMA S110-119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

Council has an adopted SCM Policy in place and a procedures manual to enable implementation of the SCM policy in line with the MFMA – SCM Regulations (2005)

The District Municipality has established Bid Committees, in terms of the Supply Chain Management Policy, namely; Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee. The listed Bid Committees deal with the preparing specifications for tenders, evaluation of tenders after the closing date of a tender and adjudication of the evaluated tenders for approval by the Accounting Officer. Therefore processes are developed in terms of the Supply Chain Policy to be undertaken in respect of time frames for the evaluation and submission of such projects to the Bid Committees.

Council implemented the New Procurement Regulations 2011 as promulgated, as they came into effect on 07 December 2011.

NDM has the following long term contracts which are the (Municipal Financial and Billing Software (Munsoft) and RICOH (photocopier, fax machines).

1.3.2 GENERALLY RECOGNISED ACCOUNTING PRACTICES

The financial statements have been prepared in accordance with the Standards of Generally Recognized Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The municipality adopted the GRAP standard in the 2005/2006 financial year. The

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municipality intends to introduce the new GRAP standards that will be effective in the 2012/2013 financial year.

1.4 CONCLUSION

Good governance, sound financial management and financial viability remain critical success factors for the municipality.

1.5. ACKNOWLEDGEMENT

I would like to extend my appreciation to the Honourable Executive Mayor, Mayoral Committee and Councilors for strategic direction and leadership demonstrated during the financial year.

The guidance and vision of the Acting Municipal Manager and Heads of Departments are acknowledged with gratitude. A special word of appreciation is extended to all my colleagues for their loyalty and support.

Thank you

AL STANDER

MANAGER: FINANCE (CHIEF FINANCIAL OFFICER)

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1.6. STATUTORY ANNUAL REPORT PROCESS FOLLOWED AND CHECKLIST

No.	Activity	Timeframe	Checklist
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	May	Yes
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	July	Yes
3	Finalise 4 th quarter Report for previous financial year		No
4	Audit committee considers draft Annual Financial Statements and Draft Performance Report of municipality	August	Yes
5	Municipality submits draft Annual Financial Statements and draft Performance report to Auditor General.		Yes
6	Auditor General assesses draft Annual Financial Statements and draft Performance data	September - November	Yes
7	Municipalities receive and start to address the Auditor General's comments	November	Yes
8	Mayor tables the unaudited Annual Financial Statements		Yes
9	Mayor tables Draft Annual Report and audited Financial Statements to Council with the Auditor- General's Report	January	Yes
10	Audited Annual Report is made public, pasted on the website, and representation is invited	January	
11	Oversight Committee assesses Annual Report	February	
12	Council adopts Oversight report	March	
13	Oversight report is made public		

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14	Oversight report is submitted to relevant provincial councils		
15	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.		

1.7. COMMENT ON THE ANNUAL REPORT PROCESS:

The 2011/2012 Annual Report was prepared in accordance with the National Treasury, Municipal Finance Management Act 56 of 2003 circular no. 63. Legislatively, the Annual report is to be prepared by the municipality nine months after the end of the financial year. Thereafter, the Executive Mayor must present the annual report to be finally adopted by Council by the 31 March. The Council is required to adopt the oversight report containing its comments on the annual report and whether it approves, rejects or wishes to be referred back for further revision.

After Council has adopted the annual report as a draft the annual report must be submitted to the National Treasury by no later than 25 February. And further to the relevant provincial departments including Treasury. These timelines are in accordance with MFMA circular no. 11

The timeframes of the Annual Report – Update as per Circular no. 63 will be followed when compiling and preparing the Annual Report for the 2012/2013 financial year.

The annual financial statements presented in this Annual Report were prepared and submitted to the Auditor General before the 31 August 2012. Further, the draft annual performance report included in this annual report was prepared and submitted together with the AFS to the AG. In this case, the municipality has complied with the timelines for submission of all the documents indicated above.

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CHAPTER 2

GOVERNANCE

2.1. INTRODUCTION TO GOVERNANCE

The Nkangala District Municipality Council (NDM) consist of both members elected in accordance with subsections (2) and (3) of Section 157 of the Constitution of the Republic (act 108 of 1996), and members appointed by other Municipal Councils to represent those other Councils. The total number of Councilors directly elected is **24** whilst those that have been appointed by other Municipal Councils to represent those Councils are **35**.

The NDM Council has the Executive Mayoral System which allowed it to elect an Executive Mayor. The Executive Mayor in turn appointed a Mayoral Committee in terms of Section 60 (1) (a) of the Local Government Municipal Structures Act 117 of 1998, which states that: If the Council has more than nine (9) members, its Executive Mayor must appoint a mayoral committee from among the councilors to assist the Executive Mayor. Each member of the Mayoral Committee has been delegated specific responsibilities by the Executive Mayor in terms of Section of the Local Government Municipal Structures Act 117 of 1998. On occasions when the Executive Mayor has multi programmes to run, he delegates any of his powers to the respective members of the Mayoral Committee, in terms of Section 60 (1) (c) MSA 117 of 1998.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.2 INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Executive Mayor of the NDM is the political head of the Municipality. He presides at the meetings of the Mayoral committee, and performs the duties, including any ceremonial functions, and exercise delegated to the Executive Mayor by the Municipal Council in terms the NDM delegation framework.

The executive and legislative authority of Nkangala District Municipality is vested in its Municipal Council. The Municipal Council is chaired by the Speaker of Council. The Speaker of the NDM

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Council presides at the meetings of the council. He ensures that Council meets at least quarterly and maintain order during meetings. The Speaker further ensures compliance in the NDM Council and Council Committees with the Code of Conduct set out in Schedule 1 to the Local Government: Municipal Systems Act 32 of 2000, and must ensure that Council meetings are conducted in accordance with the NDM Standing Rules and order.

The NDM Council in its ordinary Council sitting resolved to institutionalize the Council Whip. The Council Whip, amongst others acts as an interface between the Speaker, the Mayoral committee and the Executive Mayor. (DM 15 /09/2007)

The Accounting Officer or the Municipal Manager is the Administrative head of the institution. As head of administration, the Municipal Manager is, subject to the policy directions of Municipal Council, responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. The administration is equipped to carry out the task of implementing the municipality's integrated development plan and the monitoring of progress with implementation of the plan. Further, the Municipal Manager is responsible for the appointment of staff other than those referred to in section 56 (a) of the Local government: Municipal Systems Act 32 of 2000, subject to the Employment Equity Act, 55 of 1998. As the administrative head of the Municipality, the Municipal Manager is responsible for advising the political structures and political office bearers of the Municipality and, to manage communication between administration, political structures and political office bearers. The carrying out of the decisions political structures and the office bearers of the Municipality is among the functions delegated to the Municipal Manager.

The Municipal Manager of NDM is responsible and accountable for all income and expenditure of the Municipality, all assets and discharge of all liabilities of the municipality; and proper and diligent compliance with the Municipal Finance Management Act 56 of 2003, in accordance with section 55 (2) (a-c) of the MSA 32 of 2000.

2.2.1 COUNCIL MANDATE

The overall strategic mandate of NDM Council as derived from section 152 of the Constitution of the Republic, Act 108 of 1996 is:

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;

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- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organizations in matters of local government

2.3 POLITICAL GOVERNANCE

The Municipal Council sits at least quarterly and considers items from the Mayoral Committee chaired by the Executive Mayor which are not delegated to the Executive Mayor but to Council. The Mayoral Committee deals and concludes those matters delegated to the Executive Mayor as per the NDM delegation framework. Further, NDM Council has established Council Committee in terms of section 79 of the Local Government Municipal Structures Act 117 of 1998, and determined the functions of these committees. These Council Committees are established in order for Council to effectively and efficiently perform any of its functions or to exercise any of its powers. The Municipal Council has also appointed chairpersons of these committees. These Council Committees are aligned to the functions delegated to the members of the Mayoral committee as follows:

- Infrastructure Development and Service Delivery
- Administration and Human Resources
- Transport, roads and public safety
- Social, youth and women development
- Finance
- Rules and Ethics

The Audit Committee has been established in accordance with Section 166 of Local Government: Municipal Finance Management Act no.56 of 2003, to advise the Municipal Council, the Political Office Bearers, the Accounting Officer and the Management of the Municipality on matters relating to financial control, risk management, performance monitoring and any other issues referred to the committee by the Municipality.

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2.3.1. COUNCIL WHIP: (INSTITUTIONALISATION)

Council resolved that in terms of resolution DM151/09/2007 to institutionalize the ...as follows:

THAT the following powers, duties and functions be allocated to the Office of the Whip:

- 1 To act as an interface between the Speaker, the Mayoral Committee and the Executive Mayor;
- 2 To address any public or private audience on behalf of Council;
- 3 To assist Council in developing a culture of municipal governance that complements formal representative government with a system of participatory governance;
- 4 To assist the speaker in ensuring that Council meetings are conducted in accordance with the Rules and Orders of Council;
- 5 To chair Disciplinary Committees in respect of Councillors, as and when necessary;
- 6 To collaborate on a regular basis with the Executive Mayor and Speaker on issues of conduct, Councillor benefits and governance;
- 7 To communicate to communities information concerning the available mechanisms, processes and procedures to encourage and facilitate community participation, the matters with regard to which community participation is encouraged, the rights and duties of members of the local community and municipal governance, management and development;
- 8 To contribute to building the capacity of communities to enable them to participate in the affairs of Council, Councillors and staff to foster community participation;
- 9 To convene Office Bearers' meeting as and when necessary to address critical matters in respect of the Council and local government in general;
- 10 To develop political training programmes for Councillors;
- 11 To encourage the involvement of communities and community organisations in all matters

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of Council and its activities;

- 12 To ensure coordination and accountability in Council's service delivery process by creating synergy and maintain discipline to ensure that growth and development receive top priority;
- 13 To ensure equitable representation in the different Council committees;
- 14 To ensure that Council committees meet regularly and contribute constructively to the business of Council;
- 15 To ensure that Council provides democratic and accountable government to local communities;
- 16 To ensure that Council provides services to communities in a sustainable manner;
- 17 To ensure that Councillors perform the functions of office in good faith, honestly and a transparent manner and at all times act in the best interest of Council and in such a way that the credibility and integrity of Council are not compromised;
- 18 To ensure that all Councillors including full-time Councillors
 - attend all Council, Mayoral Committee and other committees they serve on, as the case may be, unless specific leave of absence had been granted to such full-time Councillor not to attend the relevant meeting;
 - participate in the IDP Forum meetings of Council and the Local Municipalities in the area of jurisdiction of Council;
 - participate in the Ward Conference meetings of Council and the Local Municipalities in the area of jurisdiction of Council;
 - participate in the Ward Committee meetings of the Local Municipalities in the area of jurisdiction of Council when requested to do so by the relevant Ward Councillor;
 - participate in the Budget discussion meetings of Council and the Local Municipalities in the area of jurisdiction of Council;
 - adhere to Council decisions relating to hours of work;
 - participate in the Budget Indaba meetings of Council and the Local Municipalities in the area of jurisdiction of Council;
 - participate in the Community Outreach meetings of Council and the Local Municipalities in the area of jurisdiction of Council;
 - attend to matters raised by members of the community; and
 - execute any other duty assigned by Council or the Executive Mayor;

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- to determine processes and procedures to enforce delegated functions;
- 19 To ensure that directly elected Councillors have at least one meeting per quarter in their assigned Local Municipalities;
 - 20 To ensure that relationships between political parties are constructive and focused on key issues;
 - 21 To ensure the accountability of Councillors and the allocation of proportional in their various constituencies;
 - 22 To ensure the proper representation of other political parties in the various committees; thus maintaining sound relations between the various political parties;
 - 23 To involve communities in the development, implementation and review of Council's performance management system;
 - 24 To maintain cohesion within the governing party and building relationships with other political parties;
 - 25 To manage and enhance the political relationship between political parties represented in Council;
 - 26 To monitor and report on the manner in which Council exercises executive and legislative authority;
 - 27 To monitor and report on the manner in which Council governs the local government affairs of the local community;
 - 28 To monitor constituency work of all Councillors by receiving at least quarterly reports on the activities of the various Councillors;
 - 29 To monitor the general attendance by Councillors of Council and committee meetings;
 - 30 To perform a ceremonial role as Council may determine.
 - 31 To promote a safe and healthy environment;
 - 32 To promote good governance through membership of key committees and facilitation across political parties on a whole range of matters where convergence is sought;
 - 33 To promote social and economic development in Council's area of jurisdiction;
 - 34 To recommend the designation of Councillors to serve on Section 79 committees and other Council committees;

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T2.1

POLITICAL STRUCTURE



EXECUTIVE MAYOR
Councillor S K Mashilo

Functions

Provide general political guidance over the fiscal and financial affairs of the municipality as per MFMA 56 of 2003. Manages the drafting of the IDP as per the MSA 32 of 2000 as amended. As per delegation by Council



SPEAKER
Councillor BA Nkwanyana

Presides at meetings of the Council. Performs the duties and exercises the powers delegated in terms of section 59 of the MSA as amended



COUNCIL WHIP
Councillor TM Letlaka

As per Council resolution DM151/09/2007: Council Whip: Institutionalization

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MAYORAL COMMITTEE



Clr IM Masombuka
Member of the Mayoral Committee –
Finance (MMC)

To advise the Executive Mayor on financial and budget related issues. Play an oversight role on the performance of the Department of Finance.



Clr JF Radebe
Member of the Mayoral Committee –
Rural Development, Agriculture,
Public Safety and Transport (MMC)

To advise the Executive Mayor on Rural Development, Agriculture, Public Safety and Transport issues. Play an oversight role on the performance of the Departments of LED and Social Services.



Clr L Dikgale
Member of the Mayoral Committee –
Infrastructure, Service Delivery,
Water Sanitation Electricity Roads
and Maintenance (MMC)

To advise the Executive Mayor on infrastructure development and service delivery issues that include water, sanitation, electricity roads and maintenance. Play an oversight role on the performance of the Department of Technical Services.

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Clr C Motau
Member of the Mayoral Committee –
Corporate Services Human
Resources, Legal Services and
Human Resources Development
(MMC)

To advise the Executive Mayor
on Administration and HR and
HRD issues, Legal Services,
Occupational Health and
Safety issues. Play an
oversight role on the
performance of the Department
of Corporate Services



Clr NE Hlophe
Member of the Mayoral Committee –
Social Service, Disaster
Management, Youth, Women, the
Disabled, Sport, Arts and Culture,
Health & Education (MMC)

To advise the Executive Mayor
on Social Services, Disaster
Management, Youth,
Environment, Transversal,
Sports, Arts and Culture,
Health and Education. Play an
oversight role on the
performance of the Department
Social Services



Clr AP Mufume
Member of the Mayoral Committee –
LED, Rural
Development, Agriculture,
Human Settlement
& Tourism (MMC)

To advise the Executive Mayor
on Local Economic
Development, Human
Settlement, and Tourism
issues. Play an oversight role
on the performance of the
Department of LED

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2.3.2. COUNCILLORS

Refer to **Appendix B** which sets out committees and committee purposes.

2.3.3. POLITICAL DECISION-TAKING

Political decisions in the Municipal Council are taken by way of consensus. Council Resolutions are attached here as **Appendix B1**

2.4 ADMINISTRATIVE GOVERNANCE

2.4.1. INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Municipal Council appointed the Municipal Manager as an Accounting Officer to be the head of Administration. Council delegated all the administrative responsibilities to the Municipal Managers as per the delegation framework adopted by the NDM Council.

After consultation with the Municipal Manager, the Municipal Council appointed the Managers directly accountable to the Municipal Manager in terms of section 56 of the Local Government Municipal Systems Act 32 of 2000. Responsibilities have been delegated to the Managers accountable to the Municipal Manager in terms of the delegation framework as adopted by Council. Both the Municipal Manager and the Managers directly accountable to the Municipal Manager have been appointed on a five year fixed contract and they have signed the performance agreement with the Executive Mayor and the Municipal Manager respectively.

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	<p>TOP ADMINISTRATIVE STRUCTURE TIER 1</p> <p>Municipal Manager Mr. T C Makola</p>	<p>Functions</p> <p>The Head of Administration and the Accounting Officer. Responsible for all administrative responsibilities as per chapter 8 and section 55 of the MFMA and MSA¹ respectively. Reports to the Executive Mayor and Council. Ensures that the annual budget of Council is spent according to the legislative stipulations. Advices the Executive Mayor and Council at all times</p>
	<p>Manager: Corporate Services Mr. Z W Mcineka</p>	<p>Delegated to head Corporate Services related issues of, amongst others, HR recruitment, development in accordance with the legislation governing Local Government. Develops and monitor the implementation of HR policies and adherence thereto. Keeps records for the entire Municipality and ensure that Council Committees are established and are functional. Advices the Accounting Officer on such matters and reports to the Accounting Officer</p>

¹ Local Government: Municipal Systems Act No. 32 of 2000 as ammended

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Manager: Social Services
Ms. E K Tshabalala

Delegated to head the Social Services department and oversee all its programmes, viz. Community Services, Disaster Management, Environmental Pollution Control and Municipal Health Services. Advises the Accounting Officer on such matters and reports to the Accounting Officer



Manager: Technical Services
Mr. A G Zimbwa
Acting Municipal Manager (January-June 2012)

Delegated to head the Technical Services department and oversee all its programmes, viz. water, electricity roads and project management section. Advises the Accounting Officer on such matters and reports to the Accounting Officer.



Chief Financial Officer: Ms. A Stander
(April-June 2012)

Delegated to oversee the Council's annual budget, its preparation, adoption and its implementation. Report to the National and Provincial Treasury according to the MFMA. Manages staff in the department. Advises the Accounting Officer on such matters and reports to the Accounting Officer

At the beginning of the financial year the post of the Chief Financial Officer (CFO) was vacant. After following the transparent recruitment processes as stipulated in section 56 of the Local Government: Systems Act 32 of 2000 as amended, the position of the CFO was successfully filled in April 2012.

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COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.4 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The Cooperative Governance and Intergovernmental structure is comprised of following structures:

- Mayors Forum
- Municipal Manager's Forum
- Audit Committee
- IDP/LED Forum

The Executive Mayors- and municipal Managers forum were established. The Municipal Managers forum comprises of all Municipal Managers from the Local Municipalities and provides technical support to the Executive Mayors forum. The Executive Mayors forum on the other hand comprises of all Executive Mayors of the Local Municipalities that share their area of jurisdiction with the Nkangala District Municipality that is: Dr. JS Moroka LM; Emakhazeni LM; Emalahleni LM, Steve Tshwete LM; Thembisile Hani LM; and Victor Khanye LM. The Executive Mayors forum deals with issues that affect all the Municipalities in the District and provide political guidance on how such issues are to be addressed.

Through intergovernmental relations coupled with the role of the District Municipality to support Local Municipalities, NDM has extended the Audit Committee to its Local Municipalities. This has yielded good results in that since the shared services were extended, majority of Municipalities receives unqualified audit opinions from the Auditor General.

Further, the IDP/LED forum chaired by the Executive Mayor was established. This is a political forum that comprise of the Executive Mayors of the six Local Municipalities; Members of the NDM Mayoral Committee; Representatives of all political parties in the NDM Council; Municipal Managers from all six Local Municipalities within NDM; Senior Municipal Officials, Sector Departmental HOD's and Directors; Traditional Leadership; Councilors and Ward Committee Chairpersons; Business and Labour; Parastatals; Civil Society and other delegated government officials.

The IDP/LED forum provides an organizational mechanism for discussion, negotiating and decision making between the stakeholders inclusive of municipal government. All the above-listed stakeholders have contributed positively towards service delivery in that they represent their constituency interest in the IDP process, and participate in the process of setting and monitoring Key Performance Indicators.

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The forum has also contributed in the promotion of coordination and alignment of activities vertically and horizontally and, in the dissemination of information.

2.5.1 INTERGOVERNMENTAL RELATIONS

2...5.1.1.NATIONAL INTERGOVERNMENTAL STRUCTURES

2.5.1.2. National SALGA

This is information sharing structure and sharing of good practice

2.5.1.3. National Air Quality Lekgotla

This is information sharing structure and sharing of good practice.

2.5.1.4. **INFO:**

IMFO is a South African professional body founded in 1929, and dedicated to establish and maintain high standards of professionalism among municipal finance and municipal internal audit practitioners by providing an organizational framework for municipal finance officers to collectively enhance maintain and promote professionalism in the field of municipal finance. During the last ten to fifteen years, the Institute has concentrated on establishing and cementing meaningful relations with key institutions functioning within South Africa. IMFO is widely recognized for its imperative advisory role to the various national bodies.

The Institute itself has also been actively engaged in providing or supporting general training initiatives for municipal finance and internal audit practitioners in regard to financial and auditing skills in local government. Continuous professional development programmes such as Budget reform, Municipal Finance Management and other related Acts, Credit control, Business Long-term planning and more have been presented in partnership with many companies in the accounting and finance field.

By engaging in different professional development programmes, the Institute is not only contributing materially and actively to the enhancement of financial skills in local government but is ensuring that there is continual interaction between the Institute, its members and other municipal stakeholders. Close relationship has been established with tertiary institutions and the Local Government Seta (LGSeta). The Institute is also represented on working groups of the Accounting Standards Board (ASB) and is actively involved in commenting on and assessing all accounting standards prepared by

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the ASB for implementation in municipal government. Country-wide courses are furthermore presented on municipal and accounting management competency as prescribed by National Treasury.

A programme introducing municipal finance to non-financial managers is also undertaken. IMFO has contributed to the raising of the standard of professional excellence in local government finance over the years and continues to be at the forefront of providing valuable input to stakeholders on legislation influencing local government. The IMFO Conference held annually, demonstrates the Institute's dedication to play a constructive role in the consolidation processes following the current transformation in local government.

The structure of the Institute allows for a branch in each province. All members of the Institute are automatically members of their applicable branch. The nine branches play an important role in the activities of the Institute – activities comprising, inter alia: Workshops, seminars and presentations on legislation and other finance matters.

2.5.2. PROVINCIAL INTERGOVERNMENTAL STRUCTURE

2.5.2.1 Premier Coordination Forum: Monitoring of performance of all the provincial departments, Districts Municipalities and Local Municipalities, giving guidance on project implementation and sharing the provincial vision with all the already mentioned structures.

2.5.2.2 Executive Lekgotla:

Sharing of provincial mandate and monitoring of governance in the province

2.5.2.3 Provincial EPWP:

Guiding on the implementation of the projects and sharing good practice

2.5.2.4 Provincial Energy Forum:

Guiding on the implementation of the energy projects and sharing good practice. Meeting with the parastatals like Eskom

2.5.2.5 Provincial Water Forum:

Guiding on the implementation of the water related projects and sharing good practice

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2.5.2.6 Provincial SALGA Lekgotla:

This is information sharing structure and sharing of good practice. Assist with capacity building in Municipality and monitoring performance. Intervene where there are challenges.

2.5.2.7 MUNIMECS:

This is the meeting of the MEC with the Members of the Mayoral Committees responsible for specific portfolios. The aim is to monitor progress of sector departments and municipal departments

2.5.3. DISTRICT INTERGOVERNMENTAL STRUCTURES

District Municipality relates to its Local Municipalities through the following intergovernmental structures.

2.5.3.1 Mayors Forum

2.5.3.2 Municipal Managers Forum

2.5.3.3 Finance Forum

2.5.3.4 IDP/LED Forums

2.5.3.5 IDP/LED Working Groups

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COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.6 PUBLIC MEETINGS

2.6.1 COMMUNICATION, PARTICIPATION AND FORUMS

In the spirit of cooperative accountable governance the NDM has institutionalized a Community Feedback Programme that aims at improving communication and interaction between the District, the local municipalities and the community at large on issues of service delivery and development. The meetings are attended by Councillors from the District and local municipalities, Provincial Sector Departments, Office of the Premier, traditional leadership, community members, service providers and parastatals as well as civil society at large. All local municipalities within the District's area of jurisdiction are visited twice per financial year in August/September and January/February to table projects that have been prioritized and budgeted for by the District and Provincial Departments .

The District outreach meetings will be continued with as it has proved to be a practicable mechanism for deepening democracy whereby the District has direct contact with the District communities. The purpose of the meetings is therefore:

- To afford the community of the local municipalities an opportunity to guide the planning and budgeting process of Nkangala District Municipality through highlighting needs important for the development of their respective wards and municipality at large, which must be the focus of the 2012/13 Financial Year.
- To provide a platform for the community to participate and inform the IDP of the District.
- To assess the extent to which the current programmes/projects' initiatives implemented by the local municipalities, the NDM and Provincial Sector Departments as well as the key social partners address local developmental needs and concerns.
- To afford the municipalities and Provincial Departments an opportunity to present to their communities programmes and projects for that seeks to strategically address the

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developmental needs and concerns of our communities as identified in the proceeding engagements and IDPs.

The schedule of all the planned Community Outreach Programme meetings for the 2011/12 financial year is outlined in table below.

T2.2 : Community Outreach meetings

Date	Local Municipality	Time	Venues
03 Sep 2011	Emalahleni local municipality	10:00	Klarinet Hall
04 Sep 2011	Dr J S Moroka local municipality	10:00	Nokaneng Cluster Hall
10 Sep 2011	Victor Khanye local municipality	10:00	Eloff Community Hall
11 Sep 2011	Thembisile Hani local municipality	10:00	Ward 31 Kwaggafontein D – Open space
17 Sept 2011	Emakhazeni local municipality	10:00	Fano Masina Stadium
18 Sept 2011	Steve Tshwete local municipality	14:00	Morelig School at Wonderfontein
21 Jan 2012	Dr JS Moroka local municipality	10:00	Libangeni Community Hall
22 Jan 2012	Thembisile Hani local	10:00	Ward 17 Tweefontein E Open

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	municipality		space
28 Jan 2012	Emakhazeni local municipality	10:00	26 January 2012
04 Feb 2012	Victor Khanye local municipality	10:00	Schoeman Sports Ground
29 Jan 2012	Steve Tshwete local municipality	14:00	
05 Feb 2012	Emalahleni local municipality	10:00	Clewer Primary School

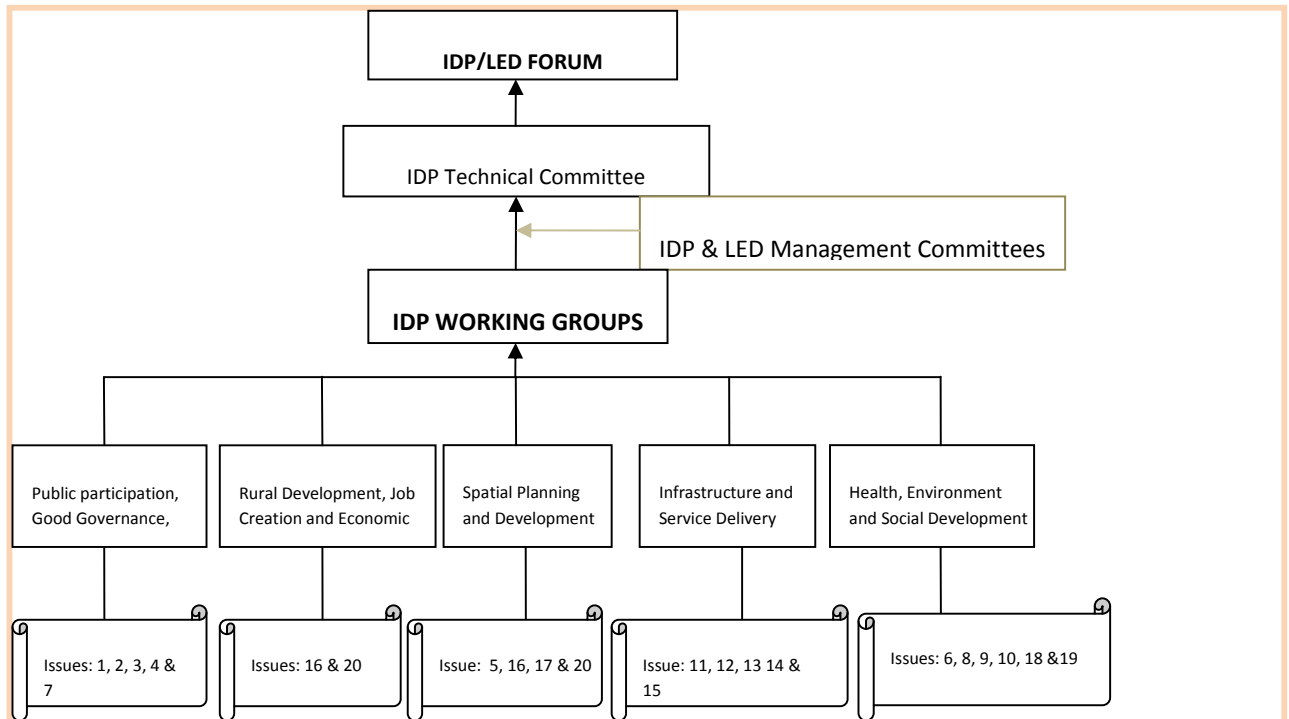
The District has institutionalised its community and stakeholder participation and consultation mechanisms. These mechanisms range from the structures utilised from the 2001/2 period in the evolution of the integrated development planning concept within Local Government in South Africa to the IDP Structures adopted in 2006 constituting the IDP Working Groups.

With a view of improving the functionality of these structures (including the IDP Forum, LED Forum, IDP Technical Committee, LED Working Groups and IDP Working Groups) the District has been continuously appraising their functionality and effectiveness. Throughout this process challenges relating to poor attendance, frequency of meetings, substantiveness of the discussions, the impacts were identified. Accordingly, the July 2009 Strategic Lekgotla recommended that a consultation process for the restructuring of the IDP Structures and LED Structures (i.e. LED Forum, LED Management Committee and LED Working Groups) be initiated. It was further recommended that the current configuration of the structured be used in the interim.

The new IDP Organizational arrangement as approved by Council in terms of the above review is depicted in the figure below and was utilized during the reviewal of the IDP.

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T2.3



Membership in all the these Structures is as per invitation and application of all Stakeholders within the District varying from, Government, Business, Organised Labour, Civil Society, NGOs and other organised formations/interest groupings therein.

Over and above the aforementioned Structures, the District on annual basis engage all the Stakeholders on the nature, content and validity of its IDP and Budget through the IDP Indaba during March, and Budget Indaba during May respectively. All the aforementioned Public communication and participation mechanism and processes constitute a long lasting tradition that has over the years enabled the District to approve the IDP and Budget that is informed by the Developmental aspirations of all the Stakeholders within its jurisdictional area.

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2.7. WARD COMMITTEES

One of the intrinsic features about the Integrated Development Planning process undertaken by the Nkangala District Municipality is the involvement of community and stakeholder organisations in the process. Participation of affected and interested parties ensures that the IDP addresses the core developmental issues experienced by the citizens of a municipality. To further strengthen community engagement the District has in collaboration with its constituent Municipalities established 143 Ward Committees, which were launched between June and September 2011.

The broad-based capacitation of the community on issues relating to economic development and job creation, health, safety and education must be high on the agenda of the NDM. Furthermore, the establishment of an efficient Ward Committee System in all municipalities (both in the urban and rural areas), and the implementation of a system of Community Development Workers in the District, must be addressed.

In preparation for the 2011 Local Government elections, the Municipal Demarcation Board has proposed various changes as far as the number of wards within the District are concerned. According to Table 2.4 below, the number of Wards within the District increased by 12, resulting in 143 Wards therein. This indicates that the number of Ward Councillors within the District will also increase by 12, and that additional CDWs to support these new Wards will be needed moving forward.

T2.4: Wards within the District

Municipality	2006 ward	2011 wards	Change
Victor Khanye	08	09	+01
Dr JS Moroka	30	31	+01
Emalahleni	32	34	+02
Emakhazeni	07	08	+01

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Steve Tshwete	24	29	+05
Thembisile Hani	30	32	+02
NDM	131	143	+12

Throughout the District, in aggregate terms, a report compiled in March 2011 showed that about 85% of ward committees were functional. Common challenges included resignation, lack of resources, lack of interest and motivation, transportation – particularly in vast wards, and out-of-pocket expenses, low literacy levels and in some cases lack of clarity in terms of roles and responsibilities of ward committee members. Concisely, a majority of wards that are non-functional are non-functional due to the lack of payment for ward committees. Accordingly in support to its constituent Local Municipalities, the District has embarked on a training process that will enhance the functionality and effectiveness of all the Ward Committees within its jurisdictional area.

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2.8 COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The Community Outreach Programme aims at improving communication and interaction between the District, the local municipalities and the community at large on issues of service delivery and development within their immediate neighborhoods. In a nutshell, the purpose of the meetings was therefore:

- To afford the Municipality and the community an opportunity to appraise the implementation progress and challenges in terms of all projects that are implemented in local communities.
- To entrench a culture of Government Programme Performance monitoring and evaluation among community members.
- To deepen principles of cooperative and accountable governance within the District.

All the meetings and other mechanism used to engage stakeholders within the District were therefore immensely effective in ensuring that the developmental aspirations of the communities therein, through the agreed developmental objectives are realized. Over and above the benefits stated herewith may be added with benefits in *Component C: Public Accountability and Participation*.

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2.9 IDP PARTICIPATION AND ALIGNMENT

T2.5

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPAs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	No
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Partly
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	No

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COMPONENT D: GOOD GOVERNANCE AND COMMUNICATIONS

2.10 OVERVIEW OF GOOD GOVERNANCE AND COMMUNICATIONS

Good Governance in the Municipality relates to the following to the following issues:

- Internal Audit Function
- Risk Management Function
- Community Feedback Programme
- Media Liaison (Electronic and Print Media)
- Ward Committees
- Youth Development

The municipality then came up with ways of responding to the above challenges mentioned through:

- Ensuring regular communication of Community Outreach Programme via various media/modes
- Creating a sound policy environment and full functioning IGR Systems.
- Facilitating the launching and the training of all the Ward Committees

2.10.1 RISK MANAGEMENT

Risk Management aims to identify and mitigate risks that could negatively affect the achievement of the Municipalities strategic and operational objectives. In terms of Section 62 (1) (c) (i) of Municipal Finance Management Act (MFMA) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

Risk refers to an unwanted outcome, actual or potential, to the Municipality service delivery and other performance objectives, caused by the presence of risk factor(s)

Risk management is a systematic and formalized process instituted by the Municipality to identify, assess, manage and monitor risks.

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Nkangala District Municipality implements and maintains effective, efficient and transparent systems of risk management and internal control and acknowledges that risk is often created by:

- Changes that takes place within the Municipality (i.e. people, systems, processes, technology, legislations and regulations
- External Influences (i.e. economics, availability of human resources and damages
- Operations and complexity of processes
- Volume of activities within the municipality and
- The nature of the control environment

A position for Risk Officer has been created and approved with the organogram for 2011/12. The risk management assists the Municipality to achieve, among other things, the following outcomes needed to underpin and enhance performance:

- More sustainable and reliable delivery of services;
- informed decisions underpinned by appropriate rigor and analysis;
- Innovation;
- reduced waste;
- Prevention of fraud and corruption;
- Better value for money through more efficient use of resources; and
- Better outputs and outcomes through improved project and programme management.

Risk Management is proactive and anticipatory at Nkangala District Municipality, enabling the Municipality to achieve its objectives with greater certainty. During 2011/12 risk management process was coordinated and facilitated to identify, assess and mitigate high rated risks.

The municipality conducted the risk assessment for 2011/12 financial year in June 2011. The risk assessment report was adopted by Council on its ordinary sitting on the 28 September 2011 as per resolution **DM118/09/2011**.

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The top five (5) Risks of Nkangala District Municipality for the period of 2011/12 are tabled as follows:

T2.6

No.	Risk Description	Mitigating Controls
1.	loss of data in the IT systems	<ul style="list-style-type: none"> • Security personnel. • Off-site backups. • UPS (Uninterrupted power supply) system in place.
2.	Breach of data security through unauthorized access to the IT system.	<ul style="list-style-type: none"> • IT security policy in place.
3.	Non-alignment of planning requirements of different spheres.	<ul style="list-style-type: none"> • IDP/LED forum. • Premier's coordinating council. • Inter-governmental relations framework Act. • IDP framework/process plans.
4.	Failure to adopt a single, inclusive and strategic plan for the development of the Municipality.	<ul style="list-style-type: none"> • Adopted IDP. • IGR structures. • IDP framework/process plans. • Communication strategy.
5.	Failure to approve the budget.	<ul style="list-style-type: none"> • Approved budget. • Approved budget timetable. • Approved framework for community participation.

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2.10.2 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

Nkangala District Municipality is wholly committed to protecting its revenue, expenditure, assets and reputation from any attempt by any person to gain financial or other benefits in an unlawful, dishonest and unethical manner.

The Municipality has developed fraud and corruption prevention policy which was adopted by Council on its ordinary sitting on the 27 October 2010 as per resolution **DM144/10/2010**. There were no investigations concluded in the year under review.

Risk Management Unit at Nkangala District Management is also a preventative anti-corruption technique and assists with preventing and detecting fraud during risk assessment.

Nkangala District Municipality also has a functional Audit Committees which advises Council and the Internal Audit of the Municipalities control, governance and risk management and this also assist with combating fraud and corruption. The audit committee consists of four audit committee members and a chairperson. Audit Committee held seven (7) meetings during the 2011/2012 financial year. The municipality's Audit Committee recommendations for 2011/12 are set out at **Appendix G**.

2.11 WEBSITES

T2.7

MUNICIPAL WEBSITE: CONTENTS AND CURRENCY MATERIAL		
Documents published on the municipality's website	Yes/No	Publishing date
Current annual budget	Yes	06/2011
Annual adjusted budget	Yes	03/2012
Adopted budget related policies	Yes	06/2011
All the Supply Chain contracts above the value prescribed in the SCM policy	Yes	As and when such is advertised

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2.12. COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

All the Municipal employees who are resident in the main NDM offices have access to internet, with the exception of the satellite office in Kwa-Mhlanga. This subsequently enables all users access including external users. There is a policy on internet usage. All appointed employees have e-mail addresses which have been upgraded from .org to .gov. No employee can access the e-mail and/or the other employee because there is a unique username and password for each employee.

2.13 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Community Satisfaction Survey was conducted in Nov 2010 in an effort, to obtain feedback about service delivery and input on ways to improve services. The study revealed that on average, households rate the NDM “fair” in overall performance across service areas compared to other public institutions, and other stakeholders such as businesses and other government institutions rate the NDM “poor”.

T2.8

Satisfaction Surveys Undertaken during 2007/08 and 2011/12				
Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:	Face-to-face interviews	NOV 2010	1205	
(a) Municipality				
(b) Municipal Service Delivery				Better: 46.6%
(c) Mayor				
Satisfaction with:				
(a) Refuse Collection				Better:45.8%
(b) Road Maintenance				Better:42%
(c) Electricity Supply				
(d) Water Supply				Better: 45.6%

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Satisfaction Surveys Undertaken during 2007/08 and 2011/12				
Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%)*
(e) Sanitation				Better: 45.6%
(f) Fire & emergency services				Better: 36.3%
(f) Information supplied by municipality to the public				Better : 50.1%
(g) Opportunities for consultation on municipal affairs				Satisfactory: 81.7%
<i>Source: Nkangala District Municipality Community Satisfaction Survey Study 2009/2010</i>				

T2.13.1 COMMENT ON SATISFACTION LEVELS:

Several potential locations for the establishment of Thusong Centres have been identified within each of the municipal areas in NDM. In order to reinforce the flow and dissemination of information and community participation, promotional materials are also developed, availed and widely distributed. These ranges from brochures, t-shirts, backdrops, banners, etc. Communication through radio; local and national newspapers; and the NDM website has been utilized for advertising meetings, workshops, conferences, summits and other functions. In addition, ward committees and Community Development Workers (CDWs) also play a role in the endeavor to fast-track service delivery and poverty eradication.

CHAPTER 3

SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3.1. INTRODUCTION

Nkangala District Municipality is not directly responsible for basic services implementation; however it supports all the local municipalities in the Nkangala District jurisdiction. Therefore, Technical Services Department manages the implementation of infrastructure capital projects and Expanded Public Works Programme (EPWP). The department also reports on the projects executed and maintains control systems for each phase of project implementation cycle. The department also plays a key role in the prioritisation and implementation of all projects on programmes executed in the Municipality's area of jurisdiction.

The Technical Services Department is committed to the improvement of the physical, socio-economic and institutional environment in order to address poverty and promote infrastructure development by:

- Developing infrastructure to enable and ensure service provision that meets the priority of communities.
- Promoting Integrated Development Planning and the proper coordination and alignment of infrastructure development initiatives in the district through sector planning.
- Encourage and supporting the effective performance and functioning of local municipalities in ensuring access to basic services within the district.
- Enhancing economic growth and development within the district through infrastructure project implementation.
- Promoting a healthy and safe environment for all.

The Technical Services Department focuses, inter alia, on the following areas:

- Issue 12 – Water & Sanitation*
- Issue 13 – Electricity Supply*
- Issue 14 – Roads & Storm water*
- The Expanded Public Works Programme (EPWP)*

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As part of a comprehensive strategy to deal with water and sanitation related challenges facing the Nkangala District Municipality (NDM), a range of initiatives are currently prioritized. Respective Managers have been appointed to deal with the above mentioned services. The priority area is areas where the infrastructure exists, but inadequate service is provided. Below are the key strategic thrusts and initiatives emanating from the Water Master Plan (WMP) (2008) that has been on consideration and implemented, which include:

- *Collaboration,*
- *Institutional Arrangements,*
- *Cullinan and the Western Highveld Region Emergency Augmentation Scheme,*
- *Rand Water Augmentation Scheme for Delmas/ Victor Khanye Local Municipality,*
- *Reclamation of Mine Water (Emalahleni & Steve Tshwete Local Municipalities),*
- *Raw water supply to industries,*
- *Refurbishment of Brugspruit Treatment Plant, and*
- *Recycling of Sewer Effluent*

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

3.2 INTRODUCTION TO BASIC SERVICES

In the last five years, NDM's Council confirmed this Developmental Issue and the challenges therein to be detriment to the realisations of the Vision of the District. The delivery of basic services is essential in improving the quality of life and sustainable development for communities. In order for a household to be considered having adequate access to sanitation, the household should have a facility that removes human waste, is affordable, hygienic, and accessible. It should be noted that Nkangala District Municipality is not a water services authority.

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T3.1: Expenditure for period 2007/8 – 2011/12

	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	TOTAL
WATER	R 29,442,225.00	R 47,517,985.82	R 41 714 695.26	R 47 635 663.00	R 34 520 000.00	R 200 830 569.10
SEWERAGE	R 24,250,446.00	R 23,306,416.73	R 31 989 501.45	R 49 651 164.62	R 18 500 000.00	R 147 697 528.80
ROADS & SW	R 21,989,148.00	R 19,746,310.82	R 58 905 844.51	R 39 772 311.88	R 82 441 242.28	R 222 854 857.50
ELECTRICITY	R 6,168,241.00	R 2,145,882.12	R 4 749 789.88	R 3 144 630.72	R 25 959 303.34	R 42 167 847.06
URBAN DEVELOPMENT	R 3,431,710.00	R 1,792,477.17	R 548 806.25	R 5 155 866.08	-	R 10 928 859.06
WASTE DISPOSAL	R 0.00	R 366,641.12	R 31 477.50	R 406 875.11	R 4 990 000.00	R 5 794 993.73
OTHER	R 0.00	R 2,859,329.80	R 39 959 920.15	R 42 883 622.89	R 17 576 139.09	R 103 279 011.73
Total	R 85,281,770.00	R 97,735,043.58	R 180 484 975.00	R 188 650 134.25	R 164 784 340.70	R 733 553 667.60

T3.2. Basic service delivery in South Africa, Mpumalanga and Districts, 1996 - 2009

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Indicator	National		Mpuma-langa	Gert Sibande	Nkangala	Ehlanzeni
	Level	2014/15 target				
% of households with formal housing	72.4%	–	79.8%	70.0%	74.7%	90.0%
Formal housing backlog	3 711 528		203 480	84 772	76 957	41 752
% of households with hygienic toilets	69.1%	100%	54.1%	75.7%	49.4%	42.9%
Sanitation backlog	4 156 325	–	462 029	68 774	154 065	239 189
% of households with water at/above RDP level	78.8%	100%	77.1%	84.5%	83.0%	67.8%
Water backlog	2 847 569	–	230 978	43 995	51 883	135 101
% of households with electrical connections	80.2%	92%	82.3%	81.0%	85.0%	81.3%
Electricity backlog	2 659 153	–	178 115	53 860	45 791	78 464
% of households with formal refuse removal	61.0%	75%	45.9%	59.9%	48.5%	34.6%
Formal refuse removal backlog	5 247 071	–	544 327	113 581	156 655	274 091
Infrastructure index	0.69	–	0.65	0.70	0.66	0.60

Source: Global Insight – ReX, September 2010

Above depicts the basic service delivery on national, provincial and district level. Nkangala District Municipality is with all the indicators, second of the three Districts in the Province, in terms of access to services and backlogs, with the exception of electrical connections.

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3.3 WATER PROVISION

3.3.1. INTRODUCTION TO WATER PROVISION

Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005

In Mpumalanga Province all category B municipalities have been authorised for the Water Services Authority (WSA) function. However, the Local Municipalities do not have sufficient capacity to perform their WSA functions. The Nkangala District Municipality (NDM) must therefore perform its required and expected role in building capacity support (infrastructure development) at local level and ensure adequate sector planning and co-ordination.

The NDM has made significant investments in Water and Sanitation infrastructure in the District during the past few years. Since the year 2007 an amount of **R 200 830 569.10** has been spent on water infrastructure (see Table 1 above).

Figure 30 shows the percentage of households with piped water at/above RDP-level in Nkangala and its local municipalities. The households in Nkangala showed an improvement in access of piped water at/above RDP - level from 81.9 per cent in 1996 to 83.0 per cent in 2009, thus represents an increase of 2.1 percentage points (Figure 34). Nkangala recorded a percentage above the provincial average of piped water at or above RDP-level at 77.1 per cent during the period under review.

Among six local municipalities in Nkangala, Emakhazeni (91.5 per cent) managed to register the highest percentage of households with piped water at/above RDP level followed by Emalahleni (88.0 per cent) whereas Dr JS Moroka (61.6 per cent) recorded the lowest percentage.

Households without piped water at or above RDP-level in Nkangala were recorded at 51 883 households in 2009 and contributed 22.5 per cent to the provincial backlog 230 978 households. Emakhazeni recorded the lowest backlog with 1 381 and Dr JS Moroka had the highest backlog of 19 675 households without water.

T3.1.1

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3.4 COMMENTS ON WATER USE BY SECTOR:

T3.3

Water Service Delivery Levels	
Households	
Description	Year 2011/12
	Actual
	No.
<u>Water: (above min level)</u>	
Piped water inside dwelling	0
Piped water inside yard (but not in dwelling)	190
Using public tap (within 200m from dwelling)	72
Other water supply (within 200m)	22
<i>Minimum Service Level and Above sub-total</i>	
<i>Minimum Service Level and Above Percentage</i>	285
	86%
<u>Water: (below min level)</u>	
Victor Khanye Local Municipality	8
Dr.JS Moroka Local Municipality	89
Emakhazeni Local Municipality	5
Emalahleni Local Municipality	38
	20
Steve Tshwete Local Municipality	
	48
Thembisilie Hani Local Municipality	
	208
Below Minimum Service Level Percentage	14%
	333
Total number of households*	

Source : NDM WMP: 2008

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T3.3

Water Service Delivery Levels	
Households	
Description	Year 2011/12
	Actual
	No.
<u>Water: (above min level)</u>	
Piped water inside dwelling	0
Piped water inside yard (but not in dwelling)	190
Using public tap (within 200m from dwelling)	72
Other water supply (within 200m)	22
<i>Minimum Service Level and Above sub-total</i>	285
<i>Minimum Service Level and Above Percentage</i>	86%
<u>Water: (below min level)</u>	
Victor Khanye Local Municipality	8
Dr JS Municipality	89
Emakhazeni Local Municipality	5
Emalahleni Local Municipality	38
Steve Tshwete Local Municipality	20
<i>THLM</i>	48
	208
<i>Below Minimum Service Level Percentage</i>	14%
Total number of households*	333

Source : NDM WMP: 2008

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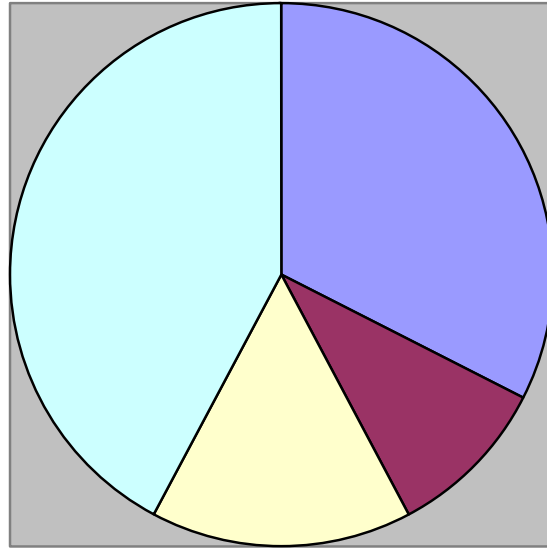
T3.4

R' 000						
Capital Projects	Year 2011/12					
	Budget	Adjustment Budget	Actual Expenditure	% Expenditure	Variance from original budget	Total Project Budget
Total All	26590458	8000000	12631310	48	-111%	34590458
1104/12E:REPLACEMENT OF ASBESTOS PIPES (Victor Kanye LM)	1 500 000.00		1 498 887.88	99.93	0%	1500000
4105/12E:MARAPYNAN E WATER RETICULATION(Dr J S Moroka LM)	2 000 000.00		1 993 796.95	99.69	0%	2000000
4106/12E:SEMOTHLAS E WATER RETICULATION(Dr J S Moroka LM)	2 000 000.00		1 843 121.24	92.16	-9%	2000000
4107/12E:MOLETJI WATER RETICULATION(Dr J S Moroka LM)	2 000 000.00		1 850 952.57	92.55	-8%	2000000
4108/12E:NOKANENG BULK WATER SUPPLY(Dr J S Moroka LM)	2 000 000.00		1 840 104.57	92.01	-9%	2000000
6178/12:UPGRADING OF EMALAHLENI WATER PURIFICATION PLANT (Emalahleni LM)	5 120 000.00		-	-	#DIV/0!	5120000
6114/12E:INSTALLATI	3 070 457.58		922 617.20		-233%	3070458

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R' 000						
Capital Projects	Year 2011/12					
	Budget	Adjustment Budget	Actual Expenditure	% Expenditure	Variance from original budget	Total Project Budget
ON OF BULK AND DOMESTIC WATER METERS(Emalahleni LM)				30.05		
5119/12:NEW 10mL RIETFONEIN RESERVOIR(Steve Tshwete LM)	1 400 000.00		1 400 000.00	100.00	0%	1400000
2115/12:RISING OF DULLSTROOM DAM WALL PHASE 1(Emakhazeni LM)	3 500 000.00		-	-		3500000
3122/12:REFURB & INSTAL VALVES(Thembisile Hani LM)	-	8 000000.00	-	-		0
3101/12:REPLACEMENT OF ASBESTOS PIPES 48KM(Thembisile Hani LM)	4 000 000.00		1 281 829.60	32.05	-212%	4000000
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						<i>T 3.1.9</i>

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■ Budget ■ Adjustment Budget ■ Actual Expenditure ■ Total Project Budget

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3.5. COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

Despite the enormous capital investments committed as depicted in Table 1 the NDM is still confronted with huge backlogs in levels of service which will require vast amounts of money to eradicate as indicated in the IDP.

Communities within the jurisdiction of the NDM receive Free Basic Services (FBS) from their respective local municipalities as per their adopted indigent policy. The status of FBS in the municipalities is sketched out in T3.5.6.1 below.

T3.5 Status of FBW Provision (2011/12 NDM IDP)

Municipality	FBW policies by-laws	Block Tariff	% UAW	% Water Billed	% Cost recovery – billed water
Victor Khanye	No	Yes	39	63.6%	90%
De JS Moroka	No	No	81	3.2%	4%
Emalahleni	No	Yes	43	57%	92%
Emakhazeni	No	Yes	20	52%	48%
Steve Tshwete	Yes	Yes	20	75%	99%
Thembisile Hani	No	Yes	41	23%	4%

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3.6 WASTE WATER (SANITATION) PROVISION

3.6.1 INTRODUCTION TO SANITATION PROVISION

In Mpumalanga Province all category B municipalities have been authorised for the Water Services Authority (WSA) function. However, the Local Municipalities do not have sufficient capacity to perform their WSA functions. The Nkangala District Municipality (NDM) must therefore perform its required and expected role in building capacity at local level and ensure adequate sector planning and co-ordination.

The NDM has made significant investments in Water and Sanitation infrastructure in the District during the past few years. Since the year 2007 an amount of **R 147 697 528.80** has been spent on sanitation infrastructure.

T3.6.2

Sanitation Service Delivery Levels	
*Households	
Description	Year 2011/12
	Actual
	No.
<u>Sanitation/sewerage: (above minimum level)</u>	
Flush toilet (connected to sewerage)	159
Flush toilet (with septic tank)	2
Chemical toilet	–
Pit toilet (ventilated)	20
Other toilet provisions (above min.service level)	122
<i>sub-total</i> <i>Minimum Service Level and Above</i>	304
<i>Percentage</i> <i>Minimum Service Level and Above</i>	36.3%
<u>Sanitation/sewerage: (below minimum level)</u>	

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Sanitation Service Delivery Levels	
*Households	
Description	Year 2011/12
	Actual
	No.
Victor Khanye Local Municipality	15
Dr JS Municipality	203
Emakhazeni Local Municipality	8
Emalahleni Local Municipality	67
Steve Tshwete Local Municipality	20
Thembisile Hani Local Municipality	221
<i>Below Minimum Service Level sub-total</i>	534
<i>Below Minimum Service Level Percentage</i>	63.7%
Total households	837

Source : NDM WMP:2008

T3.6.3

Access to Sanitation	
	Proportion of households with access to sanitation
Year	
2011/12	304000

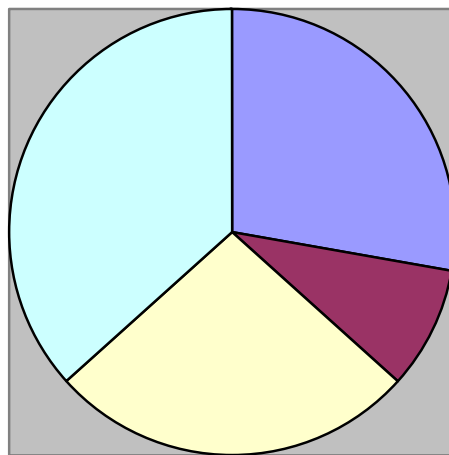
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T3.6.4

Capital Expenditure Year 2011/12: Sanitation Services						
R' 000						
			YTD	%		
Capital Projects	Budget	Adjustment budget	Expenditure	Expenditure	Variance from original budget	Total project Budget
	4220/12E:CONSTRUCTION OF VIP TOILETS AT MTHAMBOTHINI(Dr J S Moroka LM)	1 000 000.00		996 288.90	100%	3 711.10
4221/12E:CONSTRUCTION OF VIP TOILETS AT MEETSEMADIBA(Dr J S Moroka LM)	1 000 000.00		991 330.90	99%	8 669.10	991330.90
6231/12:REPLACEMENT OF CASH IRON MANHOLES IN EMALAHLENI(Emalahleni LM)	1 000 000.00		999 854.00	100%	146.00	999.854.00
4222/12E:CONSTRUCTION OF VIP TOILETS AT PETERSKRAAL & SKIMMING(Dr J S Moroka LM)	1 000 000.00		736 611.20	74%	263 388.80	
6232/12:UPGRADE KLARINET X2, X3 & PINE RIDGE(Emalahleni LM)		4 500 000.00		0%	-	4500 000.00
4223/12E:CONSTRUCTION OF VIP TOILETS AT LEFISO(Dr J S Moroka LM)	1 000 000.00		939 831.90	94%	60 168.10	1 000 000.00
4224/12E:CONSTRUCTION OF VIP TOILETS AT LEFISOANE(Dr J S Moroka LM)	1 000 000.00		997 050.90	100%	2 949.10	1 000 000.00
4225/12E:CONSTRUCTION OF VIP TOILETS AT MABUYENI(Dr J S Moroka LM)	1 000 000.00		975 992.82	98%	24 007.18	1 000 000.00

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Capital Expenditure Year 2011/12: Sanitation Services						
R' 000						
			YTD	%		
Capital Projects	Budget	Adjustment budget	Expenditure	Expenditure	Variance from original budget	Total project Budget
LM)						
5209/12:UPGRADING 4TH PHASE KLEIN OLIFANTS OUTFALL SEWER(Steve Tshwete LM)	7 000 000.00		7 000 000.00	0%	-	7 000 000.00
	14 000 000.00	4 500 000.00	13 636 960.62	97%	363 039.38	18 500 000.00



Despite the enormous capital investments committed as depicted in Table 1 the NDM is still confronted with huge backlogs in levels of service which will require vast amounts of money to eradicate as indicated in the IDP.

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FIGURE1: UPGRADING OF WASTE WATER TREATMENT WORKS IN DULLSTROOM

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3.7 ELECTRICITY

3.7.1 INTRODUCTION TO ELECTRICITY

In Nkangala District Municipality, four local municipalities, namely: Steve Tshwete, Emalahleni, Delmas/Victor Khanye and Emakhazeni have been authorized for the electricity supply function, but the two western Highveld municipalities Thembisile Hani and Dr JS Moroka local municipalities are serviced by Eskom. . The Nkangala District Municipality (NDM) must therefore perform its required and expected role in building capacity at local level and ensure adequate sector planning, co-ordination and **support**.

Communities in the NDM are fairly well supplied with electricity. The municipal electricity consumption index, which shows the number of people that are living in houses with or without electricity, shows that about 85% of the people lived in houses that were electrified and 15% were not electrified (Stats SA 2006).

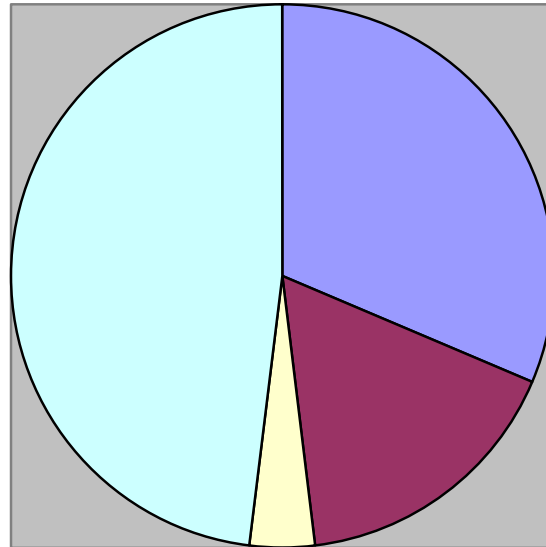
NDM participate in the Mpumalanga Provincial Energy forum that meets quarterly.

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T3.7

Capital Expenditure Year 2011/12: Electricity Services						
R' 000						
Capital Projects	Budget	Adjustment budget	Expenditure	% Expenditure	Variance from original budget	Total project budget
6454/12:DOORNPOORT UPGRADE(Emalahleni LM)	11 000 000.00		175 676.34	2	-1.60	11 000 000.00
6455/12:MASTER PLAN(Emalahleni LM)	2 000 000.00		1 215 000.00	61	-60.75	2 000 000.00
6456/12:INSTAL ELECTRICAL & WATER METERS(Emalahleni LM)	-	4 500 000.00	-	-	0.00	4 500 000.00
2405/12:UPGRADING OF ELECTRICAL MEDIUM NETWORK IN BELFAST(Emakhazeni LM)	561 432.34		555 578.38	99	-98.96	561 432.34
2407/12:INSTALLATION OF ELECTRICAL METERS(Emakhazeni LM)	-	4 487 000.00	-	-	0.00	4 487 000.00
3411/12:HIGHMAST LIGHT(Thembisile Hani LM)	3 410 871.00		200 381.00	6	-5.87	3 410 871.00
	16 972 303.34	8 987 000.00	2 146 635.72			25 959 303.34

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■ Budget ■ Adjustment Budget □ Actual Expenditure □ Total Project Budget

3.8 WASTEMANAGEMENT

3.8.1 INTRODUCTION TO WASTE MANAGEMENT

The mandate of a District Municipality in respect of waste management is covered in section 84 (e) of the Local Government: Structures Act 117 of 1998, and it provides as follows, “*solid waste disposal sites in so far as it relates to the determination of the waste disposal strategy, the regulation of the waste disposal, the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district*”.

Waste Management is covered in Issue 19 of the NDM Integrated Development Plan (IDP) and cites the following as part of the challenges that are facing the region in terms of waste management:

- Lack of access to refuse removal services, that translate into refuse removal backlogs in terms of refuse storage and collection receptacles.
- Lack of formal or licensed waste disposal facilities, most of these facilities are either illegal dumping sites or are not operated according to the **Department of Water Affairs(DWA)** minimum standards;

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- Lack of formal and well coordinated recycling programmes and projects which co-ordinated by the municipalities or other government agencies.
- There is a need to support the Regional Waste Disposal Site idea that is promoted by Department of Economic Development Environment and Tourism (DEDET)
- There is a need to support the provincial wide Central Hazardous Waste Treatment Facility idea that is promoted by Department of Economic Development Environment and Tourism (DEDET) to be in Nkangala District

To that end Nkangala District Municipality developed and adopted in 2010 an Integrated Waste Management Plan.

A summary of the existing disposal facilities in the district and their legal status are indicated in the following table:

T3.8.2

STATUS OF LANDFILL PERMITTING/LICENSING IN NKANGALA DISTRICT MUNICIPALITY	
Local Municipality: Delmas	Permit Status: Permitted/Licensed
Name of disposal facility	
Delmas Botleng	Permitted for continued operation on 8 Feb 1996
Delmas Witklip	Permitted for closure by DWAF on 1 Feb 1996
Proposed Delmas transfer station	In process of being permitted/licensed
Local Municipality: Emakhazeni	Permit Status
Belfast	Permitted on 11 March 2009
Dullstroom	Not permitted/licensed
Waterval Boven	Not permitted/licensed
Machadodorp	Not permitted/licensed
Local Municipality: Thembisile Hani	Permit Status

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STATUS OF LANDFILL PERMITTING/LICENSING IN NKANGALA DISTRICT MUNICIPALITY	
Kwagga Plaza	Authorised, Directions 28 Feb 2003
Local Municipality: Dr JS Moroka	Permit Status
Libangeni	Authorised through Directions by DWAF
Local Municipality: Steve Tshwete	Permit Status
Komati transfer station	RoD issued by DEDET, not yet licensed
Rietkuil transfer station	RoD issued by DEDET, not yet licensed
Pullenshope transfer station	RoD issued by DEDET, not yet licensed
Doornkop transfer station (proposed)	Planning stage, permit application submitted
Bankfontein transfer station (proposed)	Planning stage, permit application submitted
Middelburg landfill site	Permitted on 16 July 2002 by DWAF
Local Municipality: Emalahleni	Permit Status
Emalahleni Leeuwpoort landfill	Permitted on 22 September 1994 by DWAF
Phola Ogies landfill	Not permitted/licensed, application was submitted for closure

Together with the above the NDM Integrated Waste Management Plan 10, various local municipalities in the region lack sufficient equipments and vehicles to deliver effective waste management services. In the main, the waste collection vehicles are old and in bad condition and renders the services unsustainable

Traditionally the function of refuse removal, refuse dumps and solid waste disposal remains the competency of local municipalities and therefore the district plays a coordinating role and support. To that extend the following waste management equipment and vehicles were procured:

T3.8.3

Waste Management Equipment	Beneficiary	Value (R Excluding VAT)	Delivery Date
Supply, delivery and Registration of One 22 M ² Refuse Compactor Truck	Emalahleni Local Municipality	R1 857 807.07	18 July 2011
Supply, delivery and Registration of One 22 M ² Refuse Compactor Truck	Victor Khanye Local Municipality	R 2 355 437.70	13 July 2011

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Waste Management Equipment	Beneficiary	Value (R Excluding VAT)	Delivery Date
Supply Delivery and Registration of 12 Tractors	Emalahleni, Thembisile, Emakhazeni and Dr J S Moroka	R6 246 240.00	13 July 2011
Supply and delivery of 10 mass Waste Containers	Victor Khanye Local Municipality	R174 480.00	



Figure 2: Tractors delivered by the Nkangala District Municipality to the various local municipalitites

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Figure 3: Refuse removal trucks delivered by the Nkangala District Municipality to the various local municipalitites

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3.9 HOUSING

3.9.1 INTRODUCTION TO HOUSING

The District plays a supportive and planning role through the implementation and monitoring of Integrated Sustainable Human Settlement in accordance with the Spatial Development Framework within its area of jurisdiction.

T3.9.2

Employees: Housing Services				
Job Level	Year -1	Year 2011/12		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.	No.
0 - 3	3	4	3	1
4 - 6	8	10	8	2
Total	11	14	11	3

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and storm water (storm water drainage).

3.10 INTRODUCTION TO ROAD TRANSPORT

The NDM has been allocated the function of Municipal Roads in Thembisile Hani Municipality and the service must continue. During the 2007/2008 financial year the NDM funded the compilation of an electronic Pavement Management System for the Thembisile Hani Local Municipality. From this system an Implementation Plan and Strategy had to be designed.

Furthermore, the Nkangala District Municipality (NDM) must therefore perform its required and expected role in building capacity (implementation of capital projects) at local level and ensure adequate sector planning and co-ordination.

The following strategies have been initiated with the aim of enhancing roads transport.

3.10.1 Hazardous Material Strategy

The Hazardous material strategy is a strategy regarding the management of Hazardous material conveyed within the district particularly to spillage of hazardous substance. To equip our local municipality in developing the by-laws that will assist them in regulating and managing the hazardous movement. The hazardous material strategy is also developed to assist the local municipalities in planning of the purchase of Hazardous equipment and highlighting the accurate equipment. The Hazardous Material strategy it further improve synergy between the environmental waste plans of local municipalities.

3.10.2 Ranks Facility Management Plan

The Ranks Facility Management Plan is all about the infrastructure provision for Public transport in the district particularly on the mini taxi operation, The district has recognised the shortage of proper rank facilities within various local municipalities, The lack of appropriate plan that guides and management of rank development. The lack of by-laws or policy that guides property developers that does not include the accommodation of ranks facilities for public transport in the shopping centres. In this plan the strategy has achieved to document accurate number of ranks that need to be developed. The constraints with respect to the ranks that were developed in the private land. constraint and fiscal constraint, the ranks facility management plan it details how the municipalities should approach the provision of ranks facility infrastructure in their respective areas.

3.10.3 Non-Motorised Transport

In terms of transport planning the National Transport Act No 5 of 2009 requires that respective, municipalities in their transport planning include the Non transport plans as highlighted in the Comprehensive Integrated transport Plan of Nkangala District. NDM Non-Motorised Transport Plan has been developed in order to guide the roads transport construction in the district to consider the inclusion of Non-Motorised facilities along the newly constructed roads. It further proposed the intervention that should be carried out at local municipality level to be acquainted with the role of non- motorised transport as it was not recognised before.

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3.11 ROADS

3.11.1 INTRODUCTION TO ROADS AND STORM WATER

In 2010/2011, a routine road maintenance business plan was developed, dividing the local municipality into 6 clusters. A service provider was appointed to plan, do minor designs and monitor the execution of the programme for a two year period i.e. 2010/11 to 2011/12 financial years.

The programme maintained 42 km of gravel roads and 10km upgrade of storm water.

T3.11.2

Gravel Road Infrastructure				Kilometres
	Total gravel roads	New gravel roads constructed (m)	Gravel roads upgraded to tar(m)	Gravel roads graded/maintained
Year -2	2008/09	Not applicable		100
Year -1	2009/10	Not applicable		120
Year 2011/12		0	10 000 (10 KM)	42 000(42 KM)

T3.11.1

Asphalted Road Infrastructure					Kilometers
	Total asphalted roads	New asphalt roads	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted	Asphalt roads maintained
2006/07					
2007/08					

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2011/12	10 000	0	0	0	0
T3.7.3					

T3.11.2

Cost of Construction/Maintenance R' 000						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
Year 2011/12	0	R 19 000 000.00	R 36 000 000.00	0	R 7 600 000.00	R 9 000 000.00

Gravel

Gravel to tar: Capital projects of upgrading gravel roads to tar

Maintained: Council made available an amount of R29m for Routine Road Maintenance in the financial year 2011/2012. The January 2012 adjustment budget allocated R7m for the Routine Road Maintenance. The total budget was R36m.

T3.11.3

Road Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 2011/12			Year 1	Year 3	
		Target	Actual	Target	Actual	Target	Target	Target	Target
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective									

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Maintenance of roads in Thembisile Hani Local Municipality	Maintain 22 km of access roads	-	-		22 km to be maintained	42 km gravel road maintained and 10 km storm water upgraded.		22 km to be maintained	22 km to be maintained
Support Local Municipalities in developing Roads infrastructure	10 kms of municipal roads developed	-	-	-		10 kms			

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T3.11.4

Employees: Road Services and Storm Water Services					
Job Level	Year -1	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	4	3	3	90%
Total	0	1	0	1	100%

T3.11.5

Financial Performance Year 2011/12: Road Services in Thembisile Hani Local Municipality					
R'000					
Details	Year -1	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance	0	29000	7000	36000	19%
Other					
Total Operational Expenditure	0	29000	7000	36000	19%
Net Operational Expenditure	0	29000	7000	36000	19%

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T3.11.6

Capital Expenditure Year 2011/12: Road Services						
R'						
Project Description	Budget	Adjustment budget	EXPENDITURE	% Expenditure	Variance from original budget	Total project value
1319/12:CONSTRUCTION OF ROADS IN DELMAS (Victor Khanye LM)	3 000 000.00		2 598 686.77	87	-401 313.23	3 000 000.00
1320/12:REBUILD ROADS IN DELMAS (Victor Khanye LM)	3 000 000.00		2 943 828.04	98	-56 171.96	3 000 000.00
1302/12E:STORMWATER MOTLOUNG (Victor Khanye LM)	775 954.80		636 633.00	82	-139 321.80	775 954.80
1303/12E:STORMWATER DELPARK X2 (Victor Khanye LM)	913 097.00		620 701.00	68	-292 396.00	913 097.00
4353/12:UPGRADING OF SKIMMING BUS AND TAXI ROUTE (Dr. JS Moroka LM)	2 000 000.00		1 937 159.84	97	-62 840.16	2 000 000.00
4354/12:UPGRADING OF SENOTLELO BUS AND TAXI ROUTE (Dr. JS Moroka LM)	2 035 041.00		1 338 380.82	66	-696 660.18	2 035 041.00
4355/12:UPGRADING OF MAROTHOBOLONG BUS AND TAXI ROUTE (Dr. JS Moroka LM)	2 000 000.00		1 482 019.50	74	-517 980.50	2 000 000.00
4356/12:UPGRADING OF RAMOKGELETSAN E BUS AND TAXI ROUTE (Dr. JS Moroka LM)	2 000 000.00		1 493 916.15	75	-506 083.85	2 000 000.00
4107/12E:UPGRADING OF MOLETJI BUS AND TAXI ROUTE (Dr. JS Moroka LM)	2 000 000.00		940 957.90	47	-1 059 042.10	2 000 000.00
6317/12:REHABILITATION OF KALKSPRUIT PHASE 2 (Emalaheni LM)	3 500 000.00		176 660.50	5	-3 323 339.50	3 500 000.00

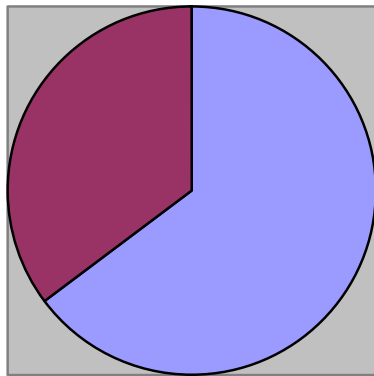
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Capital Expenditure Year 2011/12: Road Services

R'

Project Description	Budget	Adjustment budget	EXPENDITURE	% Expenditure	Variance from original budget	Total project value
6318/12:PEDESTRIAN BRIDGES IN KLARINET X4 & X5 MNT (Emalahleni LM)	2 503 576.81		179 235.48	7	-2 324 341.33	2 503 576.81
6321/12:RECONSTRUCTION OF DAMAGED STRAATS IN EMALAPHLANI	5 000 000.00		4 532 303.00	91	-467 697.00	5 000 000.00
2306/12:WIDENING OF BHEKUMUZI MASANGO DRIVE PHASE 2 (Emakhazeni LM)	3 981 007.23		418 763.00	11	-3 562 244.23	3 981 007.23
3358/12:COMPLETION OF BUS ROUTE AT KWAGGAFONTEIN D (Thembisile Hani LM)	4 000 000.00		2 095 325.20	52	-1 904 674.80	4 000 000.00
3359/12:COMPLETION OF BUS ROUTE AT TWEEFONTEIN B1 (Thembisile Hani LM)	2 073 399.16		1 643 160.23	79	-430 238.93	2 073 399.16
3360/12:COMPLETION OF BUS ROUTE AT TWEEFONTEIN J (Thembisile Hani LM)	1 959 166.28		1 950 995.33	100	-8 170.95	1 959 166.28
3361/12:BRIDGE KWAGGAFONTEIN D MATSELAPAD (Thembisile Hani LM)	3 200 000.00		303 793.00	9	-2 896 207.00	3 200 000.00
3362/12:PEDESTRIAN BRIDGE MOUNTAINVIEW PHOLA PARK (Thembisile Hani LM)	2 500 000.00		154 387.49	6	-2 345 612.51	2 500 000.00
	46 441 242.28		25 446 906.25			46 441 242.28

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■ Budget ■ Actual Expenditure

3.12. COMMENT ON THE PERFORMANCE OF ROADS OVERALL

The general state and conditions of roads throughout the NDM has been identified as an area that needs urgent attention as roads are critical in promoting economic growth and tourism. In order to address this challenge there was a need for a comprehensive strategy that will ensure timely construction, maintenance and repair of roads throughout the region. An integrated transport plan was developed and adopted by Council.

T 3.12.1

Stormwater Infrastructure Kilometers				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
Year 2011/12		10 000	10 000	10 000

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Figure5 : Park in Lynnville-Emalahleni Local Municipality

COMPONENT C: PLANNING AND DEVELOPMENT

3.13 INTRODUCTION TO PLANNING AND DEVELOPMENT

This component includes: Planning; and Local Economic Development. The overall aim of municipal planning is to achieve planning outcomes that:

- restructure spatially inefficient settlements;
- promote the sustainable use of the land resources in the country;
- channel resources to areas of greatest need and development potential, thereby redressing the inequitable historical treatment of marginalized areas;
- take into account the fiscal, institutional and administrative capacities of role players, the needs of communities and the environment;
- stimulate economic development opportunities in rural and urban areas; and support an equitable protection of rights to and in land.
- promote accountable spatial planning, land use management and land development decision-making by organs of state;
- promote cooperative governance and wider information sharing in plan-making and implementation;
- promote maximum openness and transparency in decision making.

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3.13.1 PLANNING

3.13.1.1 INTRODUCTION TO PLANNING

To ensure the achievement of sustainable Spatial Planning through the implementation of the following:

- Land Reform and Land Administration
- Spatial Restructuring and Service Provision
- Promotion of integration between Spatial Planning and Transportation Planning to achieve sustainable Human Settlements

The following are some of the key challenges across the District:

- Mushrooming of informal settlements in Emalahleni and Emakhazeni Local Municipalities respectively.
- The long process of finalizing land tenure projects, township establishment on the state land.
- The pace of land reform and restitution claims is slow

Measures to improve development are therefore set as follows:

- To develop Land Use Management System as an integration tool to achieve sustainable Spatial Planning across the District.
- Develop an Integrated Human Settlement Strategy to assist local municipalities faced with the challenge of provision of housing and land for settlement purposes through township establishment.
- Implementation of the Physical Planning functions strategy document with the intent of assessing and addressing capacity issues in the local municipalities.

The achievements are as follows:

- NDM SDF and Land Audit and those of all the constituent Local Municipalities were reviewed and adopted during 2007/08 financial year, and reviewed during 2010/11 financial year.
- Several Land Tenure and township projects were approved and finalised accordingly.
- The Development and Planning Unit was established in NDM which includes physical planning to assist Local Municipality with the low capacity on special on physical planning.
- Land Use Management Schemes for Emakhazeni, Dr JS Moroka and Thembisile Hani Municipality were developed and completed.

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- NDM developed Geographic Information System (GIS) and is full functionally, however still to be rollout in Local Municipality. The GIS Strategy is developed to guide in terms of assisting Local Municipality.

T3.13.1

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Other	
	2010/2011	2011/2012	2010/2011	2011/2012	2010/2011	2011/2012
Planning application received		12		15		14
Determination made in year of receipt (approved)		12		15		14
Determination made in following year		0		0		0
Applications withdrawn		0		0		0
Applications outstanding at year end		0		0		0

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T3.13.2

Planning Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	Year 2010/2011		Year 2011/2012			2012/2013	2014/2015		
		Target	Actual	Target		Actual	Target	*Current Year	*Current Year	*Following Year
Service Indicators (i)	(ii)	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(viii)	(ix)	(x)	
Service Objective : To promote integration between Spatial Planning and Transportation Planning to achieve sustainable Human Settlements										
<i>Assist Local municipalities with the development and implementation of Town Planning policies</i>	Number of Town Planning policies implemented	-	-	-	3	3	-	-	-	

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T3.13.3

Employees: Planning Services					
Job Level	2010/11	2011/12			
	No of Employees	No of Posts	No of Employees	No of Vacancies (Fulltime Equivalents)	Vacancies (as % of total posts)
0-3	2	2	2	0	0
4-6	3	6	6	2	0
Total	5	8	8	2	0

T3.13.4

Capital Expenditure Year 2011/12: Planning Services					
R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Budget
Total All	R7 735 000.00	0			
Review of Physical Planning functions strategy-(shared services)	R294, 120.00	0	R102,900.00	0%	
Land Use Management Systems	R 1 149,000.00	0	0	0%	
Feasibility study of Regional Cemetery	R719,298.25	0	R 189,912.28	0%	
Township establishment 400 sites-Rietfontein & Geluk	R560,000.00	0	R142,154.74	0%	
Township establishment-Moripe 500 sites	R686,000.00	0	R164,500.00	0%	
Victor Khanye Land Use Scheme	R583,500.00	0	R42,000.00	0%	
Dennisig Township establishment 500 sites	R568,632.00	0	R80, 000.00	0%	
Township Establishment –Elibangeni 350 sites	600	0		0%	
Township Establishment-Luthuli (Mahlabathini) 1000 sites	R864,714.04	0	R80, 471.40	0%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					

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COMMENTS ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL

Within the context of Physical Planning within the District, Township Establishment remains one of the key components of our development as more people needs to have security of tenure and informal settlements needs to be curbed and formalised. The fact that Land particularly in the Northwest parts of the District is largely State owned, and mainly privately owned in the Southern parts of the District is a major concern. This is in addition to the turnaround time to finalize all the requisite approvals prior to an area being declared a township, which are comprehensively ready for Sustainable Integrated Human Settlements developments therein. Over the next few years the District will be engaging with the Department of Rural Development and Land Reform with the view of expediting the transfer of State owned Land for the aforementioned purposes. Furthermore, the Department of Economic Development, Environment and Tourism will continually be engaged to expedite the process of requisite approvals.

3.14 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

3.14.1 INTRODUCTION TO ECONOMIC DEVELOPMENT

The goal of the Local Economic Development Unit is to facilitate economic development, job creation and poverty eradication in the district. This will be achieved by reducing the numbers of unemployed people, especially the youth, women and people living with disabilities. Secondly by ensuring that there is economic development in the district and in particular in the identified sectors. Several strategies have been adopted by Council such as; Tourism Development and Branding, Industrial and Local Economic to assist the Unit in fulfilling its mandate. Lastly, that there is reduction in the number of people living below the poverty line.

In terms of job-creation, the Unit has adopted an EPWP approach in collaboration with the Municipality's Technical Services Department, where capital projects are implemented through cooperatives and SMMEs. To this end, sixteen projects were identified ranging from replacement of asbestos pipes, routine road maintenance, and construction of damaged roads. As a result 226 job opportunities were created in the year under review. Cooperatives and SMMEs were trained and equipped in the areas of business management, financial management and tendering.

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Local Economic Development aims at creating an environment which will engage stakeholders in implementing strategies and programmes the CEOs' Forum was successfully launched in the year under review consisting of CEOs of Multinational Companies such as . Columbus Stainless Steel, Evraz Highveld Steel and Vanadium, BHP Billiton, McCain, Anglo-coal, Eskom-Kusile project . The main purpose of this forum is to mobilise funding and resources for identified LED and CSI projects.

T3.14.1.

Economic Activity by Sector	
Sector	2011/12
Agric, forestry and fishing	1.8%
Mining and quarrying	33.6%
Manufacturing	18.0%
Wholesale and retail trade	8.4%
Finance, property, etc.	10.5%
Govt, community and social services	4.9%
Infrastructure services	2.9%
Total	69.6%
	Quantec Data

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T3.14.1.

Economic Employment by Sector	
Sector	Year 2011/12
Agric, forestry and fishing	15, 306
Mining and quarrying	4, 3351
Manufacturing	22, 959
Wholesale and retail trade	67, 743
Finance, property, etc.	39, 399
Govt, community and social services	47, 335
Infrastructure services	23, 809
Total	259, 902 Quantec Data

T 3.11.3

3.14.2 COMMENTS ON LOCAL JOB OPPORTUNITIES:

In regard to Infrastructure services, 90 job opportunities are envisaged to be created; in the longer term job prospects is around 687. Tourism job opportunities in the short term are envisaged to be around 3, 125 longer term prospect is 6, 250. With regard to Agriculture, Forestry and Fishing short term job prospects is 33, 300, from now to 2030 job prospects are expected to be around 300, 000.

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2011/12 LED INITIATIVES

T3.14.2

LED and Tourism strategies
Feasibility study for Fresh Produce Market
Development of all the sectors in the District
Development of Tourism brochure
SMMEs training and workshop
COMMENTS BY LED UNIT
In the year under review we managed to complete the planning processes for the above mentioned projects were completed.

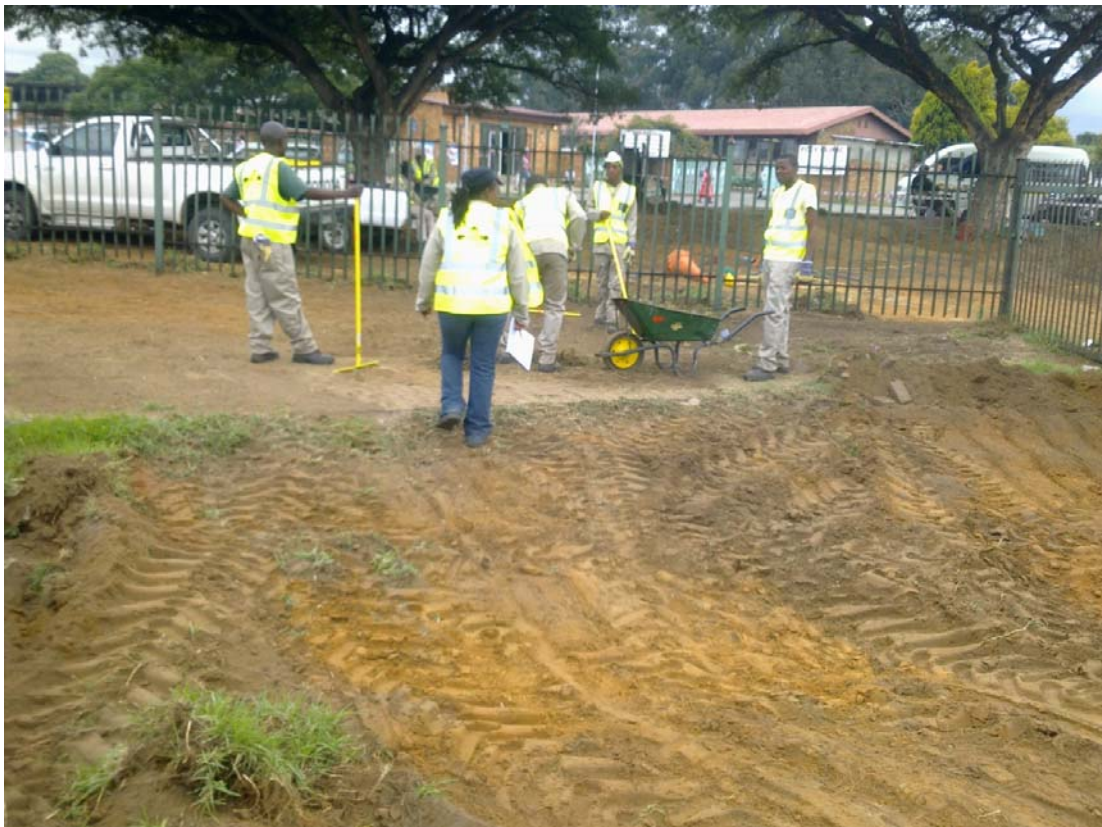


Figure: Job creation trough EPWP Initiative

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T3.14.3

Employees: Local Economic Development Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	4	3	1	25%
4 - 6	0	2	0	2	100%
7 - 9	1	1	1	0	0%
Total	4	7	4	3	43%

T3.14.4

Financial Performance Year 2011/12: Local Economic Development Services					
R'000					
Details	Year -1	Year 0		Actual	Variance to Budget
	Actual	Original Budget	Adjustment Budget		
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	2618942	2758 525	2 758525	2 582931	-7%
Repairs and Maintenance	-	8165	8165	-	-
Other	128478	188467	188 467	107129	-76%
Total Operational Expenditure	2747420	2955157	2955157	2 690060	-10%
Net Operational Expenditure	2747420	2 955157	2 955 157	2 690060	-10%

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COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Sixteen (16) capital projects were implemented in the year under review; an amount of R3, 4937, 479 was spent, but under various Technical Services project.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.15 COMMENTS ON THE PERFORMANCE OF COMMUNITY FACILITIES

Cultural Historical Heritage Sites project or a project known as Formalization of Historical and Cultural Sites or routes in each local municipality is covered in Issue 9 (Cultural, Sports and Recreation) of the NDM Integrated Development Plan (IDP) and cites the need for the preservation of the cultural and historical sites in the region, hence during the year in question two of these sites called “ Delmas Magistrate Court Treason Trials Commemoration Plaque Project” and the “NDM Cenotaph Project” were implemented.

The Nkangala District Municipality (NDM) conducted a study and developed a strategy for identification, development and conservation of heritage sites called Cultural and Historical Sites Formalization Programme. The process culminated in the development of the Integrated Cultural Resources Management Plan (ICRMP) that covered the historical and cultural sites of significance in all the local municipalities.

Hence a research, was conducted, the plan developed, designed and erected a commemorative plaque of the Delmas Magistrate Court Treason Trials 1985-1989.

3.15.1 Delmas Magistrate Court Treason Trials Commemoration Plaque Project

The Delmas Magistrate Court Building is very significant in the history of South Africa. The court was the scene of the longest court case after the Rivonia Trial in South African legal History (3 years) – the Delmas Treason Trial led to 22 Black political leaders were charged when trial started in 1985 and the four(4) who were tried during the ‘‘Trial of Delmas Four’’ in 1989. The trial tested the apartheid legal machinery to the limit and marks a turning point in the history of the struggle for democracy. It is valued as a site of an important event in that it stands against injustice.

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Objectives of the project

- To preserve the 1985 and 1989 political struggle trials in a form of memorial structure
- To declare the Delmas Magistrate Court as an historical heritage site following its role as a host to above political trials
- To conduct research and preserve the archival record of the struggle trials in a form of legal materials and documents, including the auditory and pictorial records of the trial.
- Parallel to the above, carry out the necessary applications to declare the Delmas Magistrate Court as a National Heritage Site.

Amongst others, the scope of works provided for the design and construct a monument within the premises of Delmas Magistrate Court building as a monument inscription of the twenty two (22) apartheid struggle heroes who were tried during the 1985 Delmas Treason Trial and the four (4) who were tried during the ‘‘Trial of Delmas Four’’ in 1989. The memorial stone was inspired by Mandela’s call from Robbin Island Prison, following the landmark 1976 Soweto Uprising ‘‘Unite, Mobilise, and Fight on! Between the Anvil of united mass action and the Hammer of the armed struggle, we shall crush apartheid’’.



Figure 5: Delmas Magistrate Court Treason Trial 1985-1989 Hammer and Anvil monument

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An anvil can be described as a heavy steel or iron block with a flat top, concave sides, and typically a pointed end, on which metal can be hammered and shaped. The anvil is the base of the liberation struggle that firmly supports the shaping of democracy and the subsequent destruction of apartheid. The anvil represents the mass action/ movement which comprises of civic and women's organizations, youth, students, church and labour organizations. Leaders of these mass organizations formed the UDF which lead to some of them being arrested and tried for treason in the Delmas 22 Treason Trial.

The hammer depicts the armed struggle represented by uMkhonto We Sizwe which was used as a tool to strike the repressive regime. Activists and cadres of the uMkhonto We Sizwe liberation army were also occasionally caught and tried for terrorism and treason. The Delmas Treason trial of 1989 is a representative of such cases.

The apartheid regime can be represented by broken pieces of metal that have been struck and bent by the hammer, different repressive policies like the Group Areas Act, Koornhof Bill, Tri--cameral Parliament, a host of Security Acts, or any other symbols of apartheid can be depicted or represented in any artistic form such as engraving on the metal pieces while on the anvil.

This Hammer and Anvil monument captures the triumph of human rights and justice over the apartheid system, which eventually collapsed in 1994 with the first democratic elections, five years after the landmark Delmas Treason Trials. The site was officially unveiled on 03 March 2012.

3.15.3 Nkangala Cenotaph Phase II Project

On the 06 November 2011, the Nkangala District Municipality held a District Cenotaph Memorial Lecture at Lynnville Park which marked the re-opening of the Cenotaph Phase II wherein an opportunity is created for the documentation of the victims of the liberation struggle conflict who were not included in Phase I of the Cenotaph. The process afforded the stakeholders an opportunity to submit outstanding information from first phase of the Cenotaph. Department of Culture Sports and Recreation and local municipalities remained key stakeholders in driving the process whose objective was amongst others to honor the heroes and heroines of the Liberation Struggle in the region.

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Following a public participation process, names were received from the members of the public and considered by the committee which ultimately recommended to council the addition of 22 names those from the 1st phase. The cenotaph which is located at Lynville and forms part of the Church street precinct was upgraded to be unveiled during the heritage month of September 2012.

T3.15.1

Employees: Community Facilities					
Job Level	Year -1	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
7 - 9	2	2	1	1	50%
10 - 12	1	3	3	0	0%
Total	3	5	4	1	20%

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3.16 CEMETORIES AND CREMATORIUMS

3.16.1 INTRODUCTION TO CEMETORIES & CREMATORIUMS

One of the major strengths in the district relating to the provision of cemeteries is the fact that there is still enough space at the moment to establish more cemetery sites. In some parts of the country and the world there is not enough space left for the provision of cemeteries and the authorities have to resort to alternative options. Although we do not face that problem currently, it is interesting to take note of the alternative options available which might be introduced in certain areas that experience difficulty with the high demand for burial space.

The district developed policies to assist local municipalities with cemetery management as well as provision, capacity determination and anticipated future expansion of cemeteries. The District has thus developed a Regional Cemetery Management Strategy that deals with the following issues at local level:

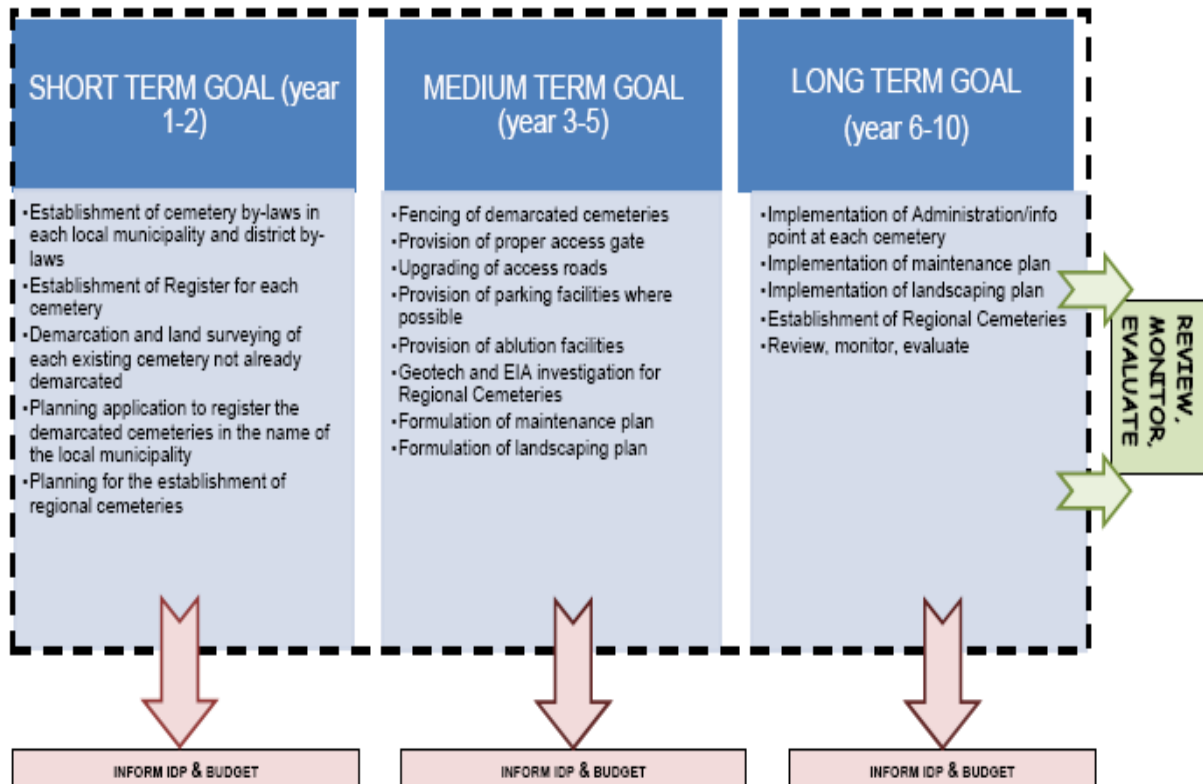
- Establishment of proper by-laws for cemeteries in all municipalities that currently do not have by-laws in place;
- Book keeping of all available space in cemeteries and registration of burial sites at each cemetery (Register of each cemetery);
- Registration of cemetery sites in the name of the municipality;
- Proper demarcation of cemeteries and land surveying of all cemetery sites in order to determine the available space for future burials;
- Upgrading of all access roads to cemeteries where necessary;
- Provision of parking facilities to each cemetery;
- Controlled access or gate at each cemetery;
- Upgrading of perimeter fences;
- Introduction of landscaping where landscaping is poor;
- Provision of ablution facilities;
- Provision of information administration/information point at all cemeteries;
- Identification of cemeteries with available space for future expansion;
- Ensuring that each cemetery has at least a 20 year life span for future burials; and

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- Establishment of regional cemeteries where the available cemeteries are not sufficient or not accessible.

T3.16.2

NKANGALA DISTRICT MUNICIPALITY CEMETERIES STRATEGIC IMPLEMENTATION PLAN



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3.17 SOCIAL PROGRAMMES

3.17.1 INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The broad-based capacitation of the community on issues relating to women empowerment, economic development and job creation, health, safety and education, lack of skills, poverty, high unemployment high level of crime and violence experienced by the youth is underpinned by the Priority Issue 1 of the NDM IDP which amongst others is Youth Development.

Hence, during the year under review an Integrated Youth Development Strategy for Nkangala District Municipality was developed and adopted and that marked a crucial milestone in that while the challenges confronting youth development are obviously noticeable, the opportunities that lies ahead have equally being identified. To that extend the following programs flowing from the strategy had already been implemented:

3.17.1 Youth Dialogue on Substance Abuse

Nkangala District Municipality in cooperation with all the local municipalities, Department of Social Development and SANCA successfully held a Youth Dialogue on Alcohol and Drug (Substance) Abuse themed “Using Drugs and Alcohol is Cool” on the 26 July 2011 as a culmination of the Youth month. Key amongst the objectives of the dialogue was:

- To create awareness on the effects, causes and reasons advanced by young people themselves for using drug substances and alcohol
- Provide insight on the statistics in the Region of young people depending on substances
- Strengthen capacity within the youth leadership on how to manage and guide substance abuse challenges in their community.

The dialogue was very successful not only in raising awareness but equally in building confidence amongst the learners in debates and dialogue.

3.17.2 Career Expo

The NDM hosted a successful region wide Career Expo on 02 June 2012 targeting grade 12 learners from its Local Municipalities. The Career Expo was held within Steve Tshwete Local Municipality. Under the theme “*Strengthening our pledge to work together through sustainable skills development to attack poverty, unemployment and underdevelopment*”, the Nkangala Career Expo aimed to achieve the following objectives:

- Make information about career options available to learners.
- Enhance mechanisms to increase the supply of skills, especially scarce skills, within the Further and Higher Education and training bands of the National Qualifications Framework (NQF), which anticipate and respond to specific skill needs in the region.
- Identification and exhibition of the national, provincial and local measures and initiatives that are available to address human resource development and skilling issues in the district (including the role of Sector Education Training Authorities - SETAs).
- Identification and exhibition of the potential skills development funding opportunities in various sectors (such as government, business, CETA, etc).
- Identification of the key sectors of the economy that are experiencing critical skills shortages and outline such skills.
- To contribute to the stepping up of career guidance especially in disadvantaged rural schools.

The Career Expo was held in partnership with the Department of Education (Mpumalanga) and amongst others the following stakeholders as either partners or exhibitors Exxaro, Tshwane University of Technology and UNISA, LGSETA, Education, Home Affairs and Agriculture Department of Labour. The expo drew a total number of Nine Hundred and thirty six (936) learners from throughout the region has actually met the above objectives.

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Figure 6 :Learners were granted an opportunity to engage with the various presenters and seek information per subject matter.



Figure 7 : Learners during the formal proceedings of the Career Expo

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3.18 TRANSVERSAL ISSUES

3.18.1 District AIDS Council (DAC) Induction Workshop

The NDM held an AIDS Council Induction Workshop in July 2011 for the region to capacitate all the District Aids Council members. The Induction Workshop was successful and was attended by the all the Executive Mayors (or their representatives), MMC,s responsible for social and health cluster, municipal managers, managers responsible for the portfolio, SALGA, and other sector departments forming part of the social cluster.

The HIV-AIDS Strategy which was initiated by the district culminated into a draft documents upon which a consultative workshop was held 08-09 September 2011 with the view consider final inputs. As at the end of the financial year, the strategy was since taken and adopted by council as a draft document.

In the year under review, the DAC meetings were not scheduled due to the dysfunctional LAC's in some municipalities. The induction workshop was therefore aimed to empower municipalities in the composition and running of councils. The workshop allowed the members to strategies on how support could be generated for the provision of HIV/AIDS services in the region.

3.18.2 Women's Capacity Building Workshop

Arising from Indaba resolutions of 2010 NDM Women Indaba, the NDM elevated the strengthening of cooperatives as a key area of focus for job creation and impartation of skills. The need for training and provision of information to this sector of work was since prioritized. Hence, a two days' workshop "themed" "Working together to enhance women's opportunities to economic empowerment" was successful held on the 25 & 26 August 2011 as part of the women's month activities. The purpose of the workshop was to address the lack of information especially around the funding sources available as well as knowledge on the running of cooperatives as part of an effort to stimulate employment creation, hence a total of forty five (45) cooperatives benefitted in the initiative.

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T3.19.1

Employees: Child Care; Aged Care; Social Programmes					
Job Level	Year -1	Year 2011/12			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	2	1	1	50%
4 - 6	1	2	0	2	100%
Total	1	4	1	3	75%

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COMPONENT E: ENVIRONMENTAL PROTECTION

3.19 INTRODUCTION TO ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape. Nkangala District is regarded to have a high tourism and conservation potential, which requires the protection, rehabilitation and enhancement of its attractive natural areas. The area has however extremely high mining potential that attracts mining activities (i.e. sporadic urban settlement patterns). In contrast, the mining potential on the other hand is detrimental to the valuable biophysical elements of the environment.

In terms of powers and functions (legal mandate) of the District Municipalities in respect of environmental protection, the NDM draws its **mandate** from Schedule 4 Part B and Schedule 5 Part B in as far as air pollution, municipal health services, municipal planning, municipal public works, control of public nuisances, municipal roads, refuse removal, refuse dumps and solid waste disposal and any other activity listed in these schedule and are considered to have a detrimental effect on the environment. In regards to environmental protection the NDM further derives its powers from Section 36 of the National Environmental Management: Air Quality Act, 39 of 2004 that came into effect on the 1st of April 2010 in respect of Atmospheric Emission Licensing function.

To that **extent** the NDM moves from the context that, although the primary objective is to achieve environmental sustainability, it is also important to ensure that other dimensions of sustainable development are addressed as per the Sustainable Development Dimension **below**:

3.19.1 Environmental Impact Assessment

The NDM is in accordance with the Local Government: Structures Act 117 of 1998 responsible for the bulk supply of water, waste water sewage systems and road infrastructure development in the region. Hence, NDM is responsible to ensure that the provisions of the Environmental Impacts Assessment s (EIAs) Regulations for all the new and other infrastructure development projects or activities are undertaken when these activities are listed in listing 1 and listing 2 of the EIA Regulations, 2010 (promulgated in terms of the National Environmental Management Act 107 of 1998 and schedule A and schedule B of the NEMA: as being potentially harmful to the environment, hence these activities require Environmental Authorization,

3.19.2 Environmental Management Planning

In compliance with the National Environmental Management Act (NEMA) 107 of 1998 and the Municipal Systems Act 32 of 2000 in respect of the development of sector plans, the NDM developed an Environmental Management Plan (EMP) to ensure that development takes place in a sustainable manner. Hence the EMP was completed and adopted as per council resolution DM116/09/11.

3.19.3 Atmospheric Emission Licensing Section 78 Investigation

The NDM conducted a Section 78 Investigation on the provisions of Section 36 of NEM: Air Quality Act 39 of 2004 in respect of the Atmospheric Emission Licensing by the Districts and Metropolitan Municipalities. The study sought to amongst others: to undertake an assessment of the air quality services, investigate various models of service delivery mechanisms available to council through which the service can be delivered and Develop a Comprehensive Strategic Plan for the implementation of the Atmospheric Emission Licensing services. To that

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extend the Atmospheric Emission Licensing Section 78 Investigation and Implementation Plan has been completed and adopted through Council Resolution [DM86/05/2012](#). Hence the NDM is in the process of putting together institutional capacity to render the services.

Section 36 of the National Environmental Management: Air Quality Act, 39 of 2004 came into effect on the 1st of April 2010 and effectively designated the Nkangala District Municipality as the competent authority for Atmospheric Emission Licensing within its area of jurisdiction. Having appraised its current institutional arrangements, and given the regulatory and administrative requirements inherent in the function, Nkangala District Municipality entered into a Service Level Agreement with the Department of Economic Development, Environment and Tourism it is capable of assuming its Atmospheric Emission Licensing responsibilities in terms of section Air Quality Act, 39 of 2004.



Figure 8: Typical Listed Activity Air Pollution in the Highveld Priority Area-Nkangala District Area

3.19.4 Climate Change Mitigation and Response Strategy Project

As an integral part of the national effort (National Climate Change Response Policy) that seeks to effectively manage inevitable climate change impacts through interventions that build and sustain the country’s social, economic and environmental resilience and emergency response capacity..Nkangala District Municipality is in the process of the development of the Climate Change Mitigation and Response Strategy. The strategy is envisaged to amongst others:

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- Develop strategies that should ensure that Nkangala District makes a fair contribution to the country's effort to achieve the stabilization of greenhouse gas concentrations in the atmosphere at the level that prevents dangerous anthropogenic interference with the climate change; To ensure effective adaptation, mitigation and response strategies are put in place to manage unavoidable and potential damaging climate change impacts both as a provider of certain municipal services(according to municipal powers & functions) including Occupational Health & Safety requirements and the broader coordinating role.

Nkangala District Municipality held its Climate Change Summit in the backdrop of the Mpumalanga Climate Change Summit that was held on the 29th May 2012 and the International Climate Change Conference (COP17) held in Durban in December 2011 so as to ensure that the International Conference and the NDM Summit feed into the NDM Climate Change Mitigation and Response Strategy (CCMRS). Overall, the summit was aimed at converging various stakeholders (Local government, business, Sector Departments) delivering on the various mandates, to derive mitigation (lessening measures), adaptation (adjustment measures) and response (new methods, by laws, procedures, policies and or technology) to counteract climate change effects and therefore coming up with most appropriate and practical interventions and innovations for Nkangala District.

The summit assisted in soliciting views from the various players in the region on how the carbon footprint in the region could be reduced. The inputs made were then consolidated into the strategy document which would be presented for council's consideration

The following are amongst the recommendations that were solicited during the NDM Climate Change Summit that was held in June 2012:

3.20. ADAPTATION TO THE IMPACTS OF CLIMATE CHANGE

KEY CHALLENGES	RECOMMENDED ADAPTION INTERVENTIONS
<ul style="list-style-type: none"> • Land degradation, • Acid Mine Drainage, • DUST, • air pollution, • Roads systems within the district damaged by coal hauling trucks 	<ul style="list-style-type: none"> • Provide Short term time frame mining licenses that are renewable on compliance, • Good rehabilitation plans. Attach conditions to the mining licenses. • Legislate punitive measures to non compliance. • By laws- proper enforcement, promote IGR among spheres of government. • Strengthening monitoring by government agencies and proper reporting by the mines.
<ul style="list-style-type: none"> • Poor quality of drinking water • Unnecessary loss of water within the water infrastructure supply system. 	<ul style="list-style-type: none"> • Encourage reuse of water by mines. • Improve the efficiency of water infrastructure supply system • Bylaws to preserve water

3.21 CLIMATE CHANGE MITIGATION RESPONSES

KEY CHALLENGES	RECOMMENDED ADAPTION INTERVENTIONS
<ul style="list-style-type: none"> • Mass coal burning industries, households • Carbon emission from vehicles • Pollution • High consumption of energy – electricity 	<ul style="list-style-type: none"> • Use of Renewable energy • Educate communities on Climate Change • Encourage the implementation of Basa-njengo Gogo which has less emission at the domestic front. • Look into usage of solar energy system • LMs develop monitoring systems • Encourage usage of public transport <ul style="list-style-type: none"> - Usage of energy saving bulbs - Solar heating energy - LMs to enforce monitoring electricity usage - Household + industry to reduce electricity consumption by 10% - LMs to encourage the switch off of lights at night in all government buildings including municipalities

3.22 TECHNOLOGY DEVELOPMENT AND APPLICATION/GREEN ECONOMY

KEY CHALLENGES	RECOMMENDED ADAPTION INTERVENTIONS
<ul style="list-style-type: none"> • Country dependent on coal based generation • Poor waste recycling • Poor management of waste sites • Unauthorized waste sites • Unavailability of land for landfill sites • Lack of waste reclamation site 	<ul style="list-style-type: none"> • Use of renewable energy that minimizes <i>sulpher</i> emissions • Embark on education and awareness campaigns. • Use of cooperatives / SMMES in management of waste sites • Embark on education and awareness campaigns. • Waste sorting programme
<ul style="list-style-type: none"> • Housing not environmentally friendly 	<ul style="list-style-type: none"> • Use of polystyrene in house construction • Plant trees in the yards

COMPONENT F: HEALTH

3.23 INTRODUCTION TO HEALTH

This component includes: clinics; ambulance services; and health inspections. The Constitution of the Republic of South Africa, Act 108 of 1996 (as Amended), Schedule 4 Part A, provides that health services is a functional area of National, Provincial legislative competence. In terms of Section 155 (6) (a) the Provincial government must provide for the monitoring and support of local government in the Province, albeit can be assigned to a municipality in terms of Section 156 of the Constitution.

Section 156 of the Constitution of the Republic of South Africa provides that:

A municipality has the executive authority in respect of, and has the right to administer- the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5 one of which is Municipal Health Services. Section 84 (i) also distinguishes Municipal Health Services as a function of District municipalities.

Municipal Health Services (Environmental Health Services are determined by the National Health Act to be a function of District and Metropolitan Municipalities.

Municipal Health Services listed include Water quality monitoring; Food control; Waste management; Health surveillance of premises; Surveillance and prevention of communicable diseases, excluding immunizations; Vector control; Environmental pollution control; Disposal of the dead; Chemical safety (the latter is a local municipal function but forms an integral part of the EHS scope) but excludes port health, malaria control and control of substances.

The Municipal Health Services has historically been rendered by local municipalities and provinces; to that end, the NDM has conducted the Section 78 Investigation and developed a Strategic Plan in respect of the provision of the Municipal Health Services in the region and by the end of the evaluation period the said Section 78 Investigation and Strategic Plan were ready for adoption by the NDM Council. Thereafter the NDM is focused on the following key actions:

- Enter into a Service Level Agreements with the affected service providers (Department of Health and the local municipalities currently rendering the service.
- Develop and adopt a Municipal Health Service Devolution Roadmap (agreed upon by all the affected parties) so as to enable the process of devolution of the MHS.
- Establish a Municipal Health Service Devolution Task Team (Forum) to facilitate the process.
- Enter into negotiations with the Department of Health and Social Services and the affected local municipalities in respect of the transfer of the affected Environmental Health Services staff and equipment.

3.24. INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS

Section 156 of the Republic of South Africa provides that ‘‘ A municipality has the executive authority in respect of, and has the right to administer- the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5 one of which is ***MUNICIPAL HEALTH SERVICES*** .Section 84 (i) also distinguishes Municipal Health Services as a function of District municipalities.

Hence, in Mpumalanga Province Clinic or Primary Health Services and the ambulances services are determined and are therefore rendered by the Provincial Health Department and therefore only the Municipal Health Services(Environmental Health Services are determined by the National Health Act to be a function of District and Metropolitan Municipalities.

3.25 INTRODUCTION TO FIRE SERVICES

Emergency Services is reflected as Issue 11 in the NDM Integrated Development Plan and cater for both the Disaster Management and Fire & Rescue Services. First, the Disaster Management Act 2000 provides, that

the council of a District municipality, acting after consultation with the relevant local municipality, is primarily responsible for the co-ordination and management of local disasters that occur in its area". Furthermore, Section 54 (2) states that a District municipality and the relevant local municipality may, despite subsection 54 (1) (b), agree that the council of the local municipality assumes primary responsibility for the coordination and management of a local disaster that has occurred or may occur in the area of the local municipality".

Within the Nkangala Region, the primary responsibility of coordination of Emergency Services rests with local municipalities.

Furthermore, the Disaster Management Act of 2000 that

each District municipality must establish in its administration a disaster management centre for its municipal area in consultation with and operate such a centre in partnership with local municipalities

The District has constructed a Disaster Centre which is being upgraded with the information technology systems to communication with the various local municipalities as well as the Provincial Disaster Centre.

Secondly, according to the 2003 MEC's determination in terms of Section 85 of the Local Government

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Municipal Structures Act 117 of 1998, NDM is responsible for the fire- fighting and rescue services in Thembisile Hani and Dr. J. S Moroka municipalities.

The NDM is further empowered through Section 84 (j) to provide for the fire-fighting services serving the area of the district municipality as a whole, including planning, coordination and regulations of fire services; specialized fire services, coordination of the standardization of the infrastructure , vehicles, equipment and procedures including training of personnel.

3.25.1 Fire Fighting and Rescue

Due to this re-assigning of powers and functions, the District then finalized the process of transferring staff from the then employer in 2008 and had ever since completed the construction of Kwa-Mhlanga in Thembisile Hani Local Municipality which services both the municipal area(Dr.JS. Moroka and Thembisile Hani Local Municipalities. In 2011-12, the following priorities were elevated into the IDP and progress per priority area is summarized:

- a) The Development of a District Fire Prevention Strategy is in the progress. The project is closely monitored to ensure completion by December 2012.
- b) Facilitate the process of the construction of Fire Station in Dr. JS Moroka. 2012 was considered to be the year for the planning of the fire station hence, the Dr. JS Moroka Municipality was requested to make land available through a council resolution which was obtained and the subsequent town planning issues and rezoning had to commence. The consultant to design the fire station was equally appointed.
- c) Acquisition of plant and equipment for Local Municipalities for effective response to local

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emergencies. The lack of purpose made vehicles and equipment hampered the rendering of efficient service, hence, over the years Nkangala makes budget available to assist local municipalities in acquisition of plants. The district has been very successful in achieving this objective which in turn assists especially vulnerable communities such as farmers and informal settlement dwellers to fire risks.

- d) NDM spent an amount of R9 743374.24 on the procurement of the various fire- fighting equipment and vehicles for its family of local municipalities.

The vehicles and equipment's prioritized and ordered for 2011-12 are as follows:

T3.1

Project number	Amount	Beneficiary	Date of Delivery
Supply and delivery of three Rural Rescue Pumpers	R3 734 694.00	Emakhazeni LM and Nkangala District	08/12/2011
Supply Delivery and Registration of 1 Small Fire Engine	R 1 513 888.17	Steve Tshwete LM	16/06/2012
Supply and delivery of 4 Off Road Vehicles	R 2 157 974.40	Victor Khanye X 2 Nkangala District	23/02/2012
Supply and delivery of 1 Rapid Intervention Vehicle	R 666 340.60	Emalahleni LM	04/05/2012
Supply of 1 Set of Jaws of Life	R 271 000.32	Emalahleni LM	14/02/2012
Supply and delivery of 1	R 2 181 570.75	Nkangala District	21/08/2011

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Medium Pumper Fire Engine			
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All the above-named plant and equipments were delivered to the respective municipalities.

Incidents Statistics for the Year 2011/2012

T3.2

Local municipality	Type of Incident	Total no. of calls
Thembisile LM	Motor Vehicle Accidents [MVA]	218
	Grass/Veld fires	162
	Other fires [structural; electric; vehicle etc.]	53
	Inspections	18
Dr JS Moroka LM	Motor Vehicle Accidents [MVA]	27
	Grass/Veld fires	44
	Other fires [structural; electric; vehicle etc.]	4
	Inspections	3
Victor Khanye	Motor Vehicle Accidents [MVA] and Extrications	201
	Grass/Veld fires	139
	Other fires [structural; electric; vehicle etc.]	81
	Fire prevention Inspections	177

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	Special services	127 [provision of water; tree cut; etc]
eMalahleni	Motor Vehicle Accidents [MVA]	83
	Grass/Veld fires	62
	Other fires [structural; electric; vehicle etc.]	104
	Inspections	1077
	PVA	0
	Hazmat	0
Steve Tshwete	Motor Vehicle Accidents [MVA]	1236
	Grass/Veld fires	602
	Other fires [structural; electric; vehicle etc.]	201
	Fire Prevention [Flammable liquid, fire Hydrant] Inspections	369
	Special Service	29 [community service; arrive alive; open flames etc.]
eMakhazeni	Motor Vehicle Accidents [MVA]	32
	Grass/Veld fires	18
	Other fires [structural; electric; vehicle etc.]	14
	Inspections	0

There was one major veld fire incident at the District with details as follows:

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Thembisile and Dr JS Moroka experienced veld fires which started on 23 August 2011- 26 August 2011. These fires left farmers, many of whom are cattle and sheep farmers, in and around Enkeldoornpoortt, Klipfontein and Rietfontein devastated.

Damage recorded is as follows:

T3.3

Farm Owner details	Farm area	Losses
MTPA Manager: April Jiyane	Mdala Nature Reserve	7 000 Hectors (Ha) of grazing land worth around R1 000 000.00 burnt. {around 80% of the reserve} A property (Mkholoana Gate/Reception area) worth R500 000.00 was burnt down. One person(MDALA Employee) lost her life
Farm Owner details	Farm area	Losses
Phillimon Mahlangu	379 Klipfontein	Loss of grazing area of about 900 hectors. A bakkie was totally burnt down. Three(3) people lost their lives
Mr J. Aphane 072 324 5496	Farm Rietsvlei, unit 185 and 186 with 5 camps	7 cattle's burned and two (2) therefore died At an estimated R 5 500 per cattle.

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		Loss of grazing land of approximately 1200 hectares.
Simon Mbonani	Rietfontein (Kwa-Mhlanga)	Loss of grazing area.(owner could not estimate the burnt grazing area)
Sello Maphosa 078 4437 449	Kamelpoort JR 202	Loss of grazing on 5 camps approximately 600 hectares.
L. E Babedi 082 633 1042	Enkeldoorspruit JR 207	Loss of two (2) cattle and grazing area of about 900 hectares
Mr F. K Nkoana 082 2530 595	Rietfontein Unit 315 on JR 214	Loss of grazing area of about 850 hectares.
Johannes Napo 071 7879 680	Unit 218 Kamelpoortnet	Loss of grazing area of about 650 hectares.
Hendrick Chili 072 427 3490	Unit 317 Rietfontein	Loss of grazing area of about 760 hectares.
BJ Mthombeni 0826668599	Unit 19 Rietfontein(Verena)	Loss of grazing area of about 800 hectares.
Kleinbooi Babedi	Unit 205 JR Klipfontein	Loss of one camp of grazing area. (owner could not estimate the burnt grazing area)

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0716392867		
RP Makena 0722067096	Unit 305 Zandspruit(next to Sphiwe General Dealer)	Loss of grazing area of about 300 hectares
Paul Napo 0731147766	Unit 202 (Portion 4&5) Kameelpoort.	Loss of grazing area of about 760 hectares. Two (2) cows burnt dead
Lucas Matsheni 072 642 0083	Unit 310 Kameelpoort	Loss of grazing area 5 camps of about 600 hectares Wooden fence One (1)x calf

During this Veld fires four people died after they were burnt trying to assist in the extinguishing of the fires as follows:

- One farm owner;
- One Farm worker;
- One Mpumalanga Tourism and Parks Agency employee; and
- One Community member

It must however be noted that no incident was classified or declared as a disaster during the period of 2011/2012 by the district.



Figure 9: Nkangala District Municipality Fire staff at work extinguishing a major veld fire burning a lodge in Dr.JS Moroka Municipal Area in August 2011



Figure 10: A cattle burnt to death during a major veld fire next to Klipfontein (Engwenyameni) in Thembisile Hani Municipal Area in August 2011.

3.25.2 Fire Inspections conducted

The table below indicates the total number of inspections and awareness campaigns carried out by

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Nkangala District municipality:

T3.4

Date	Area	Type of service
18/08/2011	Mmametlake Hospital [Dr JS Moroka]	Fire Prevention inspection
27/09/2011	Mhlangano Fuel at Solomon	Fire Prevention inspection
	Mahlangu road KwaMhlanga [Thembisile]	
27/09/2011	Total Garage Gateway [Thembisile]	Fire Prevention Inspection
18/10/2011	Goerda Fashion- Kwagga Piazza [Thembisile]	Fire work and
		Fire Prevention inspection
02/11/2011	Fuzhou Trading [Thembisile]	Fire Prevention inspection
02/11/2011	Dr AA Mahomed Sizabantu General Dealer- Moloto [Thembisile]	Fire Prevention inspection
02/11/2011	Khulisa Social Solutions- Moloto [Thembisile]	Fire Prevention inspection
02/11/2011	Fuzhoutrading- Moloto [Thembisile]	Fire Prevention inspection
02/12/2011	Mandalindi Trading enterprise [Thembisile]	Fire Prevention inspection
04/11/2011	Fuzhou [Thembisile]	Fire Prevention inspection
14/11/2011	Sizabantu General Dealer [Thembisile]	Fire Prevention inspection

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17/11/2011	Seriti Consultancy cc- Siyabuswa	Fire Prevention inspection
14/11/2011	Mbusi Signs- Kwagga [Thembeisile]	Fire Prevention inspection
30/11/2011	Mbusi Signs- Kwagga [Thembeisile]	Business License and Fire Prevention inspection
07/12/2011	Mzwandile Shopping Centre- Kwagga [Thembeisile]	Fire Prevention inspection
07/12/2011	Unifirst Trading Nizam- Kwaggafontein Plaza [Thembeisile]	Fire Prevention inspection
08/12/2011	Shoprite –KwaMhlanga [Thembeisile]	Fire Prevention inspection
09/12/2011	Mbusi Signs [Thembeisile]	Fire Prevention inspection
05/04/2012	JET Crossing Plaza [Thembeisile]	Occupancy certificate and Fire Prevention inspection
11/05/2012	Woolworths- Kwagga Plaza [Thembeisile]	Certificate of Compliance and Fire Prevention inspection
06/06/2012	Sheppard Academy- Siyabuswa [Dr JS Moroka]	Occupancy certificate and Fire Prevention inspection

Awareness campaigns held are indicated as follows:

T3.5

Date	Name of School	No of people	Type of service
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		attended	
08/03/2012	Sikhulile Creche- KwaMhlanga [Thembisile]	102	Awareness campaign and Training
08/03/2012	Aretswaneng Batsofe service Centre- KwaMhlanga [Thembisile]	20	Awareness campaign and Training
05/08/2011	Mgibe Combine Primary School [Thembisile]	±400	Awareness campaign and Training
05/08/2011	Nansindlela Secondary School [Thembisile]	±600	Awareness campaign and Training
07/06/2012	Thembisile FPA members	75	Fire prevention and the use of skid units

3.25.3 Establishment of Fire Prevention Association

Chapter 2[3(1-2)] National Veld Forest and fires act states that “ Owners may form an association for the purpose of predicting, preventing, managing and extinguishing veld fires and apply for its registration as a Fire Protection Association (FPA) in terms of this chapter. (2) A Fire Protection Association may be formed by owners who wish to co-operate for the purpose referred to in subsection (1) in respect of an area which has-

- (a) Regular fires; or
- (b) A relatively uniform risk of veld fires; or

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- (c) A relatively uniform climatic conditions; or
- (d) Relatively uniform types of forest or vegetation.”

Both FPA’s for Thembisile Hani and Dr. JS Moroka, respectively, was formed during the year under review with only the registration thereof pending from the Department of Agriculture, Forestry and Fisheries. Primarily the objectives of the FPA, includes amongst others:

- to develop and apply a veld fire management strategy for its area;
- to organize and train its members in fire- fighting, management and prevention;
- to inform its members of technology available for preventing and fighting veld fires;
- to provide management services, training and support for communities in their efforts to manage and control veld fires.

In order to capacitate the FPA’s in performing their mandates, training of the members would be paramount hence, this, area of work would be prioritized in the new-year.

T3.7

Employees Fire Services				
Administration	Employees No	Posts No	Vacancies (Full time equivalents) No	Vacancies (as a % of Total posts)
Chief Fire Officer &				

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Deputy				
Divisional Officers	1	1	0	100%
7-9	6	6	0	100%
10-12	13	24	11	84%

T3.8

Financial Performance Year					
2011/12: Fire Services					
R'000					
Details	Year -1	Year 2011/12			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Fire fighters	4 857	4 072	4 782	4 249	4%
Other employees					
Repairs and Maintenance	126	146	43	38	-287%
Other	902	1 850	1 251	1 250	-48%

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Total Operational Expenditure	5 884	6 067	6 076	5 536	-10%
Net Operational Expenditure	5 884	6 067	6 076	5 536	-10%

T3.9

Capital Expenditure Year 2011/12: Fire Services					
R' 000					
Capital Projects	Year 2011/12				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0		
Project A-NDM	3 900 000.00	0	3 734 694.00		3 734 694.00
Project B-THLM	2 800 000.00	0	2 158 415.40		2 158 415.40
Project C-EMLM	1 400 000.00	0	666 340.60		666 340.60
Project D-STLM	1 400 000.00	0	1 146 538.18		1 146 538.18

3.26 INTRODUCTION TO DISASTER MANAGEMENT

3.26.1 DISASTER MANAGEMENT

Emergency Services is reflected as Issue 11 in the NDM Integrated Development Plan and cater for both the Disaster Management and Fire & Rescue Services. First, the Disaster Management Act 2000 provides, that-

The council of a District municipality, acting after consultation with the relevant local municipality, is primarily responsible for the co-ordination and management of local disasters that occur in its area". Furthermore, Section 54 (2) states that a District municipality and the relevant local municipality may, despite subsection 54 (1) (b), agree that the council of the local municipality assumes primary responsibility for the coordination and management of a local disaster that has occurred or may occur in the area of the local municipality".

Within the region, the primary responsibility of coordination rest with local municipalities.

Furthermore, the Disaster Management Act of 2000 that:

each District municipality must establish in its administration a disaster management centre for its municipal area in consultation with and operate such a centre in partnership with local municipalities"

The District has constructed a Disaster Centre which is being upgraded with the information technology systems to communication with the various local municipalities as well as the Provincial Disaster Centre.

3.26.2 Disaster Management Centre

Section 43 of the Disaster Management Act (Act 57 of 2002) states that "(1) each metropolitan and each district municipality must establish in its administration a disaster management centre for its municipal area". The Disaster Management Centre is aimed to amongst others:

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- i. Capacitating the district municipality in dealing with large incidents, major incidents and disaster events and incidents that will or can have a major impact on the environment, its inhabitants, residents and those visitors travelling through the district.
- ii. Allow for the coordination and management of municipal level incidents from a District level and communicate the status of these incidents to the Provincial Disaster Management Centre and should the situation require.
- iii. Take control of incidents at district level were incidents at local municipal level becomes unmanageable at local municipal level or escalates beyond the span of control at local level.

The Nkangala Disaster Management Centre project implementation was completed and four (4) Control Room Operators were appointed and trained to operationalise the centre at least on an 8 hours basis whilst the process to migrate to a 24 hour centre would be concluded in the following financial year. It is therefore anticipated that the Disaster Centre will serve as point of reporting any emergencies in the region and that low capacity municipalities without a call centre point would benefit the most from this arrangement. Furthermore, the district would have to upgrade the diesel tank capacity so that the system would remain functional even during power failures. Furthermore, the district would have to upgrade the diesel tank capacity so that the system would remain functional even during power failures.

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Figure 11: Nkangala District Municipality Disaster Management Joint Operations Centre (JOC)



Figure 12: Nkangala District Municipality Disaster Management Centre Incidents Data Capturing Centre

COMPONENT G: SECURITY AND SAFETY

3.26.3. INTRODUCTION TO SECURITY & SAFETY

Safety and Security is reflected as Issue 10 in the NDM Integrated Development Plan and provides, that the responsibility to ensure provision of safety and security lies with the South African Police Services (SAPS), in terms of the Constitution of the Republic of South African, 1996 (Act 108 of 1996). However in terms of the Inter-Governmental Relations provisions, local government has got a socio-economic development

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responsibility cooperatively with other spheres of government to make an enabling environment to reduce crime and other social anomalies as a sphere of government nearest to the constituencies.

To that extend during the 2011 Community Outreach meetings by the NDM, crime and safety related issues were amongst the issues brought to the attention of the District. It is however noteworthy that crime was raised because of lack of electricity and or motivation thereto in the following areas:

3.26.4 Moral Regeneration Movement

In dealing with these safety issues, NDM adopted the Moral Regeneration Movement (MRM) as both a crime preventative strategy as well as a nation building and social cohesion initiative, stemming from the 1997 initiative of the then president n. Mandela with the key South African leaders wherein the role of religious groups in rebuilding the country and working together with the state was discussed and is now seen as the origination of the MRM. Furthermore, the 1996 national crime prevention strategy considers the strengthening of moral values as a crucial aspect in reducing crime.

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3.27 HUMAN RESOURCE SERVICES

3.27.1 INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resource services include the Human Resource (HR) component and the Human Resource Development (HRD) component. The Human Resource component deals with the following:

- Recruitment
- Management of staff
- Compensation
- Hiring
- Performance management
- Organization development
- Safety
- Wellness
- Benefits
- Employee motivation
- Administration
- Training

On the other hand, HRD deals with the following:

- Training an individual after he/she is first hired,
- Providing opportunities to learn new skills,
- Distributing resources that are beneficial for the employee's tasks, and
- Any other developmental activities

HRD related issues in the Municipality are in accordance with Section 72 (1) (c) of the Local Government: Municipal Systems Act 32 of 2000 as amended, which states that:

The Minister may, subject to applicable labour legislation and after consultation with the bargaining council established for municipalities and the Minister for the Public Services and Administration, for the purpose of this chapter make regulations or issue guidelines in accordance with section 120 to regulate or provide for the following: The promotion and demotion of staff;

- *The setting of uniform standards for-*
- *Municipal staff establishment*

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- *Municipal staff systems and procedures referred to in sec 67 (1) and the matters that must be dealt with in such systems and procedures, including- transfers; and termination of services*
- *Any other matters concerning municipal personnel administration*

The Municipal Council adopted the Register of the Standing Resolutions which included Human Resources policy so as to ensure compliance with Section 67 (1) of the Local Government: Municipal Systems Act 32 of 2000 as amended, which states that:

A Municipality, in accordance with applicable law and subject to any applicable collective agreement, must develop and adopt appropriate systems and procedures, consistent with any uniform standards prescribed in terms of section 72 (1) (c) to ensure fair, efficient, effective and transparent personnel administration including:

- *The recruitment, selection and appointment of persons as staff members;*
- *Service conditions of staff;*
- *The supervision and management of staff;*
- *The monitoring, measuring and evaluation of performance of staff;*
- *The promotion and demotion of staff;*
- *The transfer of staff;*
- *Grievance procedures;*
- *The investigation of allegations of misconduct and complaints against staff;*
- *The dismissal and retrenchment of staff; and*
- *Any other matter prescribed by regulation in terms of section 72*

The HR policies in the Register of the Standing Resolutions have been identified for review in the coming financial year, 2012/2013.

As on the 30 June 2012, the staff complement was 113 and 59 Councillor, 24 of whom are directly elected and 35 representing local municipalities.

The appointment of personnel accelerated in the second half of the financial year and a critical position of the Chief Financial Officer that was vacant from 2009, was then filled. Positions of Deputy Manager Corporate Services and that of the Youth Manager were also filled. Most importantly, the Municipality filled the position of the Assistant Manager Performance Management was also filled. This made it possible for the Municipality to assess its performance based on the approved SDBIP.

3.28 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

3.28.1 INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Since Nkangala District Municipality provides infrastructure and resource management to the area of governance, it is vitally important that a service of high quality is provided to all stakeholders at affordable rates and within reasonable timeframe. Thus, a need for the computerization of systems within NDM in an effort to becoming e-compliant is crucial and thus the unit's primary objective is to serve the immediate needs of the District concerning the application and operation of its computer systems and access to information on local networks and the public internet by the relevant stakeholders.

The primary objective of the ICT unit is to serve the immediate needs of the District concerning the application and operation of its computer systems and access to information on local networks and the public internet by the relevant stakeholders. The following remain the main objectives for the existence of the ICT Unit:

- Implementation of e-Government within the District.
- Enablement of access to information for all relevant stakeholders.
- Maintenance and implementation of ICT's within the District to fast-track service delivery.
- Management and maintenance of hardware, networks, infrastructure, and provision of general ICT support.
- Management of Information Systems in line with the vision and mission of NDM.
- Provide the necessary support to all the Local Municipalities under NDM's jurisdiction.
- Management of the System Development Life Cycle (SDLC) of all current and proposed systems.

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- Serve as a One-stop Shop for the District to all citizens.

The Information and Communication Technology (ICT) Unit within Nkangala District Municipality (NDM) is crucial in the underpinning of the NDM and its local municipalities IDP; while serving as the key to strategic discussions on land and spatial issues, community development, economic and social issues. This unit is the vehicle for service delivery.

3.28 .2 SERVICE STATISTICS FOR ICT SERVICES

3.28.2.1 ACHIEVEMENTS

In the Financial Year 2010/2011 the Information and Communication Technology unit implemented, enhanced, and/or developed the following systems:

- The entire infrastructure within Nkangala District Municipality is housed internally; with two Data Centers where one data center serves as redundancy. The standard for all hardware is HP. All servers are running on Microsoft Windows 2008 R2 Standard Edition Service Pack 1. The Nkangala District Municipality's financial system (Munsoft) runs on UNIX and Linux platforms. With staff complement of 152, excluding the members of the executive council there are 193 desktops that are running on windows XP service pack 3 and Windows 7 Professional.
- The Data Center was relocated to a new environment as per MISS minimum requirements, by the introduction of Biometric Access System, Motion Detecting Camera System, Fire Extinguisher System, Flood and Smoke Detecting System and Remote Monitoring/Reporting System.
- New Servers were installed to facilitate the upgrading of all systems and services to the current status in the market.
- The down time was reduced to a tremendous 85% since March 2012.
- The turnaround time has improved since the complement of the ICT personnel.

The following are systems that are currently in operation within NDM:

- VIP Premier – runs the Payroll system.
- Collaborator – runs the Electronic Document Management System of the District.

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- Munsoft Classic – runs the Financial System of the District.
- LIBWIN – runs the Library Systems of the District.
- IMIS – runs the Geographic Information System (GIS) of the District using Planet GIS.
- Website – this is the website of the District as per MFMA stipulations.
- Audio Visual System – this system is installed in all the committee rooms including the Council Chamber. It also comprises Video Conferencing facilities. This state-of-the-art system has turned NDM into a beehive of the province.
- NDMIS – this is the Nkangala District Management Information System which comprises the following modules:
 - Project Management System.
 - Performance Management System.
 - IDP Capturing.
 - Information Technology.
 - Human Recourses Management.
 - Supply Chain Management.
- A Service Level Agreement (SLA) was signed for the maintenance and support of the Electronic Document Management System (Collaborator).
- The Security System was upgraded in June 2010 to include additional facilities.
- After the full deployment of the Planet GIS a dynamic a GIS room which comprise two (2) high specifications PC's, a high specification Laser Printer, and a Plotter, was established furthermore a state of the art plotter was commissioned.
- After the commissioning of the Planet GIS in NDM in 2008, a GIS Strategy was developed with an intention to promote Shared Services and provide support on spatial information to all local municipalities within the Nkangala region.

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- A Cadastral GIS Data Clean-Up project was undertaken whereby all spatial data in the six local municipalities was sourced and verified.
- In June 2010 a Business Agreement between NDM and SITA (State Information Technology Agency) was signed.
- The Telephone, Data lines, and Wireless Connectivity were installed at KwaMhlanga fire station.
- A business agreement with SITA was signed to inter alia facilitate the upgrading of the Data Center and acquisition of Servers.
- The Backup Exec Server system has been implemented as a drive to upgrade the internal backup system.
- A Service Level Agreement has been signed with a service provider to provide support of the Symantec Backup Exec.
- The NDM Website has been upgraded to include latest functionalities such as RSS feed, Podcasting, Access to other Government entities, and Access to internal contacts via e-mail.
- Nkangala District Municipality has signed a Gold contract with Telkom (25/75 CAPPED).
- Bandwidth has been increased from 1MB to 2MB.
- OWA (Outlook Web Access) has been Implemented.
- Nkangala District Municipality successfully facilitated a Fan Park for 2010 FIFA World Cup.
- Audio Visual, DSTV and Video Conferencing facilities in the NDM's parlour have been installed and are fully functional.
- In collaboration with DBSA, LGNET (Local Government Network) was commissioned in NDM to provide NDM Management with access to information such as Acts and Legislations etc.

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COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

3.29 PERFORMANCE INFORMATION

3.29.1 The purpose of the report

The purpose of this report is to give feedback on the performance of Nkangala District Municipality as required by the Municipal System Act. The report is compiled based on the strategic Municipal Service Delivery and Implementation Plan (SDBIP) developed for 2011/12 Financial Year culminating from the 2011/12 Integrated Development Plan (IDP). The report focused on the Five National Key Performance Areas stipulated in the Local Government Municipal Systems Act of 2000 which are as follows:

- Basic Service Delivery and Infrastructure Development
- Local Economic Development
- Municipal Transformation and Instructional Development
- Municipal Financial Viability
- Good Governance and Public Participation

Explanations of Concepts used in header of the 2011/12 Annual Performance Report

As stated above the report is compiled based on the 2011/12 SDBIP and for the purpose of this report the following concepts bears the following meaning:

- Key Performance Objectives: Indicates the objectives through which Council monitors its performance in realising its developmental mandate
- Strategy : indicates how Council will realize its developmental objectives
- Key Performance Indicator : refers to the output and outcome indicators used to track achievement of the developmental objectives of Council
- Target: planned level of performance for 2011/12 Financial Year

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- Unit of Measurement : Evidence or proof regards to the actual performance or the work done
- Progress : the actual performance from 1 July 2011 to 30 June 2012
- Budget allocated : Budget allocated for 2011/12 Financial Year
- Budget used : the budget used against the budget allocated
- Comments : Additional information on the contents of the report
- Reasons for Variations: Factors that led to non or under achievement of set target
- Corrective Actions: Steps to be taken to improve under performance

NB: In both the IDP and the SDBIP there are five Key Performance Areas (KPA's) under which the indicators are categorized as per developmental priorities and objectives. For simplicity in interpreting this report **(KPA1-1.1 SDBIP)** will be interpreted as Indicator 1 under key performance area 1 within the SDBIP.

Since most of what is captured as indicators within SDBIP are more a strategy, corresponding indicators in the IDP are cordially captured in the Annual Performance Report since the output in both IDP and SADBIP are the same.

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T4.1 PERFORMANCE INFORMATION: 2011/2012 FINANCIAL YEAR

Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
KPA 1 Infrastructure Development and Service Delivery										
Strategic priority 3: Inclusive Programme to build Economic and Social Infrastructure										
To promote sustainable Rural Development across the District	Facilitate finalization of the Land Reform programme	Approved Progress report on Land Reform Programme (KPA1-1.1 SDBIP)	1	Progress report on Land Reform Programme	Not Achieved	-		Meeting held between the Executive Mayor and the Commissioner of Land Reform in MP and the Planning Personnel within the District.	Programme is controlled Nationally	
	Multi-stakeholder implementation of Rural Based	Number of Rural Development Programmes implemented	1	Progress report on implementation of the	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Development Programme	(KPA1-1.2 SDBIP/IDP)		CRDP						
To promote an integration between Spatial Planning and Transportation Planning to achieve sustainable Human Settlements	Enhancement NDM Spatial Development Framework and integrated Transport Plan and regulate all development in accordance with plans.	Number of recommendations from the revised SDF implemented (KPA1 -1.3 IDP)	1	Recommendations from the revised SDF implemented	Achieved	0	0	The SDF all the local municipalities were reviewed to incorporate the recommendations.		
		Number of medium-long term development initiatives identified and initiated (KPA1- 1.4 IDP)	1	Medium-long term development initiatives identified and initiated	Achieved	0	0	The SDF all the local municipalities were reviewed to incorporate the recommendations.		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
To promote an integration between Spatial Planning and Transportation Planning to achieve sustainable Human Settlements	Review of Physical Planning functions strategy- (shared services)	Revised Physical Planning Strategy by 30 June 2012 (KPA 1-1.3 SDBIP)	1	Approved Revised Physical Planning Strategy	Partially Achieved	500 000	R294 120	Revision of the Physical Planning Strategy completed and awaiting approval by Council	Comments from LMs on Final document did not come in time	Comments have been received from local LMs and the report will be submitted to council for consideration.
	Land Use Management Systems (LUMS)	Approved LUMS (KPA 1-1.4 SDBIP)	1	Progress Reports on status of LUMS across the District	Partially Achieved	2 000 000	R1499 100.00	Prototype completed and LMs workshopped	Due to late appointment the work will be completed in September Prototype completed	The working programme schedule to be revised in order to meet the project

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
									and LMs workshop	deadline.
	Implementation of the Feasibility study of Regional Cemetery	Number of Progress Report on implementation of Regional Cemetery Strategy (KPA1-1.5 SDBIP)	2	Progress Report on implementation of the Strategy	Partially Achieved	1 000 000	R719 298.25	The project is progressing well as per the schedule and duration of their appointment	The appointment was done in consideration of other projects which had an impact on this projects hence a slight change in time frames.	The working programme schedule to be revised in order to meet the project deadline.
	Education awareness, Training and mentorship programmes	Number of Education awareness, Training and mentorship	1	Report on the mentorship Program	Not Achieved	500 000		The matter was partially addressed during the IDP Review	Project advised suitable service provider	This project will be submitted for budget

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	for effective management of Land Use Scheme	programmes for effective management of Land Use Scheme conducted annually. (KPA1-1.6 SDBIP)		me				Process whereby communities were sensitised on issues of land use and Spatial Development Framework.	couldn't be found.	adjustment for implementation and also capacitated DPU to perform the function internally
	Implementation of Eradication of Informal Settlement Strategy-projects	Number of Progress reports complied on the Implementation of Eradication of Informal Settlement Strategy – projects by 30 June 2012 (KPA1-1.7)	2	Progress report on the implementation of the Strategy	Partially Achieved	100 0000	R558 828.00	The district have the planning function in the three municipalities furthermore have the responsibility as per section 84 of the Structures Act to capacitate	In an effort to coherently respond to challenges relating to informal settlement in the district, comprehensive eradication of informal settlement	The SDF Should be used as a guiding tool land Use matters.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		SDBIP)						local municipalities, hence a uniform guiding strategy has to be developed. The Eradication of Informal Settlement Strategy is completed and will be taken to the Council's seating of 29 Aug 2012 for approval	strategy had to be developed and used as guide on all relational matters.	
	Development and Implementati	Service Provider appointed to	1	Appointment Letter	Achieved	1 000 000	R931 380.00	The project is complete with a saving		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	on of Small Town and Nodal Point Revitalisation Plan	develop Small Town and Nodal Point Revitalisation Plan for NDM (KPA1- 1.8 SDBIP Multiple Indicator)						which will be reallocated to an unallocated vote in the DPU Office		
		Small Town and Nodal Point Revitalisation Plan developed by 30 June 2012 (KPA1- 1.8 SDBIP Multiple Indicator)	1	Council Resolution accompanied by the approved Plan						
				Progress report on the implementation of the Plan						

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
To ensure that every household has security of tenure by 2015	Finalisation of Upgrading of Land Tenure Projects	Finalised Upgraded Land Tenure Projects by 30 June 2012 (KPA1- 1.9 SDBIP)	2	Progress report on upgrading of Land Tenure Projects	Partially Achieved	3 000 000	R670 800.00	The projects are progressing well awaiting a state release certificate from the Minister of Rural Development and Land Administration	The approval processes at the Provincial DEDET and DARDLA are playing a critical role in the completion rate of all the Township Establishment projects currently under way.	Continuously engage DEDET and DARDLA on bilateral and through Provincial Spatial Working Group
To establish an	Implementation of NDM-	Number of Progress	4	Progress reports	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
integrated fully operational web-based GIS throughout the District	GIS strategy-Projects	reports on implementation of GIS Strategy (KPA1- 1.10 SDBIP)		on implementation of GIS Strategy-Data Cleansing						
To establish an integrated fully operational web-based GIS throughout the District	Development and Implementation of NDM-GIS strategy-Projects	Service Provider appointed to undertake data cleansing (KPA1- 1.10 SDBIP Multiple Indicator)	1	Copy of the Appointment Letter	Achieved	4 000 000	R3 980,300	95% of the data cleansing exercise completed and part of it uploaded on NDM GIS. The remaining portion will be uploaded upon addressing of the logistical and		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								compatibility challenges		
To establish an integrated fully operational web-based GIS throughout the District	Implementation of NDM-GIS strategy-Projects	Number of Progress reports on implementation of GIS Strategy (KPA1- 1.10 SDBIP Multiple Indicator	4	Progress reports on implementation of GIS Strategy	Partially Achieved			Draft GIS Strategy is complete and awaiting tabling to Mayors' Forum	The Draft GIS Strategy to be tabled at the Mayors' forum as per the recommendation of the Mayoral Committee	The project will be implemented in 2012/2013 FY
Strategic Priority 9: Sustainable Resource Management Use										
To ensure provision of adequate portable water to all within	Revise Water Master Plan	Revised Water Master Plan by 30 June 2012 (KPA1- 1.11	1	Council Resolution accompanied by the revised	Not Achieved	700 000	0	WSAs must review their WSDP in order to afford district	WSAs did not review their WSDPs hence progress	WSAs were requested to review their WSDPs

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
NDM by 2015		SDBIP)		Water Master Plan				consolidate and review the WMP. NDM is not a WSA, the Water Master Plan was to be used a guiding tool for uniform capacity building to WSA's for water service provision and backlog eradication.	was not achieved.	in compliance with the Water Services Act and/or formally request NDM to do the revision on their behalf. hence a budget of R2m will be made available in the 2012/13 FY for this purpose.
	Solicit funding	% decrease in Water	20	Report on reduction	Partially Achieved	37 010	1308303	The District Municipality	Financial expenditure	In the 2012/201

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	towards reduction Water Backlogs	Backlogs for 2011/12 FY (KPA1- 1.12 SDBIP)	%	on current backlogs inclusive of Free basic water provision	46%	000	5	provide capacity to the WSAs by developing infrastructure in a form of capital projects.. Eradication of backlogs is the responsibility of WSA. The progress of implementation is monitored and reported during the consultant's quarterly meetings. Furthermore, Section 71 of MFMA reported to	e progress does not equate with the budget in this report due to the adjustment budget that was done in January 2012 increasing by R 10,98m.	3 financial year, the indicator will be correctly drafted to reflect the support role played by the District to water services authorities. Furthermore administration will in future review the SDBIP after the adjustment

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								council on monthly and quarterly basis. In terms of the financial performance, 35.35% expenditure was achieved. It is worth noting that the district is not a water services authority and therefore does not perform the function of water and sanitation upon which it could be measure. This is just		t budget.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								its contribution of backlogs eradication to local municipalities.		
To ensure provision of adequate Sanitation to all within NDM BY 2015	Reduce Sanitation Backlogs	% reduction of sanitation backlogs (KPA1- 1.13 SDBIP)	4	Report on reduction on current backlogs inclusive of Free Basic Sanitation provision	Partially Achieved	14 000 000	5 637 106.62	The District Municipality provide capacity to the WSAs by developing infrastructure in a form of capital projects.. Eradication of backlogs is the responsibility of WSA. The progress of implementation is monitored	Implementation on one of the project that is budgeted 7m was delayed due to environmental impact assessment which resulted in carryover of the project to 2012/2013.	In the 2012/2013 financial year, the indicator will be correctly drafted to reflect the support role played by the District to water services authorities. Furtherm

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								and reported during the consultant's quarterly meetings. Furthermore, Section 71 of MFMA reported to council on monthly and quarterly basis. In terms of the financial performance, 40% expenditure was achieved. It is worth noting that the district is not a water services authority and therefore		ore administration will in future review the SDBIP after the adjustment budget. Projects that require EIA will be budgeted for multi financial years.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								does not perform the function of water and sanitation upon which it could be measured. This is just its contribution of backlogs eradication to local municipalities.		
To facilitate an efficient, competitive and responsive economic infrastructure network across the District	Ring fence water, sanitation and electricity functions so as to facilitate cost effectiveness in pricing of these services	Average % increase in the cost of these three services across the district (KPA1- 1.14 SDBIP)	4	Report on implementation of capital projects	Partially Achieved	133 157 142.29	45 764 923.01	The progress of implementation is monitored and reported during the consultant's quarterly meetings	The budget increased due to the adjustment budget that was done in January 2012.	The administration in future will revise the SDBIP after the adjustment budget.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								Furthermore, Section 71 of MFMA reported to council on monthly and quarterly. In terms of the financial performance, 34.37% expenditure was achieved.		
To provide an effective and sustainable Infrastructure maintenance Plans	Maintain and expand water purification works and waste water treatment works in line with the growing demand	Provide support to water services authorities in the maintenance of water purification works and waste water treatment	2	Report on the status of water purification and water treatment works	Achieved	1 500 000	584 350.00		Accepted offers were lower than the anticipated cost to develop maintenance systems. The difference will be	

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		works (KPA1- 1.15 SDBIP)							reallocated to unallocated vote for Technical Services.	
		% increase in maintenance of water purification works and waste water treatment works (KPA1-1.14 IDP)	1	Completion certificate on upgrading of water purification works and waste water treatment works	Achieved			NDM support municipalities to increase maintenance of treatment works by implementing capital projects and developing systems. The progress of implementation is monitored and reported during the consultant's quarterly		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								meetings		
To ensure provision of adequate portable water & Sanitation to all within NDM by 2015	Facilitate institutional arrangements and systems (blue and green drop certification)	At least one Blue Drop Certification per water service authority (KPA1- 1.16 SDBIP)	6	Report on blue drop certification for WSAs	Achieved	5000 000	000	NDM support municipalities to achieve their Blue and Green Drop status by implementing capital projects and developing systems. The progress of implementation is monitored and reported during the consultant's quarterly meetings		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
To ensure provision of Electricity to all communities by 2012	Facilitate licensing of electricity supply	Number of LM's licensed to provide Electricity within NDM in 2011/12 FY (KPA1- 1.17 SDBIP)	2	Report on supported provided to local municipalities. supply licences applications	Partially Achieved 28.5%	26,5m	2,7m	Support was provided to all municipalities. The allocated budget was used to develop master plan for Emalahleni Local Municipality and capital electrical projects worth R26 million on the basis that NDM could not perform any work related to the licensing of	After engagement with the DME it was confirmed that this function is performed by the local municipality together with Eskom.	

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								the municipalities to provide electricity. In terms of the financial performance, 10.19% expenditure was achieved. The progress of implementation is monitored and reported during the consultant's quarterly meetings		
To facilitate increased mobility and accessibility	Ensure maintenance of roads and stormwater systems to	Number of reports in % increase of the % increase of	2	Reports on road maintenance in Thembisil	Achieved	27 173 271.50	19 499 248.45		The budget increased by 7m during the adjustment	The administration in future will

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
across the District	acceptable standards within Thembisile Hani LM	the NDM capital Grant invested in maintaining roads on Thembisile Hani Local Municipality in 2011/12 FY (KPA1- 1.18 SDBIP)		e Hani Report on road maintenance in Thembisile Hani Local Municipality					budget that was done in January 2012.	revise the SDBIP after the adjustment budget.
	Develop roads standards and specifications	Approved roads standards and specifications developed by 30December 2011 (KPA1- 1.19 SDBIP)	1	Report on road standards specifications	Partially achieved	500 000	0	Specifications were developed for tender purposes during the last quarter of the financial year (June	NDM had to consult various municipalities in order to develop the specifications.	A service provider will be appointed by 30 September 2012.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								2012)		
Review Road maintenance function in Thembisile Hani Local Municipality	Conduct Section 78 and recommend to the demarcation board	Section 78 on roads function within Thembisile Hani LM conducted by 30 June 2012 (KPA1- 1.20 SDBIP)	1	Report on capacity of Thembisile Hani Local Municipality road maintenance	Achieved	500 000	950 000	Council adopted the report as per resolution	The reason for overspending was due to the increased scope of work which included the review of PMS, Organisational structure, Job descriptions and post identification numbering system	

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
KPA 2 Local Economic Development										
Strategic Priority 1: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods										
To grow the District Economy to achieve year – on – year growth rate	Develop, review, adopt and implement all the requisite Strategies and Plans to optimise strategic intervention in the Regional Economic Development	Number of requisite Economic Development strategies (LED and Tourism) developed, reviewed and adopted by Council (KPA2-SDBIP) 2.1	2	Council Resolutions accompanied by the approved LED and Tourism Strategies	Partially achieved	R421 052 .63	R406 052.63	The draft Strategy is in 95% progress but still awaiting to be workshopped to the Mayoral Committee	Referred back from Mayoral Committee to be workshopped before tabled to Council	The report will be presented to Mayoral Committee and submitted to Council by 30 December 2012

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Enable environment for tourism development in the district.	Develop tourism marketing brochure (KPA2- 2.1 SDBIP Multiple Indicator)	1	Brochure developed	Partially Achieved	R200 000	R132 800	Draft tourism brochure developed	Delay due to wide stakeholder's consultation which resulted in the variation of the original scope of work	Strengthen the monitoring of the Service Provider and to submit the completed Tourism Brochure by 31 st of August 2012.
	Undertake feasibility Study and Compile Bankable Business Plans of all the Anchor Projects within the	Feasibility study for the LED initiatives (Fresh Produce Market and Delmas International Cargo	1	Report on feasibility studies	Partially Achieved	R636 000	R7 536	Terms of reference for the feasibility study for the fresh produce market developed, Bid	The tender is being re-advertised for the third time due to unavailability of suitable service	Tender is re-advertised . The project is carried over to the

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	District.	Airport) conducted by 30 March 2012 (KPA2- 2.1 SDBIP Multiple Indicator)						advertised.	provider	current financial year (12/13)
		Develop and revise Business Plans for Anchor projects (KPA2-2.2 SDBIP)	2	Approved Business Plans on Fresh Produce Market and Delmas International Cargo Airport	Partially Achieved	-	-			

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Establish Strategic Partnerships with Strategic Players in the Economy of the District	Number of Strategic Partnerships with Strategic Players in the Economy of the District established (KPA2- 2.3 SDBIP)	2	Report on Strategic Partnerships (CEO's Forum and Land & Agricultural Committee) established accompanied by Minutes and attendance registers	Partially Achieved	R0.00	R0.00	CEO's Forum and Land & Agricultural Committee are established; meetings scheduled and held on quarterly basis.		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Promote the development of all the Sectors in the District	Number of Economic Sectors developed and supported in the District by 30 June 2012 (KPA2- 2.4 SDBIP)	2	Report on Development and support of respective Sectors Approved Tourism Programmes	Partially Achieved	R2000 000	R5 024	Terms of reference received from LM's, Bid advertised, evaluated adjudicated and awaiting approval	Consultation with LM's took longer than anticipated	Service Provider to be appointed by the 31 st of August 2012
	Monitor implementation of the District Growth and Development Summit Agreements.	% increase in number of Agreements optimally implemented as per the Framework (KPA2- 2.5)	2%	Progress Report on implementation of the Growth and Development	Partially Achieved	R0.00	R0.00	Job Summit was held on the 13 and 14 th of October 2011 and the resolutions of the summit were	GDS agreements are multi-year in nature; hence the implementation may not be	Utilise the CEO's Forum to optimally implement and monitor GDS agreement

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		SDBIP)		Summit Agreements				adopted by Council	confined to one year. Furthermore the nature of projects to be implemented depends on external funding which is not guaranteed which may result in changing of targets.	s
	Create an enabling environment for investment by streamlining planning	% Increase in number of investment opportunities created (KPA2- 2.6	2%	Progress Report on approved planning application processes	Partially Achieved	R0.00	R0.00			

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	application processes	SDBIP)								
	Create an enabling environment for investment by streamlining planning application processes	Number of Reports on approved planning application processes (KPA2- 2.6 SDBIP Multiple Indicator)	2	Reports on approved planning application processes	Achieved			Reports were submitted and the District Land Use Committee sat throughout the year to consider application reports from Thembisile Hani, Dr JS Moroka and Emakhazeni		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								LM's.		
	Convene Job Summit	Convene one Job Summit by 30 June 2012 (KPA2- 2.7 SDBIP Multiple Indicator)	1	Resolutions of the Summit and Attendance Registration	Achieved	R0.00	R0.00			
		Number of NDM Job Summit resolutions implemented by 30 June 2012 (KPA2- 2.7 SDBIP Multiple Indicator)	3	Progress report on implementation of the Resolutions of the Summit	Partially Achieved	R0.00	R0.00	Funding Applications for the priorities resolved in the Job Summit has been Submitted to the Jobs	Request for funding was not approved, resubmission is in process for the next window of application	Alternative funding sources had been identified, applications including possible partnerships is

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		Indicator)						Fund.	.	considered.
		Number of SMME's Trained and Workshopped by 30 June 2012 (KPA2- 2.7 SDBIP Multiple Indicator)	20	Training report	Achieved	R459 000.0	R459 000.0	SMME's workshop conducted.		
		Number Jobseekers placed as per the Job Summit Resolutions (KPA2- 2.7 SDBIP	10	Close up report on Recruitment, Selection and Placement of Unemplo	Achieved	R194 750.00	R194 750.00	Jobseekers placement initiative undertaken		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		Multiple Indicator)		yed Youth to different companies across the District.						
	Co-ordinate and provide capacity building to Co-operatives	Number of Cooperatives Trained and Workshopped by 30 June 2012 (KPA2- 2.7 SDBIP Multiple Indicator)	10	Progress report on training and capacity building for Co-operatives Attendance register	Partially Achieved	R700 000	0%	Terms of reference developed, Bid advertised, evaluated, adjudicated but could not effect appointment.	Appointment not effected due to non responsiveness of tenderers	Tender is being re-advertised . The project will be implemented in the 2012/13 Financial Year
To ensure efficient, competitive and	Improve maintenance of Municipal road	Number of reports on maintenance of Municipal		Report on maintenance of Municipa	Achieved			Reports submitted to Council on maintenance		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
responsive economic infrastructure network	networks	road networks (KPA2- 2.10 SDBIP)		1 road networks by June 2012				of roads within the region		
	Ensure Spatial Development Framework provides for commuter rail corridor, as well as other modes of Transport.	Number of Transport Corridors for rail or public roads accommodated in Spatial Framework (Midlen Transport Corridor and Moloto Rail Corridor Development)	2	Approved Medlin Strategy and Approved Feasibility Study for Moloto Rail Development Corridor	Partially Achieved	R0.00	R0.00	Final Draft Strategy for Medlin developed. Feasibility study for Moloto Rail Development Corridor will be recommisioned by the National Department	Project is a competency of National Department of Transport.	NDM is a strategic stakeholder in the Moloto Technical Steering Committee

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		(KPA2- 2.10 IDP)						of Transport.		
To halve Poverty and Unemployment by 50% by 2015	Facilitate creation of jobs opportunities through LED initiatives and Capital Projects	% reduction in unemployment rate(from 26.2% to 24.2%) by June 2012 (KPA2- 2.12 IDP)	2%	Report on the number of jobs created through LED initiatives and Capital Projects	Partially Achieved	R9 583 800	0%	5 pilot projects emanating from the Job Summit have been identified to optimise job creation and reduce poverty. Terms of Reference have been developed and partners and funders have been approached.	In process of finalising the feasibility study and adopting the LED and Industrial Strategies	Council to approve the LED and Industrial Strategies by 30 December 2012. Furthermore identified partnerships agreements will be finalised.
	Facilitate optimal poverty	% reduction in poverty rate (39% to	9%	Progress report on Poverty	Not Achieved	R.000	R.000	5 pilot projects emanating	In process of finalising	Council to approve

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	alleviation programmes	30%) by June 2012 (KPA2-2.13 IDP)		Reduction in the District				from the Job Summit have been identified to optimise job creation and reduce poverty. Terms of Reference have been developed and partners and funders have been approached.	the feasibility study and adopting the LED and Industrial Strategies.	the LED and Industrial Strategies by 30 December 2012. Furthermore identified partnerships agreements will be finalised.
	Number of jobs created through capital projects in 2011/12 FY	Reports on Number of jobs created through Capital Projects (Electricity, Roads, Roads	2	Achieved	56 203 46 2.82	34 937 47 9.43	The signed EPWP full time equivalent incentive grant	The jobs were created during implementation of capital projects.	Statutory reporting by all Departments to the Management Information	

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		Maintenance Programme, Water and Sanitation) (KPA2- 2.12 SDBIP Multiple Indicator)					agreement target was 122. FET's recorded in the Management Information System of the National Department of Public Works is 848 .		n System of the National Department of Public Works must be strengthened.	
Strategy Priority 3: Comprehensive Rural Development Strategy linked to Land and Agrarian Reform and food Security										
To facilitate availability of Land for Economic Development	Acquire state Land for Dr JS Moroka and Thembisile	% State Land acquired for Dr JS Moroka and Thembisile	1	Report on percentage State Land transferred	Partially Achieved	-		The approved Spatial Development Framework	The transfer process at the Provincial	Local Municipalities were requested by the

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
nt	Hani LM's	LM's (KPA2- 2.14 SDBIP)		d to Municipalities for Economic Development				(SDF) provided a status of land reform in the district including portion of land owned by the state which may be released through the state land disposal processes.	DEDET and DARDLA are playing a critical role in transfer rate of all the state owned land. Hence the district state land disposal committee was established	District to identify pockets of land owned by the state land earmarked for development
To facilitate creation of vibrant, equitable and sustainable rural	Develop and review Comprehensive Rural Development Strategy	Comprehensive Rural Strategy developed (KPA2- 2.15)	1	Council Resolution accompanied by the Strategy.	Not Achieved	R.000	R.000			

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
communities and food security		SDBIP)								
To ensure adequate transport systems for the efficient movement of people & goods	Promote Public Transport usage by increasing existing facilities & services in rural and urban areas prioritizing low and middle income settlements	Number of Taxi Ranks Upgraded (KPA2- 2.17 IDP)	4	Rank Facility Management plan Council Resolution accompanied by Road Safety Strategy	Partially Achieved	R700.000	R167984.00	Draft Middelburg/Witbank Transport Corridor Study completed	The project took five months instead of the anticipated four months due to stakeholder consultation processes.	The strategy will be submitted to Council by 30 December 2012
		Develop HAZMAT Strategy by 30 June 2012 (KPA2- 2.18	1	Freight Management /IMS/HAZMAT	Partially achieved	R908,810.00	R401,618.00	Draft Freight HAZMAT Strategy Completed.	The project took six months instead of the	The strategy will be submitted to Council

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		SDBIP Multiple Indicator)							anticipated four months following an extension of time granted to the service provider.	by 30 December 2012
	Ensure that Public Transport planning and implementation is catered for when new low and middle income housing development is completed within the context of Integrated	Update ITP that caters for new housing establishment by 30 June 2012 (KPA2- 2.19 IDP)	1	Report on % on inclusion of Public Transport	Not Achieved	-	-	Instead Rank Facility Management plan was developed to cater for new low housing development. The implementation of the Strategy will only come in	No budget allocated for the project.	The strategy will be submitted to Council by 30 December 2012.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Human Settlement norms.							the next Financial Year.		
To integrate Public Transport services by 2015	Facilitate provisioning of multi-modal Public Transport facilities by 2015	% increase in number of multi modal facilities in the District from 20% to 25 % (KPA2- 2.21 IDP)	5%	Progress Report on provisioning of multi-modal Public Transport	Not achieved	R0.00	R0.00	Project was to be funded by the province.	Lack of funding from Provincial department	To facilitate an interaction with the provincial department with a view that the provision in its budget on the next financial year is made.
	Ensure development	Number of Municipalities	2	Council Resolution	Partially	R669228.00	R354416	The draft ranks facility	The project	The strategy

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	of credible Public Transport Services Plans (PSTP)	s with completed PTSP (KPA2- 2.23 IDP)		ns accompanied by the Public Service Plans	achieved		.00	management plan is developed.	took five months instead of the anticipated four months due to stakeholder consultation processes.	will be submitted to Council by 30 December 2012
		Approved Non Motorised Transport (NMT) Atlas by 30 June 2012 (KPA2- 2.23 IDP)	1	Council Resolutions accompanied by an approved Non Motorised Transport Services Plans	Partially achieved	R 68237.00	R154,619.00	Draft Non Motorised Transport (NMT) Atlas	The project took five months instead of the anticipated four months due to stakeholder consultation	The strategy will be submitted to Council by 30 December 2012

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
				(PSTP)					n processes.	
Priority 7 Building cohesive, caring and sustainable communities										
To facilitate upbringing of skilled, healthy and vibrant youth in the district	Coordinate and facilitate establishment of youth cooperatives in all local municipalities within the district	Number of Youth Cooperatives established in all Local Municipalities (KPA2-SDBIP) 2.2	2	Report on establishment of Youth Cooperatives	Partially Achieved	R0.00	R0.00	Survey was conducted to identify the status quo of existing cooperatives within the region in order to determine the appropriate intervention by the district	The findings of the survey highlighted a number of gaps on the existing cooperatives (youth), hence the recommendations to first nurture existing cooperatives before developing new ones.	Draft needs analysis report developed and completed.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
KPA 3 Financial Viability										
Strategic Priority 9 Sustainable Resource Management and Use										
To strengthen the administrative and Financial capacity of the District		Analysis of financial performance of the Local Municipalities and revenue enhancement mechanisms (KPA3- 3.1 SDBIP Multiple Indicator)	4	Reports on Financial Performance of LMs	Partially Achieved	500 000	000	1 report submitted, budget not spent, the reports were done in-house	The late establishment of Finance Forum attended by CFO's of Local municipalities.	The Finance Forum has been established to ensure submission of information for report compilation by the district and a schedule

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
										for reporting has been adopted.
	Identify and engage potential funders of the District's developmental initiatives	Number of potential funders identified and engaged	1		Not applicable. This is indicated as Year 2 and not the current year.			This is indicated as Year 2 and not the current year.		
	Comply with Legal Financial reporting requirements	Compliance rate of the District with the Legal Financial Reporting requirements (KPA3- 3.2 IDP)	100 %	Financial Reports	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		Number of quarterly financial reports compiled and submitted (KPA3- SDBIP Multiple Indicator)	4	Quarterly Financial Reports	Achieved			4 reports submitted		
		Number of Monthly Financial Reports compiled KPA3- SDBIP Multiple Indicator	12	Monthly Financial Reports	Achieved			12 reports submitted,		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Reporting and budget regulation implementation	Number of reports on % compliance to Budget Regulations implementation (KPA3- 3.4 SDBIP)	4	Report on Budget Regulation implementation	Partially Achieved	-		1 report submitted	Capacity Constrains	CFO Appointed 1 April 2012, other vacancies to be filled shortly
	Review of Financial policies	Number of Financial Policies reviewed by 30 June 2012 (KPA3- 3.3 SDBIP Multiple Indicator)	2	Council Resolutions accompanied by Revised Policies	Achieved	100 000	000	Asset Management ; Cash and investment policy adopted by Council		
To improve effectiveness in Municipal	Assist LM's in implementing Revenue	Number of Municipalities assisted with revenue	6	Progress Report on installation of	Partially achieved. 3 municipali	13 987 000 allocated during		Emakhazeni, Thembisile Hani and Emalahleni	Only the 3 Municipalities could be assisted	All local Municipalities will be

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
Revenue generation and Financial Management	enhancement mechanism	enhancement mechanisms (KPA3- 3.3 SDBIP Multiple Indicator)		Water and electricity Metres	ties were assisted. Projects still running.	the budget adjustment		Local Municipalities were assisted with projects.	with the available adjustment budget.	assisted in the 2012/13 financial year.
	Assist LM's in implementing Revenue enhancement mechanism	Revenue enhancement with installation of water meters. (KPA3- 3.7 SDBIP)	2	Progress Report on installation of Water and electricity Metres	Partially Achieved	3 000 000		1 report submitted	Capacity Constrains	CFO to monitor budget performance on Installation of Water Meters project in all LM's
	Operation Clean Audit	Number of Municipalities with clean	7	• Report on the Audit opinions	Achieved	100 000	000	1 report submitted. Budget not		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		Unqualified Audit Opinion (KPA3-SDBIP) 3.5		of all Municipalities in the District • Report on issues raised by AG				spent report compiled in-house		
	Shared Services arrangements	Number of reports on shared services (KPA3-SDBIP) 3.2	2	Report on shared services	Achieved	500 000	000	3 reports submitted. Budget not spent, reports compiled in-house		
To ensure corruption free procurement system	Improve procurement systems to eliminate corruption and ensure value for	% Decrease in procurement related queries (KPA3- 3.5	99 %	Reduced % of audit queries related to procurem	Partially Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	money	IDP)		ent						
	Improve Municipal Financial and administrative capacity by implementing competency norms and standards and acting against incompetence and corruption	Number of municipalities implementing competency norms and standards (KPA3- 3.6 IDP)	7	Audits Outcome Reports						
KPA 4 Institutional Development and Municipal Transformation										
Strategic Priority 4 Strengthen the Skills and Human Resource Base										
To entrench a culture of	Improve Corporate	Number of reports on	5	Report on functional	Achieved			Executive Mayor's and		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
Development-oriented Municipal Governance and inclusive citizenship	Governance systems at both the District and the 6 LMs by resuscitating Sectoral Fora within the District.	Functionality of Fora within the District (KPA4- 4.16 IDP)		ity of Sectoral Fora within the District				Mayors Forums are functional		
	Review the PMS of the District in line with relevant legislation and regulations	Review the PMS of the District in line with relevant legislation and regulations by 30 June 2012 (KPA4- 4.2	1	Council Resolution accompanied by reviewed by Performance Management Framework	Partially Achieved			The Municipality has reviewed the PMS Policy and Procedure Manual. The policies were Approved as Draft by Council on the 4 th of July 2012 Policies on circulation	The PMS policy must be tabled for presentation and consultation with the various internal structures Mayoral Committee .	Draft PMS Policy and Procedure Manual to be submitted for Final adoption.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		SDBIP)						for comments.		
		% increase in Number of Section 57 Managers having signed the Performance Agreements by 30 July 2012 (KPA4- 4.18 IDP)	100 %	Signed Performance Agreements	Achieved	-	-			
	Facilitate synergy in Performance monitoring & evaluation within the District through supporting	% Increase Number of LMs with PMS compliant to Legislative prescripts	100 %	Report on Number of LMs having adopted Performance Management	Partially Achieved	-	-	<ul style="list-style-type: none"> Corporate Services Summit was held on 3-4 May 2012, aimed at sharing information system with LM's. 	The summit was reliant on the Mayoral outreach in all LM's to provide the basis of the	Technical teams were established to deal with specific themes in the area

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	LMs with the review of their (PMS) in line with relevant legislation and regulations	(KPA4- 4.21 IDP)		Framework				<ul style="list-style-type: none"> Resolutions formulated and approved by Council (DMS83/05/2012) 	concept document	of Corporate Services. The PMS framework and systems will be addressed in those meetings.
Facilitate improvement of the local supply of critical and scarce skills in order to reduce reliance on imported skills and create more	Revise Employment Equity Plan	Revise the Employment Equity Plan by 30 June 2012 (KPA4- 4.4 SDBIP)	1	Resolution accompanied by the revised employment equity Plan	Achieved			Employment Equity Plan in place (01/10/2010 to 30/09/2013) Department of Labour response to the NDM reporting		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
opportunities for the communities to take up available opportunities	Revise HRD Strategy	Revise the HRD Strategy by 30 December 2012 (KPA4-SDBIP) 4.5	1	Council Resolution accompanied by revised HRD Strategy	Not achieved	R 656,820		<ul style="list-style-type: none"> • Council approved the Corporate Services Summit Resolutions in May 2012 • Technical task teams will formulate the HRD strategy 	The HRD strategy would not have been revised without the approval of the Corporate Services Summit Resolutions	Technical teams to convene quarterly and reports will be submitted to Council
		Ensure compliance with minimum competency requirements amongst all personnel (KPA4-SDBIP) 4.6	2	Report on training of personnel towards attainment of minimum competencies	Achieved	500 000	R1 500 000	LGSETA co-funded the minimum competency level training 91 Municipal officials and Councillors were trained in 2011/12		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								FY		
	Encourage Government and the Business to provide experiential training for student who have completed their tertiary studies	Number of interns employed by the District by 30 June 2012 (KPA4-SDBIP) 4.7	30	Report on the number of interns appointed accompanied by appointment letters	Achieved			<ul style="list-style-type: none"> Of the total 6 financial interns appointed in 2010/11 FY, 3 resigned and the vacancies are filled Three (3) Finance interns were appointed to replace the resigned ones 		
		Learners recruited through learner ship programmes	30	Report on number of learners recruited				156 learners recruited through advertisement and learners		The training however has not commenced

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		in terms of the Skills Development by 30 June 2012 (KPA4- 4.8 SDBIP)		through learnership programmes				shortlisted for the electrical engineering, environmental management and municipal finance learner ships. Service providers appointed and service level agreement prepared for signing.		ed due to logistical reasons and it is anticipated that it will commence in the first quarter of 2012/ 13 FY
	Lobbying the Private Sector to Adopt Local Schools and organise	Number of companies partnering with schools within the	3	Report on Number of partnerships established	Achieved		R00.00			

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	campaigns to ascertain the "Future after Grade 12 Recruit	District (KPA4- 4.28 IDP)		d between companies and schools						
	Lobbying FET Colleges and other Training Institutions to align their curriculum to the needs of the Labour Markets	Number of MoU's signed with the FET's and other Training Institutions within the District (KPA4- 4.29 IDP)	2	Copies of the Signed MoU's	Not Achieved	-	-			
Strategic Priority 5 Improve the Health Profile of all South Africans										
To ensure sustained building of a Healthy	Optimal implementation of EAP	% increase in Number of employee assisted	20 %	Report on implementation of	Partially achieved	-		The contract for the fire station	Advertised and no suitable service	Clause 32 of the SCM regulation

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
Team within the employ of Nkangala	Strategy	through Council's EAP (KPA4- 4.30 IDP)		the EAP				personnel EAP service provider lapsed in April 2012 The appointment of the service provider for NDM personnel was advertised however no suitable service provider was found	provider could be found	s will be invoked to acquire the services
Strategic Priority 6 Intensify the fight against Crime and Corruption										
To facilitate creation of	Develop and implement	Number of Anti- Fraud	3	Council resolution	Not	-			No workshops	Quarterly workshop

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
ethically efficient, effective, excellent and sustainable Organization.	anti-Fraud and Corruption Prevention Policies	& Corruption Prevention Policies developed, adopted (KPA4- 4.31 IDP)		accompanied by Anti-Fraud Prevention Policy	achieved				were held	s will be conducted in the 2012/2013 FY
Strategic Priority 10: Building a Developmental State including improvement of Public Services and Strengthening Democratic Institutions.										
To ensure a responsive, accountable, effective and efficient Local Governance system	Adopt IDP planning processes appropriate to the capacity and sophistication of the District	Adopted IDP Framework Process Plan by 30 July 2011 (KPA4- 4.11 SDBIP)	1	Council Resolution accompanied by the Framework Plan	Achieved	1 500 000	R1 371.057	Framework Plan for the 2012/13 IDP review approved by Council on the 27 th of July 2011. The IDP review process entailed design, layout,		To be dealt with in the 2012/2013 financial year

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								printing & delivery of the IDP, Hosting of the IDP Indaba.		
	Adopt implementable and credible IDPs across the District	Number of Municipalities with implementable and credible IDPs (KPA4- 4.12 SDBIP)	7	Report on IDP Analysis by COGTA	Partially Achieved				IDP's of two local municipalities in Nkangala District municipality were adopted outside their process plans	Capacitate the staff dealing with IDP in the affected LMs. The District will initiate peer assessment of IDPs within its jurisdictional area to entrench a culture of sharing best

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
										practices within its jurisdictional area.
	Ensure Ward Committees are representative and fully involved in community consultation processes around the IDP, Budget and other Strategic service delivery issues	Average increase in number of Ward Committees participating in the Municipal Planning, Budgeting and decision-making processes of Municipalities in the District (KPA4- 4.13 IDP)	75 %	Report on participation of Ward Committees in the Municipal IDP and Budget processes	Achieved			Incorporated in the Community Outreach Reports for February 2011 and August 2011. In most Local Municipalities Ward Committees members plays a pivotal role in ensuring that developmental issues within their respective		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
								Wards are raised and discussed during the District Community Outreach.		
Strategic Priority 6 :Intensify the fight against Crime and Corruption										
To advocate for the achievement of universal access to quality basic education	Facilitate District's Education Indaba/Career Expo	Number of District's Education Indaba/Career Expos held (KPA4- 4.69 IDP)	1	Report on District Education Indaba/Expo	Achieved	000	329 323.82	Career Expo was held on 02 June 2012.	Budget virement was approved to fund the EXPO	Career Expo budgeted for in 2012/13 FY

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
Strategic Priority 10: Building a Developmental State including improvement of Public Services and Strengthening Democratic Institutions.										
To advocate finalization of outstanding matters pertaining to powers, duties and functions between the three spheres of government	Interaction sessions on Municipal Powers and Functions	Number of interaction sessions held on Municipal Powers and functions by 30 June 2012 (KPA4- 4.15 SDBIP)	2	Report on interactions held on Municipal Powers and Functions	Not achieved				Late finalisation of the Powers and Function report	To be dealt with in the 2012/2013 financial year
	Conduct Organisational Study to determine the extent to which the NDM performs its powers and	Number of Organizational Studies undertaken/conducted by June 2012	1	Report on Organizational Study	Achieved	22,562	950 000	Project was implemented as part of the following projects: •review of powers and		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	functions	(KPA4- 4.16 SDBIP)						functions •Review of the Human Resources Development and Capacity Building Strategy •Review the existing job description and develop new job descriptions •Development of a post identification number system.		
To facilitate the process of ensuring	Implement the Traditional Leadership Framework Act and Municipal	Number of Traditional Leaders participating in the NDM Council and	6	Report on participation of Traditional Leaders	Not achieved	R0.00	R0.00		This is a legal and constitutional matter to be resolved at	Correspondence to the Provincial Department on this

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
cooperation between traditional leadership and municipal councils within the District -	Structures Act	Council Committees in 2011/12 FY (KPA4- 4.3 IDP)		in Council meetings					the Provincial level specifically by the Department of COGTA	matter to be sent by during the first quarter of the new financial year
To Strengthen Participatory Governance throughout the District	Schedule Mayors' Forum meetings	Number of Mayor's Forum meetings held as scheduled (KPA4- 4.18 SDBIP)	4	Attendance Registers and Minutes of the meeting	Partially Achieved	--			Three Mayors' Forum were held as the District Mayor's outreach forum meetings with each local municipalit	

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
									ies.	
	Schedule Municipal Managers' Forum	Number of Municipal Manager's Forum meetings held as scheduled (KPA4- 4.19 SDBIP)	4	Attendance Registers and Minutes of the meeting	Partially Achieved	-		One (1)out of four (4) meetings were held		
To facilitate creation of a pool of skilled and capable workforce to support inclusive growth	Develop and implement internship and work experience programme	Number of interns appointed (KPA4- 4.20 SDBIP)	1	Report on appointment of interns	Achieved	R.000	R0.00			

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
To continually Review and ensure optimal usage of all the ICT systems with Nkangala District Municipality viz GIS, EDMS, Intranet, Website, financial and HR and project management systems and other	Ensure compliance of the NDM with e-Government initiative, Electronic Transaction and Communication Act, and ICT Governance	Number of Quarterly District ICT Steering Committee meetings held as scheduled (KPA4- 4.21 SDBIP)	4	Minutes of the Steering Committee with signed Attendance registers	Partially achieved	-		Draft Framework was developed and submitted to various committees of Council. ICT developed the ICT master plan DMS9/07/2012	Late appointment of the service provider.	The ICT Framework will be submitted to Council by the July 2012.
		Review of ICT Policy by 30 June 2012 (KPA4- 4.22 SDBIP)	1	Approved ICT Policy document accompanied by the Council Resolution	Achieved	80 000	80 000	The ICT Policy has been reviewed and approved by Council on 4 th of July 2012		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
systems										
		Number of workshops conducted to train ICT Users during 2011/ 12 FY (KPA4- 4.12 IDP)	2	Report on support and capacitating ICT Users	Achieved					
		Migrate current System to new system by 30 June 2012(Relocation of Data Centre and Acquisition of New Servers)	100 %	Report on Maintenance of ICT system	Partially Achieved	120 000	73 000			

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		(KPA4- IDP) 4.								
		Review of Systems Master Plan by June 2012 (KPA4- SDBIP) 4.23	1	Approved Master System Plan accompanied by Council Resolution	Achieved	720 000	530 000	The Master Systems plan has been redeveloped and adopted by Council on 4 th July 2012		
		Upgrade and update the NDM Website (KPA4- SDBIP Multiple) 4.22	1	Report on the Upgrade of NDM Website	Partially Achieved	300 000	-		The upgrade of NDM Website was depending on approval of the Master	The Website will be upgraded in the 2012/13 FY.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		Indicator)							Plan	
				Installation of network cables and voice/data facilities at KwaMhlanga fire station	Achieved	300 000				
	Ensure security of ICT Infrastructure and Data	Develop the Disaster Recovery Plan by 30 June 2012 (KPA4- 4.24	1	Approved Disaster Recovery Plan accompanied by Council Resolution	Partially Achieved	2 293 000	35 000	A temporal DRP that deals with ICT was developed. However a comprehensive DRP/BCP will be developed in	Pending adoption of the Master System Plan by Council	Disaster Recovery plan has been developed and will be implemented in the 2012/13

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		SDBIP)						the 2012/13 FY		FY
		% Implementation of Disaster Recovery Plan in 2011/12 FY (Commissioning of the Remote Site) (KPA4- 4.11 IDP)	1	Report on Implementation and maintenance of DRP/BCP	Not Achieved			Awaiting the adoption of the Master System Plan and the Development of the comprehensive Disaster Recovery Plan		
		Install network	1	Sign off document	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		cables and connectivity at the Kwa-Mhlanga Fire Station (KPA4- 4.23 SDBIP Multiple Indicator)		s of Installation of network cables and voice/ data facilities at Kwa-Mhlanga fire station						
<p>KPA 5 Good Governance and Public Participation :</p> <p>Strategic Priority 7 Building Cohesive Caring and Sustainable Communities.</p>										
To facilitate the upbringing of skilled,	Consolidate and submit	Number of Women Summit	1	Council Resolution	Partially Achieved	212 000	160 526.37	The Women Summit was not held in	Training on Cooperativ	Women Summit has been

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
healthy and vibrant Youth and Women in the District	Women Submit Report	convened by 30 December 2011 (KPA5- 5.1 SDBIP)		Women Summit Report/Women Summit Implementation Report				the FY under review, instead Women Cooperatives were trained in business management	es was prioritised based on the previous Women Summit resolutions	included in the 2012/13 FY's Budget
		Consolidate & Submit Women Summit report to Council-by 30 December 2012 (KPA5- 5.1 SDBIP Multiple Indicator)	1	Council Resolution accompanied by Women Summit report	Partially Achieved	R.000	R000			

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Implement Women's Summit resolutions	% increase in number of resolutions implemented from 65% to 85% (KPA5- 5.2 IDP)	20 %	Report on progress made towards the implementation of the summit resolutions	Achieved					
		% increase in number of Women participating in municipal IDP process from 68% to 70% (KPA5- 5.3 IDP)	2%	Report on participation of Women in the IDP process and attendance register	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Ensure Youth participation in the Municipal IDP processes	% increase in number of Youth Participating in Municipal IDP processes (KPA5- 5.4 SDBIP)	1	Comprehensive Report in participation of Youth of Municipal IDP Processes	Achieved			Youth structures participated in the development of the Youth Development plan.		
To facilitate the upbringing of skilled, healthy and vibrant Youth in the District	Develop and Launch Youth Civic Education programme	Number of youth, Civic, Education programme		Council Resolution accompanied by Youth Development strategy.	Achieved	R1 272 000	R100 000	Strategy approved on 28 March 2012 as per the Council resolution no:		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Implement Annual Youth Development Programmes	% of Annual Youth Development programmes implemented in 2011/12 FY (KPA5-SDBIP) 5.6	4	Youth Programme of action for NDM and quarterly reports	Achieved.			Programme of action for youth programmes for 2011/12 was developed		
	Facilitate/ Convene Youth Summit	Number of Youth Summit held in the 2011/12 FY. (KPA5-SDBIP) 5.7	1	Council resolutions on the Youth Summit report	Not achieved	424 000			A career expo was prioritised instead of the Youth Summit	<ul style="list-style-type: none"> • Appointment of the Youth Assistant Manager • Youth summit budgeted for the financial year

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
To ensure mainstreaming of designated groups through Integrated Planning within the District	Host Mayoral Soccer Tournament/ SALGA Municipal Games	Number of Mayoral Soccer Tournament/ SALGA Municipal Games hosted in 2011/12 FY	2	Reports on the soccer tournament	Achieved	R 100 000	R 60 000	The games were held in August 2011, at Solomon Mahlangu Stadium, Thembisile Hani Local Municipality		
		(KPA5- SDBIP) 5.8								
		Number of LM's with their Mayoral Cups aligned to that of the District	6	Report on the Mayoral soccer Tournament	Partially Achieved					
		(KPA5- IDP) 5.15								

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
To facilitate creation of awareness of cultural diversity	Facilitate updating of names of Heroes and Heroines on Emalahleni Cenotaph	% Increase in number of names updated on the Cenotaph from 90% to 100% Number of newly found heroes and heroines included on the Cenotaph database by 30 June 2012 (KPA5- 5.19 IDP)	10 %	Database of names added on the cenotaph 1 Report on the names of heroines and heroes updated on the cenotaph	Achieved	R 00.00	R 141 600	Council noted the names for inclusion on the cenotaph on 28 March 2012- DM 21/03/2012 and DM40/03/2012	A budget virement was approved	
		Appoint Service Provider for designing and constructed Delmas Magistrate	1	Copy of Appointment Letter	Achieved	R 7 50 000	R 940 168.01	The project was completed and launched in March 2012	A budget virement was approved due to the change of	

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		Court Treason Trial Commemoration Plaque by 30 December 2011 (KPA5- 5.11 SDBIP)		Close up report					the design	
		Delmas Magistrate Court Treason Trial Commemoration Site developed (KPA5- 5.12 SDBIP)	1	Report on the completion of the site development	Achieved	R 2 524 000	R 2 524 000	The Delmas Magistrate Court site was developed and unveiled on the 3 March 2012		
	Convene District Cultural Indaba	District Cultural Indaba held by April 2012 (KPA5- 5.20)	1	Council Resolution accompanied by the	Not Achieved			No funding		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		IDP)		report on recommendation of Indaba						
		Reports of the LGNC (KPA5- 5.14 SDBIP)	4	Council Resolution accompanied by the Close-up report of the Indaba	Not achieved		000		Local geographic Names Committee in municipalities are not functional	A need to re-establish the LGNC committee (District)
	Coordinate the Regional Moral regeneration of the District	Regional moral regeneration event held in the District By 30 December 2012.	1	Council Resolution accompanied by the close-up report on Moral Regenerat	Achieved	R 50 000			The District event was held in LM and not on a Regional basis due to the withdrawal of funding	

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		(KPA5- 5.25 IDP)		ion					by the Department of Culture, Sports and Recreation since this event is core funded by both the DCSR and NDM	
To ensure provision and standardization of fire services within the District	Develop an integrated institutional capacity for Disaster Management within the Nkangala District Municipality	Quarterly reports on functionality of District Disaster Management Centre (KPA5- 5.16)	4	Quarterly Reports on the functionality of the District Disaster Management Centre	Partly Achieved			One report on the functionality was presented to Council	The Disaster centre was handed over to NDM by the contractor on 28 June 2012. Four	Report shall be provided

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	ty	SDBIP)							Control room operators were appointed and trained for 10 days in May 2012	
		% of Disaster Management Budget spent on acquisition of related infrastructure (KPA5- 5.22 IDP)	100 %	Completion Certificate Of the Disaster Management Center	Achieved	4.500000	4.500000	The Disaster centre was handed over to NDM by the contractor on 28 June 2012.		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Provide the Technical And institutional Disaster Management Support to Local Municipalities (Develop the District Fire Prevention Strategy)	District Fire Prevention Strategy developed by 30 June 2012 (KPA5- 5.29 IDP)	1	Council Resolution accompanied by an approved District Fire Prevention Strategy	Partially achieved	R 1 000 000		The service provider was appointed on the 11 June 2012. A chapter on the legal review is completed.	The tender for the development of the fire prevention strategy had to be re-advertised due to non-responsiveness of the tenderers.	A service provider has since been appointed, a project development plan developed with close monitoring.
To ensure provision and standardization of fire services within the	Participate in Fire Protection Association meetings	Number of Fire Protection Association meetings participated	4	Attendance Registers	Achieved	-			FPA's for Thembisile Hani and Dr J S Moroka were established	

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
District		in. (KPA5- 5.18 SDBIP)							and reports noted by council.	
	Facilitate the procurement of equipments and vehicles in support to LM's	Number of Equipment and vehicles procured in support of LMs (KPA5- 5.19 IDP)	6	Report on procurement of equipment in support to LMs	Achieved	R8 400 000	R4 551 538	External factors (manufacturers' strikes) affected the implementation of the projects	Due to the strikes, the service provider requested for the extension of time which was granted	Constant communication with the service provider to monitor progress
	Construction of a fire station in Dr J S	Number of reports on % progress made on the Construction	2	Progress reports on construction of the	Partially achieved	R9 000 000	R 00.00	Site identified, demarcated and rezoned. All studies,	The project was delayed due to late	Report for the extension of contract

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Moroka	of a fire station in Dr JS Moroka by 30 June 2012 (KPA5- 5.20 SDBIP)		Station				tests, and surveys were concluded. Preliminary design report was developed and approved.	site identification by the Local Municipality. On receipt of PDR ² it was confirmed by the engineer in the report that the project R 29million.	was submitted and approved by Council. The project is budgeted for as a multiyear projects
	Training programmes conducted	Number of training programmes conducted by	3	Report on Training programme	Achieved	R149 000.	R 186 999.5		The accepted tender offer was above cost	

²PDR: Preliminary Design Report

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		30 June 2012 (KPA5- 5.21 SDBIP)							estimate	
	Conduct awareness campaigns and inspections	Number of awareness campaign and inspections conducted by 30 June 2012 (KPA5- 5.22 SDBIP)	4	Report on awareness program	Achieved					
Strategic Priority 6 Intensify the fight against Crime and Corruption: Good Governance and Communication										
To facilitate the Achievement of Clean Audit	Convening of shared Audit Committee	Number of Audit Committee meetings held	4	Attendance registers and	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Meetings	(KPA5- 5.38 IDP)		minutes						
	Quarterly reporting to Council by the Audit Committee	Number of report submitted to Council (KPA5- 5.39 IDP)	4	Audit Committee Quarterly Reports and accompanied by Council Resolutions	Not Achieved					
	Develop and periodically review Audit Methodology /Manual	Review the Internal Audit Methodology /Manual (KPA5- 5.40 IDP)	1	Approved Internal Audit Manual and Methodology accompanied by Council resolution	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
				s						
	Develop and periodically update Internal Audit Charter and Audit Committee Charter	Review the Internal Audit Charter and Audit Committee Charter (KPA5- 5.41 IDP)	2	Approved Internal Audit Charter and the Audit Committee Charter accompanied by the Council Resolution	Achieved					
To minimize the level of District's Risk exposure	Identify and Monitor exposure to risk and improvements of risk management and internal	Number of Risk assessment undertaken (KPA5- 5.23 SDBIP)	1	Council Resolution on the risk assessment	Achieved			Risk assessment report was adopted as per resolution number DM118/09/2011		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	control systems									
	Review and implement risk Management Action Plan	Reviewed ,approved and implemented risk assessment plan by 30 June 2012 (KPA5- 5.20 SDBIP)	1	Council resolution accompanied by the plan Report on risk assessment Progress report on the implementation of revised risk assessment plan	Not achieved	-		The risk assessment report for 2011/12 was approved by Council	Due to capacity constraints the risk action plan could not developed	A workshop was held with the provincial treasury and the risk register was reviewed together with the action plan. A provision for a risk officer was made in the 2012/201

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
										3 Financial Year The Risk Audit Committee was established.
Strategic Priority 5: Improve the Health profile of the South African										
Ensure appropriate Municipal Health Services are effectively and equitably rendered	Actual appointment of EHO's	Number of EHOs appointed (KPA5- 5.2 SDBIP)	6	Appointment letters of the EHOs	Partially achieved	1 272 000		Section 78 assessment report was finalised towards the last quarter of the FY	Positions could not be filled without the Council's confirmation on the suitable option to be adopted to render the services.	Provision has been made in the 2012/13 FY for the appointment of EHO's. The recruitment process is

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
										underway
	Conduct health sampling surveys in the NDM region	Number of Municipal Health Services survey conducted in the in the NDM region (KPA5- 5.26 SDBIP)	200	Report on No of samples conducted	Not achieved	000	000	Section 78 assessment report was finalised towards the last quarter of the FY	Sampling cannot be conducted as the EHO's have not been appointed.	Service Level Agreement for the interim arrangement has developed for the Lm's to perform the function.
To reduce the impact of HIV/AIDS in the District	Develop Integrated and Comprehensive Treatment Care and aftercare Programm	Number of Induction training of the District AIDS Council (DAC) members conducted. (KPA5- 5.27	1	DAC Induction Report	Achieved	424 000	000	The DAC launched on the 20 th October 2011		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	es	SDBIP)								
		Number of HIV/AIDS Strategies approved (KPA5- 5.74 IDP)	1	Council Resolution accompanied by the approved IHV/ Strategy	Achieved					
Strategic Priority 9: Sustainable Resource Management and Use										
To facilitate protection and enhancement of Environmental sustainability	Review and implement the District Environmental Management Plan	Approved/ Adopted Environmental Management Plan by 30 December 2012 (KPA5- 5.28 SDBIP)	1	Council Resolution accompanied by the EMP Report	Achieved	1 272 000	451 450	EMP was adopted by Council as per resolution number: DM116/09/11		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Facilitate and support environmental management and institutional capacity building programme within the District	Air Quality Control/ Conduct Section 78 investigation on the implementation plan of AEL Function (KPA5- 5.29 SDBIP)	1	Council resolution accompanied by Section 78 report	Achieved	1 272 000				
		Plan on Atmospheric Emission License (AEL) Function / Implementation (Air Quality Control)	1	Progress report on implementation of Air Quality control mandate.	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Management and mitigation of the impacts of Climate Change	Appointment and Service Provider in respect of NDM Climate Change Management and Mitigation Strategy (KPA5- 5.30 SDBIP)	1	Appointment Letter	Achieved	1 000 000	295 165			
	Organise and convene a Climate Change Summit	Number of Climate Change Summit successfully convened. (KPA5- 5.31)	1	Climate Change Summit Report noted by Council	Achieved					

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		SDBIP)								
To facilitate creation of waste free neighbourhoods across the District	Implementation of waste minimization and recycling strategies in the reviewed NDM Integrated Waste Management Plan (IWMP)	Number of strategies from the NDM's Integrated Waste Management Plan (IWMP) implemented by 30 June 2012. (KPA5- 5.32 SDBIP)	2	A minimum of 2 strategies from the NDM's integrated waste management plan (IWMP) implemented	Partially achieved	R 00.00			Municipalities prioritized what were their immediate needs towards waste management and collection, viz. Tractors, refuse trucks and mass containers	Municipalities will be encouraged to prioritize the implementation of the IWMP.
				Report on implementation Strategies within the District IWMP						

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Implementation of the waste collection equipment and vehicles strategies in the reviewed NDM Integrated Waste Management Plan (IWMP)	Number of NDM's Integrated Waste Management Plan (IWMP) strategies on waste collection equipment and vehicles implemented (KPA5- 5.33 SDBIP)	2	A minimum of 2 of NDM's integrated Waste Management Plan (IWMP) strategies on Waste collection equipments and vehicles implemented Report on Waste Management Collection	Achieved	R 00.00	R 1 750 000		Municipalities prioritized what were their immediate needs towards waste management and collection, viz. Tractors, refuse trucks and mass containers	Municipalities will be encouraged to prioritize the implementation of the IWMP.

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Implement recommendations of the NDM's State of the Environment Report on Waste	Number of NDM's SOER recommendations fully implemented by 30 June 2012 (KPA5- 5.34 SDBIP)	2	Report on implementation of the SOER Recommendations	Not achieved	R00.00			Municipalities prioritized what were their immediate needs towards waste management and collection, viz. Tractors, refuse trucks and mass containers	
Strategic Priority 3 Inclusive Programme to build Economic and Social Infrastructure										
To facilitate sustainable	Increase Land for	% increase in Land set	70 %	Report on % of land					The approval	To pursue the

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
Human Settlement and improved quality of household life	Human Settlement development	aside for Human Settlements development (KPA5- 5.35 SDBIP)		used for Human Settlements across the District					processes at the Provincial DEDET and DRPLR are playing a critical role in the completion rate of all the Township Establishment projects currently under way.	Department of Rural Development and Land Reform to finalise the State Land release.
	Increase Number of Low-income houses on state owned	% increase in number of low-income housing on transferred State owned	5%	Council Resolution accompanied by the Strategy document	Partially achieved				The approval processes at the Provincial DEDET and	To pursue the Department of Rural Development and

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	Land	Land (KPA5- 5.36 SDBIP)		.					DRPLR are playing a critical role in the completion rate of all the Township Establishment projects currently under away.	Land Reform to finalise the State Land release.
	Develop, review and implement Integrated Human Settlement Strategy (IHST) in partnership	Integrated Human Settlement Strategy (IHST) developed by 30 June 2012 (KPA5- 5.37)	1	Council Resolution accompanied by the revised IHST	Partially achieved	R1 000 000.	R 374 042.0	The procurement processes were commenced with and the process to finalized the appointment	Late appointment of service provider	Strengthen monitoring so the project is finalized by December 2012, as

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	with Local municipalities and stakeholders	SDBIP)						was delayed		per contractual project duration
Strategic Priority 10: Building a Developmental State including improvement of Public Services and Strengthening Democratic Institutions.										
To Strengthen Participatory Governance throughout the District	Facilitate the launch of all the Ward Committees throughout the District	A Study on functionality of Ward Committees undertaken	1	Comprehensive Report on the Study of functionality of Ward Committees inclusive of the skills audit of all the Ward Committees	Achieved	R 500 000	R 306 116	The recommendations of the Study will form the basis of the Training of the Ward Committees moving forwards.		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
				Members						
	Training of all the Ward Committees in the District	Number of Ward Committees launched throughout the District by 30 September 2011 (KPA5- 5.56 IDP)	143	Report on the launch of WC	Achieved			Report was taken through various Structures of Council.		
	Training of all the Ward Committees in the District	% of Ward Committees trained in the District for 2011/12 FY	100 %	Appointment Letter of the Training Provider	Partially achieved			Upon CoGTA's commitment to train all the WCs in the Province, the funds	NDM prioritized to embark on study regarding the challenges	The District will embark on the Training of the WC

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		(KPA5- 5.57 IDP)						were utilized to undertake a study on challenges impacting on the functionality of Ward Committees within the DM.,	impacting on the functionality of Ward Committees within the District (DM26/03/2012)	during 2012/2013FY
	Training of all the Ward Committees in the District	Facilitate and report on the training of Ward Committees in the District for 2011/12 FY (KPA5- 5.39)	1	Report on the training of WCs	Partially achieved			Upon CoGTA's commitment to train all the WCs in the Province, the funds were utilized to undertake a study on	NDM prioritized to embark on study regarding the challenges impacting on the functionali	The District will embark on the Training of the WC during 2012/201

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		SDBIP)						challenges impacting on the functionality of Ward Committees within the DM.,	ty of Ward Committees within the District (DM26/03/2012)	3FY
	Facilitate assimilation and dissemination of Quarterly Ward Committee reports	Number of quarterly Ward Committee reports consolidated (KPA5- 5.58 IDP)	80	Consolidated Quarterly WC Reports received	Not achieved			The Training of WCs was envisaged to cover amongst other aspects report writing and monitoring and evaluation of the Municipal work within the Constituents LM's wards	Since training of WC did not take place, NDM could not assess the functionality and effectiveness of the WC	The District will embark on the training and assessment of the WC during 2012/2013FY
		% increase in number of Ward Committees functional as	95 %							

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
		envisaged								
	Convene Ward Committees & CDWs Conference	Number of Ward Committees & CDWs Conference convened and held as scheduled (KPA5- 5.41 SDBIP)	1	Comprehensive Report on the Recommendations of the WC & CDWs Conference	Not achieved			The Training of WCs was envisaged to cover amongst other aspects report writing and monitoring and evaluation of the Municipal work within the Constituents LM's wards	Since training of WC did not take place, NDM could not assess the functionality and effectiveness of the WC	The District will embark on the training and assessment of the WC during 2012/2013FY
	Facilitate the integration of CDWs within Ward Committee	Number of CDW's integrated within the Ward Committee	143	Report on integration of CDWs within	Not achieved			CDWs are appointed by CoGTA therefore, NDM relied on	Information not availed by CoGTA	Advocate for the Strengthening the IGR structures

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	System	System by 31 December 2012 (KPA5- 5.42 SDBIP)		WCs				information to be furnished by CoGTA to enable it to report		to ensure cooperation within all spheres
	Implement the District's Community Outreach Programme	Number of District community Outreach held (KPA5- 5.43 SDBIP)	12	2x Reports on Community Outreach Programme	Achieved	R1000 000	724 610	Council resolutions: DM158/11/2 011 and DM29/03/20 12		
To ensure effective Branding of NDM and communication	Ensure Regular Communication of NDM's achievements through Newsletters, Print and	Number of NDM publicity publications issued by 30	8	Copies of the advertisements	Partially achieved	300 000		Varying events of Council were advertised on both the Print and Electronic	No dedicated official appointed in the position	Fast track the appointment of the Assistant Manager:

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
will all its stakeholders	Electronic Media	June 2012 (KPA5- 5.44 SDBIP)						Media		Public Liaison to be finalized in the first quarter of the new financial year (2012/2013)
		Number of initiatives implemented to promote understanding & awareness of NDM Brand (KPA5- 5.45 SDBIP)	10	Copies of completed and distributed newsletters	Not achieved	200 000	R00.00	Promotional Material procured during varying events of Council		
				Report on development of Promotional Items and	Achieved					

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
				Brochure						
	Deepen interaction with stakeholders through social network	Number of social network mechanism used to deepen interaction with stakeholders(KPA5- 5.46 SDBIP)	2	Comprehensive report on the use of local media	Not achieved	300 000			No dedicated official appointed in the position	Fast track the appointment of the Assistant Manager: Public Liaison to be finalized in the first quarter of the new financial year (2012/2013)
	Ensure regular communication of Community Outreach Programme via	Number of Communication Modes used to publicize	2	Council Resolution accompanied by	Achieved	R00.00	R00.00	Community outreach programmes were advertised on		

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Key Performance Objectives	Strategy	Key Performance Indicator	Target	Unit of Measurement	Progress	2011/12 Budget Allocated	Budget Used	Comments where applicable	Reasons for variations	Corrective Action
	various media/modes	District Community Outreach Programme (KPA5- 5.47 SDBIP)		Communication and community participation Strategy				both the Print and Electronic Media		

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE (HUMAN RESOURCE DEVELOPMENT)

4.1 INTRODUCTION

Nkangala District Municipality's overall function insofar as organizational development is concerned to improve effectiveness and efficiency which in turn leads to improved performance and satisfaction of the workforce. In the process of recruiting, NDM ensures that the skilled workforce is recruited. However, their capacity requires continuous development as a result of change and such as change in technology, new legislation, environmental changes, and drastic efforts to ensure service delivery.

NDM is also expected to build capacity of its staff and councilors for succession planning and for both horizontal and vertical job enlargement.

Employment Equity Act requires that implementation of affirmative Action. This is also the reason why NDM is expected to skill the affirmative action candidates considered meeting numerical goals.

NDM has to reskill the employees in order to prepare them for career pathing and possible replacement or transfer in the event some unit or sections become redundant.

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COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

T4.1

Employees					
Description	Year -1	Year 2011/12			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	1	1	1	0	%
Waste Water (Sanitation)	-	-	-	-	%
Electricity	0	1	0	1	%
Waste Management	-	-	-	-	%
Housing	1	1	0	0	%
Waste Water (Storm water Drainage)	-	-	-	-	%
Roads	0	1	0	1	%
Transport					%
Planning	5	7	7	0	%
Local Economic Development	4	5	4	1	%
Finance Services	13	23	17	6	%
Libraries; Archives; Museums; Galleries; Community	3	5	4	1	%

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Employees					
Description	Year -1	Year 2011/12			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Facilities					
Property, Legal; Risk and Management; Procurement	2	8	6	2	%
Community & Social Services	1	2	1	1	%
ICT Services	2	4	4	0	
Environmental Protection	0	1	0	1	%
Health	1	7	1	6	%
Security and Safety	22	25	19	6	%
Disaster Management	1	7	5	2	
Sport and Recreation	-	-	-	-	%
Human Resource Services	1	2	2	0	%
Corporate Offices and Other	27	67	47	20	%
Totals					-

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T4.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
Year -2	14	12	86%
Year -1	12	5	42%
Year 2011/12	31	7	23%

COMMENT ON VACANCIES AND TURNOVER:

The District's Municipality Council approved the organisational Structure (organogram), as a result, many of the key positions were not filled. Towards the end of the financial year, that is, February to June, 2012 a number of these vacancies were filled.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

4.2 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The workforce management of the District Municipality includes Human Resources Administration which involves administration of Record keeping of processing appointments by issuing appointment letters and contracts, opening and record keeping of personnel files, allocation of employee numbers to each employee and directly elected councilors, leave administration of staff, benefits administration and management of termination processes in the event of deaths, resignation, dismissals and resignations.

Human Resources Systems are vehicles to ensure efficient management of the workforce. Gender parity can only be achieved through implementation of affirmative action as required in terms of Employment Equity Act of 1998. Employment Equity also requires that employment equity be maintained in human resources management such as staff placed in either lower or higher positions without proper processes followed, underpayment in inequality on remuneration for similar positions and barriers be eradicated.

Fair Labour Practice as stipulated in the Labour Relations Act was applied. Proper disciplinary and grievance procedures as stipulated in the South African Local Government Bargaining Council were used as formal systems during such processes.

Section 57 Managers entered into Performance based contracts.

Standing resolutions of Council served as adopted policies for the financial year. In addition, standing resolutions and other relevant pieces of legislation were applied.

T4.2.0

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T4. POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action	80%		
2	Attraction and Retention	80%		
3	Code of Conduct for employees	80%		
4	Delegations, Authorisation & Responsibility	80%		
5	Disciplinary Code and Procedures	80%		
6	Essential Services	80%		
7	Employee Assistance / Wellness	80%		
8	Employment Equity	80%		
9	Exit Management	80%		
10	Grievance Procedures	80%		
11	HIV/Aids	80%		
12	Human Resource and Development	80%		
13	Information Technology	80%		
14	Job Evaluation	80%		
15	Leave	80%		
16	Occupational Health and Safety	80%		
17	Official Housing	80%		
18	Official Journeys	80%		
19	Official transport to attend Funerals	80%		
20	Official Working Hours and	80%		

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HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
	Overtime			
21	Organisational Rights	80%		
22	Payroll Deductions	80%		
23	Performance Management and Development	80%		
24	Recruitment, Selection and Appointments	80%		
25	Remuneration Scales and Allowances	80%		
26	Resettlement	80%		
27	Sexual Harassment	80%		
28	Skills Development	80%		
29	Smoking	80%		
30	Special Skills	80%		
31	Work Organisation	80%		
32	Uniforms and Protective Clothing	80%		
33	Other:	80%		

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4.3 COMMENTS ON WORKFORCE POLICY DEVELOPMENT:

The policies implemented in the financial year in review are to be reviewed in the coming financial year that is 2012/2013 in line with the amendments of legislation governing local government. These policies will then be taken to Council for adoption as drafts in January 2013 and will thereafter follow the public participation cycle. All these adopted draft policies will be approved in May 2013 with the annual budget.

T4.1 SUSPENSIONS

Number and Cost of Injuries on Duty						
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost	
	Days	No.	%	Days	R'000	
Required basic medical attention only	53	2	4%	11	24886	
Temporary total disablement						
Permanent disablement						
Fatal						
Total	53	2	4%	11	24886	

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T4.2

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Programme Coordinator: Community Services	Insubordination, Failure to carry out duties, Dishonesty and No integrity	29/11/2010	Re-instated	18/07/2011
Municipal Manager	Financial misconduct	?/01/2012	Disciplinary proceedings in progress	Not yet finalized

T4.3

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
Municipal Manager	Financial misconduct	Disciplinary proceedings in progress	Not yet finalized
			<i>T 4.3.6</i>
COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:			

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The only case of suspension on financial misconduct is not yet concluded. The disciplinary proceedings are still in progress.

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T4.4: PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower Levels (1-2)	Female	20	9		45%
	Male	30	12		
Total		50	21		
Has the statutory municipal calculator been used as part of the evaluation process?					Yes

4.4 COMMENTS ON PERFORMANCE REWARDS

Only the low level employees were rewarded. No financial rewards were made to employees for the 2011/2012 financial year

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.5 INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

NDM capacitated the workforce in accordance with the Skills Development Act 97 of 1998, Skills Levies, Act, regulations emanating from the Skills development Act, LGSETA specifications and guidelines, Workplace Skills Plan (WSP) the IDP, the NDM Human Resources Development Strategy, the Provincial Human Resources Development Strategy, the National Skills Development Strategy 111 (NSDS 111) and the Districts Job Summit and the Treasury Regulations. Mechanisms referred to above are aimed at ensuring that the workforce is adequately skilled in order to improve performance in the workplace and service delivery in communities.

The 2011/2012 Annual Training Report adopted by Council and submitted to the LGSETA indicates that NDM managed to implement individual and group training, for example, training of Councilors and training of Management staff as required in terms of the Treasury Regulations.

The challenges faced are delays in implementation, the long processes of sourcing funds from the LGSETA and adequate staff in the Unit Department responsible for training. The fragmented efforts that are not properly coordinated such as; decentralization of training (individual training budgets, duplication of skills development efforts, failure to have a dedicated Skills Development Facilitator as required in terms of the Skills Development Act and related regulations and the ineffective Local Labour Forum.

The way forward includes creation of the dedicated Skills Development Facilitator's position which will be filled during the next financial year. Efforts are in place to resuscitate the LLF meetings and to include Skills Development as a standing agenda item of the Top Management.

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T4.4: SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 2011/12	Number of skilled employees required and actual as at 30 June Year 2011/12											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual: End of Year -1	Actual: End of Year 2011/12	Year 2011/12 Target	Actual: End of Year -1	Actual: End of Year 2011/12	Year 2011/12 Target	Actual: End of Year -1	Actual: End of Year 2011/12	Year 2011/12 Target	Actual: End of Year -1	Actual: End of Year 2011/12
MM and s57	Female	2	0				0	2						2
	Male	3	0				1	1					1	1
Councillors, senior officials and managers	Female	14	0				6	9					6	9
	Male	30	0				17	17					17	17
Technicians and associate professionals*	Female	6	0				1	0					1	
	Male	5	0				1	0					1	
Professionals	Female	8	0				5	7					5	7
	Male	8	0				3	2					3	2
Sub total	Female	30	0				12	18					12	18
	Male	46	0				22	20					22	20
Total		152	0	0	0	0	68	76	0	0	0	0	68	76

*Registered with professional Associate Body e.g CA (SA)

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T4.5.

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	0	0
<i>Chief financial officer</i>	1	0	1	1	0	0
<i>Senior managers</i>	1	0	1	1	1	1
<i>Any other financial officials</i>	3	0	3	3	3	3
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	1	0	0
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	7	0	7	7	4	4

* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

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T4.6

Skills Development List of employees										
R'000										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	2								
	Male	3								
Legislators, senior officials and managers	Female	14								
	Male	30								
Professionals	Female	8								
	Male	8								
Technicians and associate professionals	Female	6								
	Male	5								
Clerks	Female	29								
	Male	5								
Service and sales workers	Female	0								
	Male	18								
Plant and machine operators and assemblers	Female	0								
	Male	0								
Elementary occupations	Female	1								
	Male	1								
Sub total	Female	59								
	Male	69								
Total		128	0	0	0	0	0	0		
<i>*/% and *R value of municipal salaries (original budget) allocated for workplace skills plan.</i>									*/%	*R
T4.5.3										

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T4.5.4: EMPLOYEE EXPENDITURE

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Skilled (Levels 3-5)	Female	1
	Male	
Total		1

4.6 COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

Only one post was upgraded from Secretary to the Executive Secretary position.

4.7 DISCLOSURES OF FINANCIAL INTERESTS

For disclosure of interest of Officials and Councilors, refer to **APPENDIX C**

CHAPTER 5

FINANCIAL PERFORMANCE

5.1 INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.2 INTRODUCTION TO FINANCIAL STATEMENTS

The 2011/2012 budget of the Nkangala District Municipality was approved by Council on the 4th of May 2011 in terms of council resolution DM56/05/2011. . An adjustment budget was approved on the 22th of February 2012 in terms of council resolution DMS3/02/2012.

Herewith is a commentary on the financial results.

The operating results are summarized in the statement of financial performance as follows:

5.2.1 REVENUE

GOVERNMENT GRANTS AND SUBSIDIES

Government Grants and subsidies increased with 3.52 % from R284, 659,021(2010/11) to R294, 684,832 (2011/12). Government Grants and subsidies include the RSC Levy Replacement grant, the equitable share, and Fire Service subsidy, Municipal System Improvement Grant, Finance Management Grant and the Transport Grant.

According to the accounting policies in terms of GRAP Standards only the portion that has been expended and meets the conditions of the grant are recognized as revenue.

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5.2.1.1 INTEREST EARNED

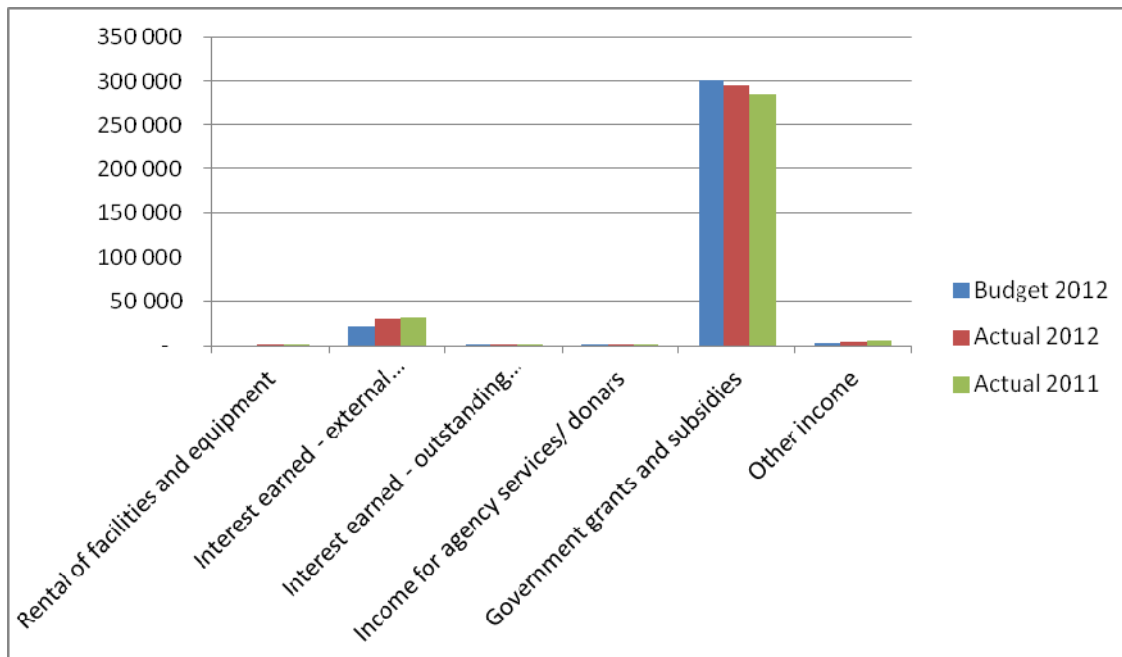
Interest earned on external investments decreased with 2.82% from R31, 135,900 (2010/2011) to R30, 256,521 (2011/2012). This decrease is attributed to a decrease in interest rates on call deposits.

Interest earned on outstanding debtors decreased with 49.68% from R41, 486 (2010/2011) to R20,878 (2011/2012) due to better credit control measures

OTHER INCOME

Other income decreased with 20.48% from R5, 919,642 (2010/11) to R4, 707,485 (2011/12), which include discount received.

T.5



Total revenue increased with 2.49% from R322, 132,998 to R330, 152,720 from the 2010/2011 financial year. This amount exceeded the budget amount with R4, 258,035.

Indicative allocations published in Division of Revenue Act (DORA) point to an increase in the RSC Levy Replacement Grant.

The outlook for the next financial year is that the total revenue will increase compared to the year under review.

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EXPENDITURE

GRANTS & SUBSIDIES

This expenditure relates to expenditure on infrastructure for local municipalities and regional functions for which the District Municipality is the primary authority. This expenditure although it might be of capital nature is recorded as operational expenditure in the books of district municipalities.

Actual grants and subsidies paid represent 74.90% (70.53%:2010/11) of the total expenditure and increased with 41,58% from R175,774,518 (2010/11) to R248,856,578 (2011/12). The increased expenditure shows that initiatives to speed- up project expenditure is starting to pay dividends during the period under review.

EMPLOYEE RELATED COST

Actual employee related costs increased with 7.52 % from R35, 556,126 (2010/11) to R38, 231,320 (2011/12). Actual employee related costs are 82.76 % of the budget, which is due to vacancies which have not been filled in the year under review.

REMUNERATION OF COUNCILLORS

Payments made to councillors are in terms of the legislation on remuneration of public office bearers.

Actual councillor allowance costs increased with 19.39 % from R8, 589,272 (2010/11) to R10,254,697 (2011/12). Actual councillor allowance costs are 99.91% of the budget.

DEPRECIATION

Depreciation is charged on Property, Plant & Equipment at rates determined in the accounting policies and asset useful life's is reviewed annually.

Actual depreciation costs increased with 14.17 % from R6,619,085 (2010/11) to R7,556,871 (2011/12). Actual depreciation costs are 96.23% of the budget.

REPAIRS & MAINTENANCE

This expenditure relates to maintenance on the office building which was used for the full duration of the year under review.

Actual repair and maintenance costs decreased with 10.61 % from R2,335,394 (2010/11) to R2,087,666 (2011/12). Actual repair and maintenance costs are 70.21% of the budget.

INTEREST PAID

This interest relates to interest on long term loans with INCA, DBSA and financial leases for office equipment.

Actual interest costs decreased with 9.94 % from R6,632,339 (2010/11) to R5,973,380 (2011/12).

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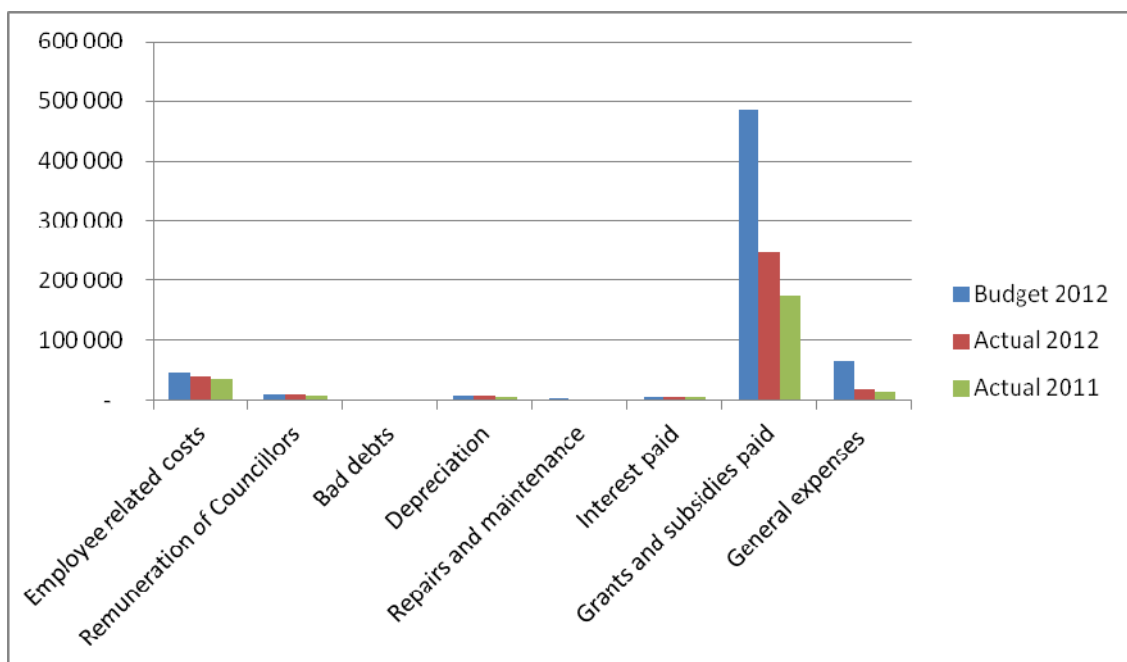
Actual interest costs are 88.86% of the budget.

GENERAL EXPENDITURE

General Expenditure compromise of operating expenditure not disclosed elsewhere on the statement of financial performance. Detail of general expenditure is disclosed under note 22 to the financial statements.

Actual general expenditure costs increased with 40.50 % from R13,712,330 (2010/11) to R19,265,878 (2011/12). Actual general expenditure costs are 28.71% of the budget.

T.5.1



The municipality realised a deficit of R2,091,370 for the 2011/12 financial year and an operating surplus of R72,907,973. This is an indication that the municipality for the first time is moving towards the eradication of roll overs.

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5.2.2 STATEMENTS OF FINANCIAL PERFORMANCE

Reconciliation of table A1 Budget Summary

T5.2

Description	Year 2011/12										Year -1				
	Original Budget	Budget Adjustments (i.t. o. s28 and s31 of the MFMA)	Final adjustments budget	Shift in g of funds (i. t. o. s31 of the MFMA)	Virement (i.t. o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates			-												
Service charges			-												
Investment revenue	22		22			22	30			136.21	136.21				31177
Transfers recognised operational	-300	227	300		461	301	294		(6371)	97.89	98.11				284659
Other own revenue	2384		384			384	4964		2580	208.21	208.21				6297
Total Revenue (excluding capital transfers and contributions)	325207	227	325434		461	325895	330153		4258	101.31	101.52				322133
Employee costs	70011	(23752)	46259		(64)	46195	38231		(7964)	82.76	54.61				35556
Remuneration	12	(110)			-	10	10		(9)	99.	84.3				8

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of councillors	164	900	264			264	255			91	0				589
Debt impairment	127	(100)	27			27	18		(9)	65.59	13.94				6
Depreciation & asset impairment	6 130	527	657			6	196	7	853	7 557	(296)	96.23	123.28		6 619
Finance charges															
Materials and bulk purchases	3 000	(400)	600			4	122	6	722	5 973	(749)	88.86	199.11		6 632
Transfers and grants	438	35	473			11	652	484	821	248	(235 965)	51.33	56.80		175 775
Other expenditure	82	012	79			(9)	(809)	70	083	21	(48 729)	30.47	25.76		16 048
Total Expenditure	612 461	6 407	618 868			7 097	625 965	332 244		(293 721)	53.08	54.25			249 225
Surplus/(Deficit)	(287 254)	(6 180)	(293 434)			(6 636)	(300 071)	(2 091)		297 979	0.70	0.73			72 908
Transfers recognised - capital															
Contributions recognised - capital & contributed assets															
Surplus/(Deficit) after capital transfers & contributions	(287 254)	(6 180)	(293 434)			(6 636)	(300 071)	(2 091)		297 979	0.70	0.73			72 908
Share of surplus/ (deficit) of associate															
Surplus/(Deficit) for the year	(287 254)	(6 180)	(293 434)			(6 636)	(300 071)	(2 091)		297 979	0.70	0.73			72 908
Capital expenditure & funds sources															
Capital expenditure															
Transfers recognised - capital															
Public contributions & donations															
Borrowing															
Internally generated funds	36 007	(6180)	29 827			(4 436)	25 391	7 020		(18 371)	27.65	19.50			12 772
Total sources of capital funds	36 007	(6 180)	29 827			(4 436)	25 391	7 020		(18 371)	27.65	19.50			12 772

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T5.3

Financial Performance of Operational Services						
R '000						
Description	Year -1	Year 0			Year 0 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water						
Waste Water (Sanitation)						
Electricity						
Waste Management						
Housing						
Component A: sub-total	-	-	-	-		
Waste Water (Stormwater Drainage)		11	28	10	-8.85%	-159.39%
Roads	710	760	023	804		
Transport		11	28	10	-8.85%	-159.39%
Component B: sub-total	710	760	023	804		
Planning	180	165	161	251	34.08%	35.76%
Local Economic Development	537	971	751	788	-	-11.37%
	2	4	2	2	60.81%	
Component B: sub-total	183	170	164	254	33.08%	35.26%
284	297	747	478			
Community & Social Services	10	23	14	11	-	-23.39%
778	819	201	509	106.96%		
Enviromental Protection Health						
Security and Safety						
Sport and Recreation						
Corporate Policy Offices and Other	(267)	(208)	(206)	(274)	24.25%	24.66%
681	076)	971)	700)			
Component C: sub-total	(256)	(184)	(192)	(263)	29.99%	26.76%
902)	257)	771)	191)			
Total Expenditure	(72)	(2)	(0)	2	205.19%	100.00%
908)	200)	(0)	091			

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

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5.3 GRANTS

5.3.1 GOVERNMENT GRANTS AND SUBSIDIES

Government Grants and subsidies increased with 3.52 % from R284,659,021(2010/11) to R294,684,832 (2011/12). Government Grants and subsidies include the RSC Levy Replacement grant, the equitable share, and Fire Service subsidy, Municipal System Improvement Grant, Finance Management Grant and the Transport Grant.

According to the accounting policies only the portion that has been expended and meets the conditions of the grant are recognized as revenue.

T5.4

Grant Performance R' 000						
Description	Year -1	Year 2011/12			Year 2011/12 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	284	301	301	294		
	659	822	595	685	-2.42	-2.34
Equitable share	16	19	19	19	0.00	0.00
Municipal Systems Improvement	858	468	468	468	0.00	0.00
Department of Water Affairs	750	000	000	000	0.00	0.00
Levy replacement	265	272	272	272	0.00	0.00
Transport	446	506	506	506	0.00	0.00
FMG	9	1	1	461		
EPWP Incentive	1	7	7	1		
	000	250	250	250	0.00	0.00
	596	598	371	-	100.00	100.00
Total Operating Transfers and Grants	284	301	301	294	-	-
	659	822	595	685	-	-

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COMMENT ON OPERATING TRANSFERS AND GRANTS:

T5.5

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant Year -1	Actual Grant Year 2011/12	Year 2011/12 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - Department of Transport	8526	460831.8		30-Jun-12		This grant is to counter fund the integrated transport plan for the District.
B - DBSA	112602	226864.01		30-Jun-12		This grant was to draw up and Integrated Municipal Environmental Plan (IMEP).

COMMENTS ON SOURCES OF REVENUE

T5.6

Total revenue increased with 2.49% from R322,132,998 to R330,152,720 from the 2010/2011 financial year. This amount exceeded the budget amount with R4,258,035.

The RSC replacement grant remains the main revenue stream to the municipality. Indicative allocations published in Division of Revenue Act (DORA) point to an increase in the RSC Levy Replacement Grant.

The outlook for the next financial year is that the total revenue will increase compared to the year under review.

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5.4 ASSET MANAGEMENT

5.4.1 INTRODUCTION TO ASSET MANAGEMENT

Assets are managed in terms of the approved asset management policy and are accounted for in terms of the accounting policies of the municipality. Each head of departments takes responsibility for the assets used in their respective departments. Finance Department verifies asset twice a year.

The portfolio of Property, plant and equipment can be summarized as follows:

T.5

Reconciliation of carrying	Land and Buildings	Infra-structure	Community	Other	Leased
	R	R	R	R	R
Carrying values at 1 July 2011	61,792,635	3,348,162	64,900	20,267,937	858,144
<i>Land at cost</i>	300,000				
<i>Buildings at cost</i>	58,065,407	3,528,874	9,125,120	40,605,594	2,439,283
<i>Capital under construction</i>	4,846,263	-	-		-
<i>Transfer in / (Transfer out) Cost</i>	9,047,901		(9,047,901)		
Cost values after transfer	72,259,571	3,528,874	77,219	40,605,594	2,439,283
<i>Transfer in / (Transfer out) Accumulated depreciation</i>	(132,844)		132,844		
<i>Accumulated depreciation</i>	(10,334,092)	(180,712)	(145,163)	(20,337,658)	(1,581,139)
Accumulated Depreciation	(10,466,936)	(180,712)	(12,319)	(20,337,658)	(1,581,139)
Carrying values at 1 July 2011 after transfer	61,792,635	3,348,162	64,900	20,267,937	858,144
Acquisitions	-	-	66,111	6,509,855	223,992
Capital under construction	219,771		-		
Depreciation	(2,265,452)	(352,887)	(10,591)	(4,267,541)	(660,399)
Carrying values at 30 June 2012	59,746,954	2,995,275	120,420	22,510,250	421,736
<i>Land at cost</i>	300,000				
<i>Buildings at cost</i>	67,113,308	3,528,875	143,330	47,115,450	2,663,275
<i>Capital under construction</i>	5,066,034	-	-	-	-
<i>Accumulated depreciation</i>	(12,732,388)	(533,599)	(22,910)	(24,605,199)	(2,241,539)

5.4.2 COMMENT ON ASSET MANAGEMENT:

Nkangala District municipality acquired assets to the amount of R7.019 million during the year under review, whilst the depreciation for the same period amounted to R7.557 million. No assets were disposed during the year under review.

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T5.1

Repair and Maintenance Expenditure: Year 2011/12				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	5 337	2 974	2 088	30%

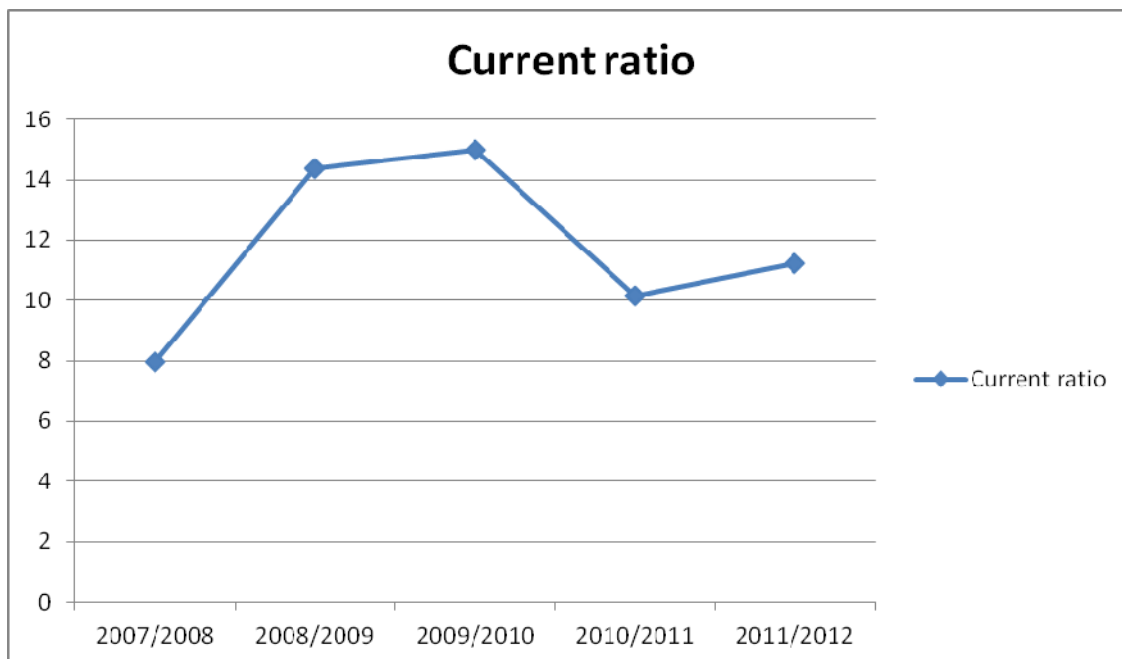
COMMENTS ON REPAIR AND MAINTENANCE EXPENDITURE:

Actual repair and maintenance costs decreased with 10.61 % from R2, 335,394 (2010/11) to R2, 087,666 (2011/12). Actual repair and maintenance costs are 70.21% of the budget.

5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Current liquidity ratio

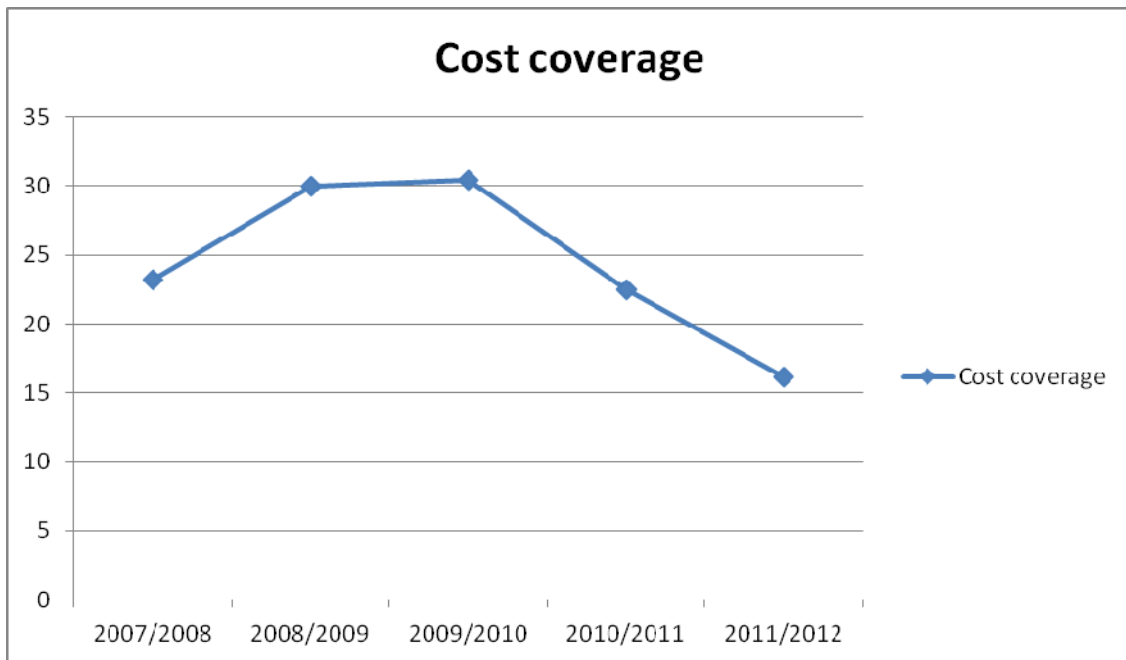
T5.5.1



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The ratio is mainly used to give an idea of the company's/ institution's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory, receivables). The higher the current ratio, the more capable the company/institution is of paying its obligations. A ratio under 1 suggests that the company/institution would be unable to pay off its obligations if they came due at that point. While this shows the company/institution is not in good financial health, it does not necessarily mean that it will go bankrupt - as there are many ways to access financing - but it is definitely not a good sign.

T5.5.2

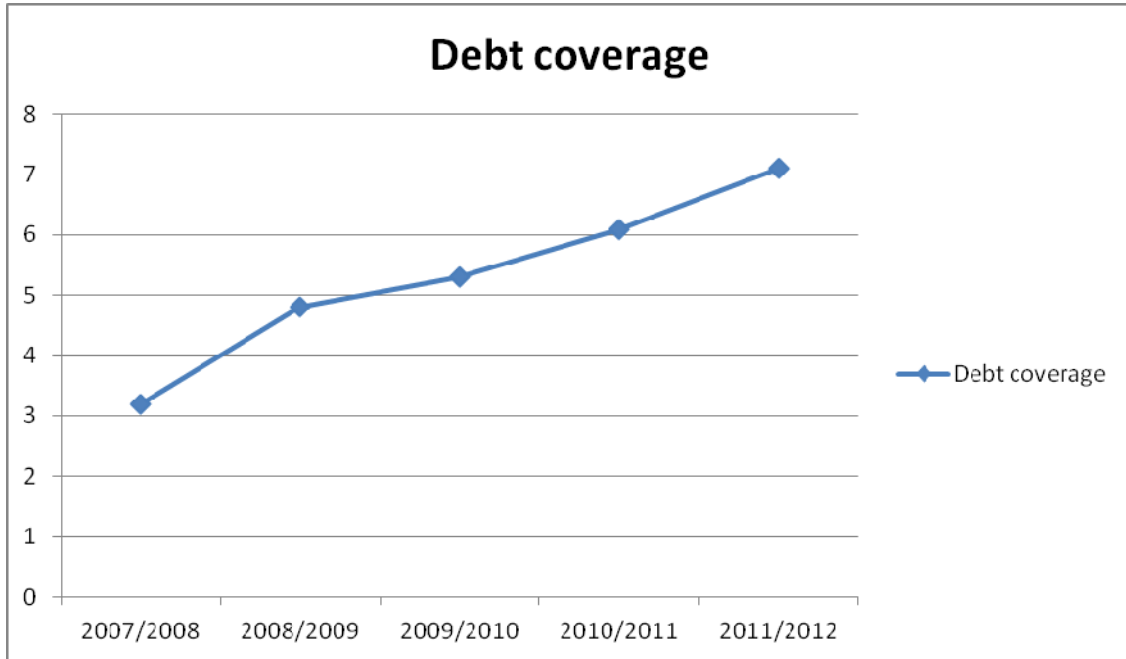


This ratio indicates how many month of expenditure can be covered by cash and cash equivalents

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Debt Coverage

T5.5.1



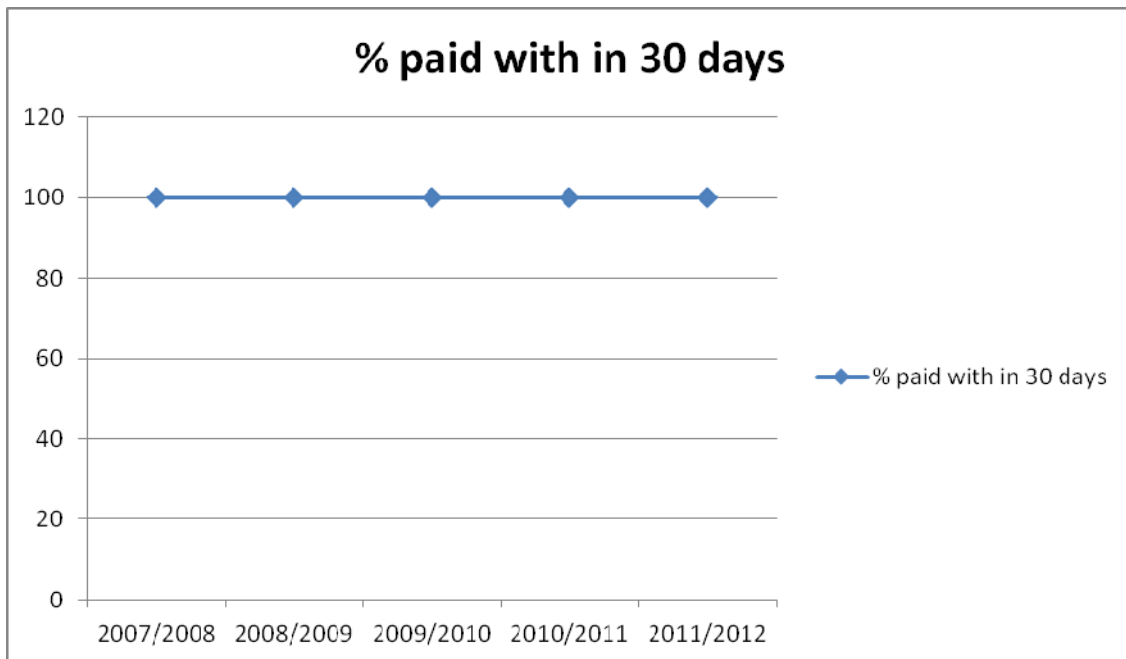
Debt coverage indicates the number of times the municipality can repay its debt. The calculation excludes conditional grants but includes unconditional grants.

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5.6 CREDITORS

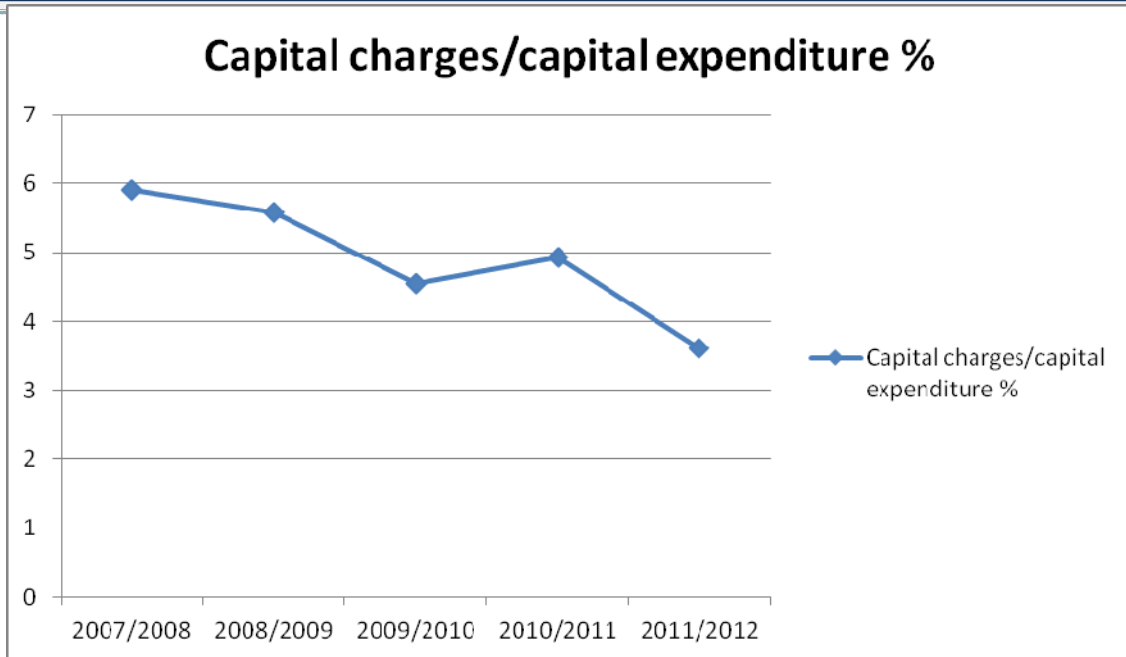
Creditors is paid within the 30 day payment period as stipulated in section 65(2)(e)

T5.5.2



5.5.3 Capital charges to operating expenditure

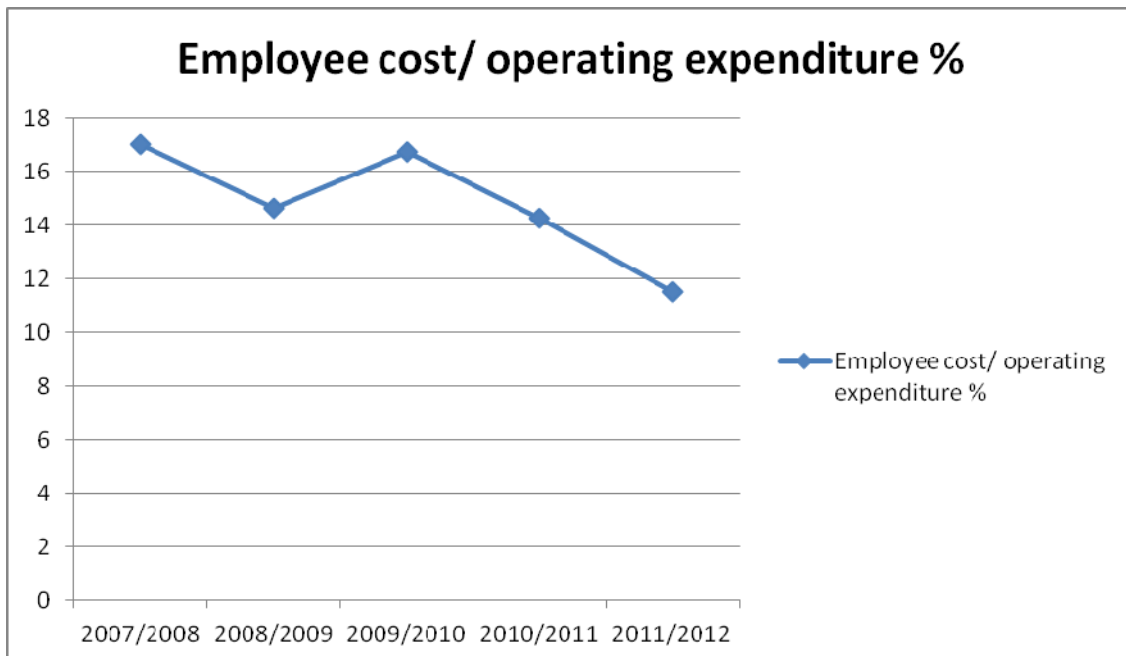
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This ratio indicate the percentage of capital charges in relation with the total operating expenditure

5.7 EMPLOYEE COST TO OPERATING EXPENDITURE

T5.5.4



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This ratio indicate the percentage of employee cost in relation with the total operating expenditure

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.8 INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure is funded form own revenue sources an amounted to R7.019 million during the year under review against the budget amount of R36 million

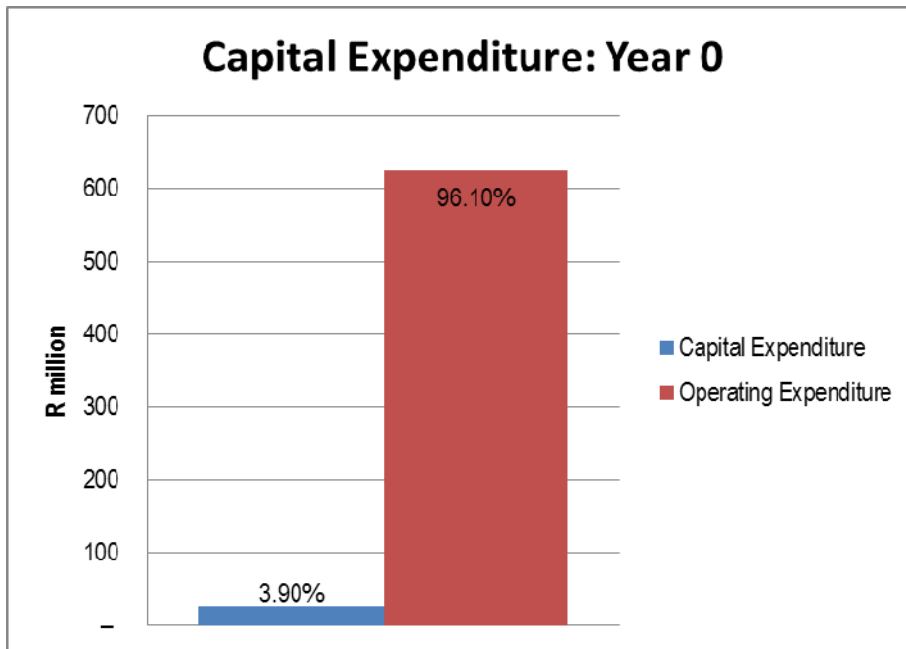
5.8.1 CAPITAL EXPENDITURE

T5.8.1.1

R million	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	36	25	7	80.5%	72.4%
Total capital expenditure	36	25	7	80.5%	72.4%
Operating Expenditure	621	626	332	46.5%	46.9%
	621	626	332	46.5%	46.9%
Total expenditure	657	651	339	48.4%	47.9%
Other	621	626	332	46.5%	46.9%
Total expenditure	621	626	332	46.5%	46.9%
Internal contributions	36	25	7	80.5%	72.4%
Funding sources capital expenditure	36	25	7	80.5%	72.4%
Grants and subsidies	302	302	294	-2.4%	-2.5%
Other Receipts	24	24	58	145.6%	145.6%

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T5.8.1.2



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5.9 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*						R' 000
Name of Project	Current Year			Variance Current Year		
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)	
A -	26,000,000	26,500,000	25,700,000	1%	-2%	
B -	19,500,000	19,750,000	19,900,000	-2%	-1%	
C -	15,700,000	15,700,000	15,500,000	1%	0%	
D -	12,000,000	11,800,000	11,700,000	3%	2%	
E -	11,500,000	11,000,000	11,250,000	2%	4%	

* Projects with the highest capital expenditure in 2008/09

R' 000					
Name of Project	Current: Year 2011/12			Variance: Current Year 2011/12	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Disaster Management Centre	26 000	26 500	5 066	81%	81%
B - Disaster Management vehicles	19 500	19 750	2 573	87%	87%
C - Disaster Management vehicle	15 700	15 700	1 245	92%	92%
D - Disaster Management vehicle	12 000	11 800	708	94%	94%
E - Disaster Management vehicle	11 500	11 000	1 079	91%	90%

* Projects with the highest capital expenditure in Year 2011/12

A - Disaster Management Centre	
Objective of Project	To establish a district wide disaster management centre for the whole Nkangala region. The disaster management centre will service all the citizens in the Nkangala region.

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Delays	Componentising the assets for the asset register
Future Challenges	
Anticipated citizen benefits	Regional disaster management that will be able to respond quickly when needed

B - Disaster Management vehicles	
Objective of Project	To have a fully equipped disaster management vehicle
Delays	None
Future Challenges	None
Anticipated citizen benefits	Regional disaster management that will be able to respond quickly when needed

C - Disaster Management vehicle	
Objective of Project	To have a fully equipped disaster management vehicle
Delays	None
Future Challenges	None
Anticipated citizen benefits	Regional disaster management that will be able to respond quickly when needed

D - Disaster Management vehicle	
Objective of Project	To have a fully equipped disaster management vehicle
Delays	None
Future Challenges	None
Anticipated citizen benefits	Regional disaster management that will be able to respond quickly when needed

E - Disaster Management vehicle	
Objective of Project	To have a fully equipped disaster management vehicle
Delays	None
Future Challenges	None
Anticipated citizen benefits	Regional disaster management that will be able to respond quickly when needed

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COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.10 INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality manages its cash flow diligently and maintained a positive balance for cash and cash equivalents of R448,048 million for the year under review.

T5.10.1

Cash Flow Outcomes				
R'000				
Description	Year -1	Current: Year 2011/12		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	41 894	1 384	1 384	27 708
Government - operating	280 239	301 595	301 595	294 224
Interest	31 177	22 228	22 228	30 277
Payments				
Suppliers and employees	(279 217)	(165 434)	(165 434)	(348 119)
Finance charges	(6 632)	(3 000)	(3 000)	(5 973)
Transfers and Grants		(438 126)	(438 126)	
NET CASH FROM/(USED) OPERATING ACTIVITIES	67 461	(281 352)	(281 352)	(1 882)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Decrease (increase) in non-current investments	(27 279)	-	-	(3 391)
Payments				
Capital assets	(12 772)	(36 007)	(44 768)	(7 020)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(40 051)	(36 007)	(44 768)	(10 410)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments				
Repayment of borrowing	(5 651)	(2 200)	(5 200)	(5 811)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(5 651)	(2 200)	(5 200)	(5 811)
NET INCREASE/ (DECREASE) IN CASH HELD	21 759	(319 559)	(331 320)	(18 104)
Cash/cash equivalents at the year begin:	444 393	466 152	466 152	466 152
Cash/cash equivalents at the year-end:	466 152	146 593	134 832	448 048

Source: MBRR A7

T 5.9.1

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5.11 BORROWING AND INVESTMENTS

5.11.1 INTRODUCTION TO BORROWING AND INVESTMENTS

Liabilities decreased with 11.17% from R123, 828,251 (2010/11) to R109, 996,784 (2011/12), which is mainly due to the decreased accruals for 2012.

T5.10.2

Actual Borrowings: Year -2 to Year 2011/12			
R' 000			
Instrument	Year -2	Year -1	Year 2011/12
Municipality			
Long-Term Loans (annuity/reducing balance)	56 352	51 285	45 989
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	1 584	1 000	485
Municipality Total	57 936	52 285	46 474

The investment portfolio is summarized below:

NKANGALA DISTRICT MUNICIPALITY: SCHEDULE OF INVESTMENTS AS AT 30 JUNE 2012

Bank	Call	30 Days	60 Days	90+ Days	Long Term	Total
ABSA	16,448	15,000,000	25,000,000	20,000,000		60,016,448
Nedbank	5,017,808	30,000,000	7,000,000	-		42,017,808
FNB	36,602,633	20,000,000	20,000,000	-		76,602,633
Standard Bank	93,430,047	28,000,000	10,000,000	-		131,430,047
Sanlam	64,992,852	-	-	-		64,992,852
Investec	16,717,834	20,000,000	17,000,000	6,609,360	-	60,327,195
Investec LT					38,854,626	38,854,626
Accrued interest	1,678,102	-	-	-		1,678,102

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Total	218,455,724	113,000,000	79,000,000	26,609,360	38,854,626	475,919,710
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5.12 COMMENTS ON BORROWING AND INVESTMENTS:

The municipality has two long term loans and various finance leases. The loan at DBSA was entered into to construct infrastructure assets for local municipalities, whilst the loan at INCA was obtained to construct the municipal offices. The finance lease is mainly for the lease of photocopy machines. The municipality has an investment portfolio with various financial institutions to the amount of R475,920 million, of which R38,855 is of a long term nature.

COMPONENT D: OTHER FINANCIAL MATTERS

5.13 SUPPLY CHAIN MANAGEMENT

The municipality administers supply chain processes within the legal framework prescribed for Local Government. The Supply Chain Management policy was developed and adopted by council 2005 and is currently under review.

The District Municipality has established Bid Committees, in terms of the Supply Chain Management Policy, namely; Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee. The listed Bid Committees deal with the preparing specifications for tenders, evaluation of tenders after the closing date of a tender and adjudication of the evaluated tenders for approval by the Accounting Officer. Therefore processes are developed in terms of the Supply Chain Policy to be undertaken in respect of time frames for the evaluation and submission of such projects to the Bid Committees.

Council implemented the New Procurement Regulations 2011 as promulgated, as they came into effect on 07 December 2011.

NDM has the following long term contracts which is the (Municipal Financial and Billing Software (Munsoft) and RICO (photocopier, fax machines).

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The municipality made various appointments through the bid committees, a copy of these appointments is attached hereto as annexure D in Volume II

5.14 REMARKS MADE IN THE PREVIOUS AUDITOR-GENERAL'S REPORT

In the 2010/11 Auditor General report the following remark was made,

An award was made to a provider listed on the National Treasury database as a person prohibited from doing business with the public sector, in contravention of Supply Chain Management Regulation 38(1) (c).

5.15 GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The financial statements have been prepared in accordance with the Standards of Generally Recognized Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The municipality adopted the GRAP standard in the 2005/2006 financial year. The municipality intends to introduce the new GRAP standards that will be effective in the 2012/2013 financial year.

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CHAPTER 6

6.1 AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2011/2012 AND 2010/11

COMPONENT A: AUDITOR-GENERAL OPINION 2011/12

The Nkangala District Municipality received an unqualified audit opinion from the Auditor General with one matter, that is, pre determined objectives. A copy of the Auditor General Report is attached hereto as annexure B in Volume II

T6.1.1.

Auditor-General Report on Financial Performance Year 2011/12*	
Status of audit report:	
Non-Compliance Issues	Remedial Action Plan (Attached hereto as annexure C Volume II)
There were no instances of material non-compliance or financial misstatements were identified as in his opinion the Auditor general, expressed that the financial statements present fairly, in all material respects, the financial position of the Nkangala District Municipality as at 30 June 2012 and its financial performance and cash flows for the year ended in accordance with South African Standards of GRAP and the requirements of the MFMA and DORA.	None as there were no identified instances of material financial misstatements and material non-compliance.
There were no instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the general notice issued in terms of the PAA were identified.	None as there were no identified instances of material non-compliance.

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Predetermined objectives. The Auditor General raised material findings on predetermined objectives reported in the Annual Performance Report, which relates to issues of consistency, measurability and validity.

The Integrated Development Plan(IDP), the SDBIP and performance agreements be reviewed during the adjustment budget process taking the issues raised by the Auditor General into consideration to prevent a repetition of the findings in the next financial year and that the comprehensive action plan drawn up to address the issues raised by the Auditor General in the Audit Report be monitored on a monthly basis...

Note: The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 2011/12.*

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COMPONENT B: AUDITOR-GENERAL OPINION 2010/11

The Nkangala District Municipality received an unqualified audit opinion from the Auditor General with one matter of emphasis, that is, issue on irregular expenditure and other additional matters

T6.1.2

Auditor-General Report on Financial Performance: 2010/11	
Audit Report Status*:	
Non-Compliance Issues	Remedial Action Taken
There were no instances of material non-compliance or financial misstatements were identified as in his opinion the Auditor general, expressed that the financial statements present fairly, in all material respects, the financial position of the Nkangala District Municipality as at 30 June 2011 and its financial performance and cash flows for the year ended in accordance with South African Standards of GRAP and the requirements of the MFMA and DORA.	None as there were no identified instances of material non-compliance.
Compliance with laws and regulations: An award was made to a provider listed on the National Treasury's database as a person prohibited from doing business with the public sector which is in contravention of Supply Chain Management Regulation 38(1) © and as a result an irregular expenditure of R12 673 904 was incurred, as a contract was awarded to a prohibited supplier.	Bid committees to verify recommended bidders with the list of restricted suppliers provided by National Treasury before making recommendations to appoint to the Accounting Officer.
<i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i>	

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6.2 GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.

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Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.

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Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<p>Service delivery & infrastructure</p> <p>Economic development</p> <p>Municipal transformation and institutional development</p> <p>Financial viability and management</p> <p>Good governance and community participation</p>
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.

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Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.

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Vote:

One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.

Section 1 of the MFMA defines a “vote” as:

a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and

b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

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APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance

Council Members	Full time/Part time	Committees Allocated	Ward and / or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%

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1	Mashilo, S K (Executive Mayor)	Directly Elected	Mayoral Committee (Chairperson) Rules and Ethics Committee	ANC	100(9)	-
2	Nkwanyana, B A (Speaker)	Directly Elected	Council (Chairperson) Rules and Ethics Committee	ANC	89(8)	11(1)
3	Letlaka, T M (Council Whip)	Directly Elected	Council Whip Rules and Ethics	ANC	89(8)	-
4	Maseko C P	Emalahleni Municipality	Corporate Services, Admin and Human Resources	ANC	89	11
5	Du Toit, E	Steve Tshwete Municipality	Corporate Services, Admin and Human Resources	DA	89	11
6	Kabini, S Q	Thembisile hani Municipality	Corporate Services, Admin and Human Resources Municipal Public Accounts Committee	ANC	67(6)	33(3)

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7	Masuku, M J	Thembisile hani Municipality	Corporate Services, Admin and Human Resources	ANC	100	-
8	Molosi, R J	Emalahleni Municipality	Corporate Services, Admin and Human Resources	DA	78	11
9	Dube, C (néé) Motau (MMC: Corporate Services)	Directly Elected	Corporate Services, Admin and Human Resources	ANC	100	-
10	Mokoena, L M		Corporate Services, Admin and Human Resources Municipal Public Accounts Committee	ANC	100	-
11	Mothibi, MB	Directly Elected	Finance Committee	ANC	78	22

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			Municipal Public Accounts Committee			
12	Cllr Bhamjee, M	Emalahleni Municipality	Finance Committee	DA	100	-
13	Grobler, B	Directly Elected	Finance Committee Rules and Ethics	DA	77	11
14	Masilela, TS	Directly Elected	Finance Committee Municipal Public Accounts Committee	ANC	100	-
15	Masombuka, IM	Directly Elected	Finance Committee Mayoral Committee	ANC	100	-
16	Mtsweni, JL	Thembisile hani Municipality	Finance Committee Municipal Public Accounts Committee	ANC	89	-
17	Mathibela S M	Steve Tshwete	Finance Committee	ANC	100	-

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		Municipality				
18	Scheffer, H J	Emalahleni Local Municipality	Finance Committee Municipal Public Accounts Committee	ANC	78	11
19	Mdluli, Z B	Directly Elected	Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance	ANC	78	11
20	Dikgale L J (MMC)	Directly Elected	Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance	ANC	67	29
21	Mahlangu, M G	Directly Elected	Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance Municipal Public Accounts Committee	Sindawonye Progressive Party	100	-
22	Mnguni, M T E	Steve Tshwete	Infrastructure and Service	ANC	100	-

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			Delivery, Water, Sanitation, Electricity, Roads and Maintenance Municipal Public Accounts Committee			
23	Niemann, H F	Steve Tshwete	Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance	DA	89	-
24	Nkosi, M S	Directly Elected	Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance	ANC	89	-
25	Nkosi, N B	Directly Elected	Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance	ANC	89	-
26	Rapatsa M J	Victor Khanye	Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance	ANC	33.33	33.33

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27	Maluleke, M T	Dr. J S Moroka Local Municipality	Local Economic Development, Human Settlement and Tourism	ANC	78	22
28	Mafume, A P	Directly Elected	Local Economic Development, Human Settlement and Tourism Mayoral Committee	ANC	78	11
29	Monareng, K N	Steve Tshwete LM	Local Economic Development, Human Settlement and Tourism	ANC	100	-
30	Nkosi, T L	Directly Elected	Local Economic Development, Human Settlement and Tourism	ANC	89	-
31	Mkhabela, C F	Emalahleni Local Municipality	Local Economic Development, Human Settlement and Tourism	ANC	89	11
32	Mahlangu, J B	Directly Elected	Local Economic Development, Human Settlement and Tourism	DA	100	-

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33	Msiza, J N	Dr, JS Moroka L M	Local Economic Development, Human Settlement and Tourism	ANC	89	-
34	Hlumbane, M B	Emalahleni Local Municipality	Rural Development, Agriculture, Public Safety and Transport	ANC	89	11
35	Louw, J M	Emalahleni Local Municipality	Rural Development, Agriculture, Public Safety and Transport	ANC	89	-
36	Legong, T B	Dr. J S Moroka Local Municipality	Rural Development, Agriculture, Public Safety and Transport	ANC	100	-
37	Ntuli, D	Directly Elected	Rural Development, Agriculture, Public Safety and Transport Rules and Ethics	Ikusasa Lesizwe Independent Movement	89	-
38	Radebe, J F	Directly Elected	Rural Development, Agriculture, Public Safety and Transport Mayoral Committee	ANC	100	-
39	Shongwe, S E	Emalahleni Local	Rural Development, Agriculture,	ANC	89	11

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		Municipality	Public Safety and Transport			
40	Van den Berg, E H	Directly Elected	Rural Development, Agriculture, Public Safety and Transport Sec 79 Committee Finance	DA	89	-
41	Legong, M S	Dr JS Moroka LM	social services, disaster management, youth, women, the disabled, sport, arts & culture, health & education	ANC	89	11
42	Hlophe, N E	Directly Elected	social services, disaster management, youth, women, the disabled, sport, arts & culture, health & education	ANC	100	-
43	Danisa, M	Thembisile Hani LM	social services, disaster management, youth, women, the disabled, sport, arts & culture, health & education	ANC	78	-

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44	Jele, E A	Steve Tshwete Local Municipality	social services, disaster management, youth, women, the disabled, sport, arts & culture, health & education	ANC	100	-
45	Maja, S R	Dr JS Moroka LM	social services, disaster management, youth, women, the disabled, sport, arts & culture, health & education	ANC	100	-
46	Mnyakeni, B S	Thembisile Hani LM	social services, disaster management, youth, women, the disabled, sport, arts & culture, health & education	DA	89	11
47	Msiza, A	Directly Elected	social services, disaster management, youth, women, the disabled, sport, arts & culture, health & education	ANC	78	-
48	Venter, HJ	Emalahleni Local Municipality	Municipal Public Accounts Committee	DA	56	-
49	Sibanyoni JM	Directly Elected	Municipal Public Accounts	DA	100	-

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			Committee			
50	Mtsweni, RQ	Thembisile Hani Local Municipality	Rules and Ethics Committee	SPP(Sindawonye Progressive Party)	78	-
51	Mabuza, BS	Emakhazeni Local Municipality	Not allocated to Sec 79	DA	89	11
52	Mohoaduba, AM	Thembisile Hani Local Municipality	Not allocated to Sec 79	ANC	75	25
53	Mokhabela, JT	Dr JS Moroka Local Municipality	Not allocated to Sec 79	DA	67	11
54	Mahlangu, NJ	Thembisile Hani Local	Executive Mayor	ANC	100	-

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		Municipality				
55	Makhabane, EN	Victor Khanye Local Municipality	Executive Mayor	ANC	78	11
56	Masina, MAS	Steve Tshwete Local Municipality	Executive Mayor	ANC	56	11
57	Mthimunye, GT	Dr JS Moroka Local Municipality	Executive Mayor	ANC	89	11
58	Ngwenya, XS	Emakhazeni Local Municipality	Executive Mayor	ANC	56	22
59	Sithole, SF	Emalahleni Local Municipality	Executive Mayor	ANC	89	-

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APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committees
SECTION 79 CORPORATE SERVICES HUMAN RESOURCES, LEGAL SERVICES AND HUMAN RESOURCES DEVELOPMENT	To advise Council on administration and human resources issues; Legal Services; and The quorum of the Committee is 50% plus 1.
Section 79 Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance	To advise Council on infrastructure development and service delivery issues; and The quorum of the Committee is 50% plus 1.
SECTION 79 FINANCE	To advise Council on financial issues; and The quorum of the Committee is 50% plus 1.
Section 79 Social Services, Disaster Management, Youth, Women, The Disabled, Sport, Arts & Culture, Health and Education	To advise Council on social, youth and women development matters; issues of disability, sport, Health, Arts and Culture; and The quorum of the Committee is determined as

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	50% plus 1.
Section 79 Rural Development, Agriculture, Public Safety and Transport	To advise Council on roads, transport and public safety issues; and The quorum of the Committee is 50% plus 1.
Section 79 Local Economic DEVELOPMENT, Human Settlement and Tourism:	To advise Council on local economic development issues; and The Quorum of the Committee is 50% plus 1.
Municipal Public Accounts Committee (MPACs)	To provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates; To provide a report on performance against the budget of the municipality or municipal entity for that financial year; and To promote accountability to the local community for the decisions mad throughout the year by the municipality or municipal entity.
Rules and Ethics	THAT the Rules and Ethics Committee advise Council on the interpretation of any decision

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	<p>made in terms of Council's Standing Rules and Orders and the interpretation and application of the Code of Conduct applicable to Councillors.</p> <p>THAT the quorum of the Rules and Ethics Committee be determined as 50% plus 1.</p>
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APPENDIX B1 – COUNCIL RESOLUTIONS

RESOLUTION	ITEM	HEADING RESOLUTION	IMPLEMENTING DEPARTMENT	PROGRESS TO DATE/DATE OF
DM74/07/2011	REPLACEMENT OF DEMOCRATIC ALLIANCE (DA) PR COUNCILLOR I CASSIM: DC31 NKANGALA COUNCIL	<p>THAT the report on the resignation of Councillor Cassim and the subsequent nomination of Councillor JB Mahlangu as a replacement thereof be noted.</p> <p>THAT Councillor JB Mahlangu be declared elected as a PR representative of the DA at the District Council.</p>	CS	DONE

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DM75/07/2011	REPLACEMENT OF SINDAWONYE PROGRESSIVE PARTY (SPP) PR COUNCILLOR RQ MTSWENI: DC31 NKANGALA DISTRICT COUNCIL	<p>THAT the report on the resignation of Councillor R Q Mtsweni and the subsequent nomination of Councillor M G Mahlangu as a replacement thereof be noted.</p> <p>THAT Councillor M G Mahlangu be declared elected as a PR representative of the SPP at the District Council.</p>	CS	DONE
DM76/07/2011	REPLACEMENT OF COUNCILLOR E S RADEBE: EMAKHAZENI LOCAL MUNICIPALITY	<p>THAT it be noted that Clr E S Radebe has been withdrawn as a representative of Emakhazeni Local Municipality at the District.</p> <p>THAT it be noted that Clr B S Mabuza of the Democratic Alliance has been nominated to represent Emakhazeni Local Municipality at the District.</p>	SC	DONE

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DM77/07/2011	DELEGATION OF POWERS	<p>THAT the Delegation of powers as contained in Resolution DM27/03/2006 dated 22 March 2006 be replaced with the new document marked as ANNEXURE “D” – “O” pages 1 to 36.</p> <p>THAT the Municipal Manager be authorised to ensure that the provisions of the Local Government: Municipal Systems Amendment Act, 2011 (Act 7 of 2011) (MSA) and other provisions of applicable legislation are complied with, and that those section of the delegations that are in conflict with legislation are not included in the voting process of the purpose of passing a resolution, and that those delegations be declared invalid.</p> <p>THAT a further report be presented for consideration in terms of the provisions of section 65 of the MSA.</p>	SC	DONE
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DM78/07/2011	SECTION 60 COMMITTEE: COMPOSITION	<p>In this regard Council, at its Special (2011) Council meeting held on 27 July 2011 resolved as follows:</p> <p>THAT the appointment of the Members of the Mayoral Committee as listed below, be noted:</p> <p>Cllr IM Masombuka Cllr LJ Dikgale Cllr AP Mafume Cllr C Motau Cllr JF Radebe</p>	SC	DONE
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SECTION 79 COMMITTEES:
COMPOSITION

THAT Resolution DM53/04/2006 dated 31 May 2006 be rescinded.

THAT the following Section 79 Committees with the composition and functions as indicated be established:

Infrastructure and Service Delivery, Water, Sanitation, Electricity, Roads and Maintenance:

Councillor **Z B Mdluli** as Chairperson

Dikgale, L J

Mnguni, T E

Nkosi, NB

Mahlangu, M G

Niemann H

Rapatsa, M J

Nkosi, MS

Mahlangu, B J

Social Services, Disaster Management, Youth, Women, The Disabled, Sport, Arts & Culture, Health and Education:

Councillor **M S Legong** as Chairperson

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DM80/07/20 11	STANDING RULES OF ORDERS	THAT the item on Standing rules of Order be deferred back.	SC	DONE
DM81/07/2011	COUNCIL'S MEETING DATES UNTIL 30 JUNE 2012	<p>THAT Council meeting be held on the last Wednesday of the relevant month at 17:00.</p> <p>THAT it be noted that the Special Council Meetings will be dealt with in terms of Rule 4(1) of the Standing Rules of Order of Council, as and when necessary.</p> <p>THAT dates of meetings of Council, Mayoral Committee and Section 79 Committees be approved.</p> <p>THAT an ordinary Council meeting be scheduled for 30 November 2011.</p>		DONE

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DM82/07/2011	ADOPTION OF FINAL DRAFT 2011/12-2015/16 INTEGRATED DEVELOPMENT PLAN OF THE DISTRICT	<p>THAT the Report on Draft 2011/12 2015/16 Integrated Development Plan (IDP) of the District be noted.</p> <p>THAT the Draft 2011/12 2015/16 IDP be approved.</p> <p>THAT MEC of the Department of Co-operative Government and Traditional Affairs be furnished with the copy of the Final 2011/12 -2015/16 IDP as per the applicable Legal prescripts.</p> <p>THAT the outlook of the IDP reflects the current Council.</p> <p>THAT the Organogram of the municipality to be attached to the IDP be amended accordingly to accommodate positions not reflected therein.</p>	IDP	
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	<p>REPORT ON ADOPTION OF THE FRAMEWORK/PROCESS PLAN FOR THE 2012/12 -2015/2016 INTEGRATED DEVELOPMENT PLANNING PROCESS</p>	<p>THAT the Report on adoption of Framework/Process Plan for the 2011/12-2015/16 Integrated Development Planning Process be noted.</p> <p>THAT the Framework Plan for the 2011/12-2015/16 Integrated Development Planning Process be approved.</p> <p>THAT constituent Local Municipalities be furnished of the approved Framework/Process Plan for consideration in drafting their Process Plan for the review of the 2012/13 IDPs.</p> <p>THAT the schedule of Community Outreach Programme as encapsulated in page 36 of the Framework/Process Plan noted.</p> <p>THAT constituent Local Municipalities furnish the District with preferred venues for the Community outreach Meetings.</p> <p>THAT Sector Departments be furnished with the approved Framework/Process Plan for their consideration when planning for the 2012/13 Financial and beyond.</p> <p>THAT Local Municipalities submit information regarding Venues by not later than 15 August 2011.</p>		
<p>DM83/07/2011 ATTENDANCE</p>		<p>Municipality APPENDIX A – COUNCILORS; COMMITTEE ALLOCATION AND COUNCIL</p>	<p>IDP</p>	<p>334</p>

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DM84/07/2011	MUNICIPAL DEMARCATION BOARD: CIRCULAR 1/2011 REDETERMINATION OF BOUNDARIES	THAT it be noted that the meeting for Nkangala District Municipality with the Demarcation Board will take place on 3 August 2011 at 10h00 and that information in respect of the Venue will be communicated.	CS	
DM85/08/2011	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES: APRIL 2011	THAT the monthly report on Staff salaries, allowance & benefits and Councillor Allowance for the period ending 30 April 2011 be referred back. THAT a report on performance evaluation of the Municipal Manager and Managers directly accountable to the Municipal Manager be submitted to the Mayoral Committee.	FS	
DM86/08/2011	FINANCIAL MONTHLY REPORT: APRIL 2011	THAT the monthly budget statement and financial report for April 2011 be referred back.	FS	

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DM87/08/2011	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES: MAY 2011	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 31 May 2011 be noted.	FS	
DM88/08/2011	FINANCIAL MONTHLY REPORT: MAY 2011	THAT the monthly budget statement and financial report for May 2011 be noted.	FS	
DM89/08/2011	FINANCIAL MONTHLY REPORT: JUNE 2011	THAT the monthly budget statement and financial report for June 2011 be noted.	FS	
DM90/08/2011	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILLOR ALLOWANCES: JUNE 2011	THAT the monthly report on Staff salaries, allowance & benefits and Councillor Allowance for the period ending 30 June 2011 be noted.	FS	

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DM91/08/2011	FINANCIAL: QUARTERLY REPORT: JUNE 2011	THAT the quarterly budget statement and financial report for the quarter ended 30 June 2011 be noted.	FS	
DM92/08/2011	STANDING RULES OF ORDERS	THAT the item be deferred back to the next meeting.	CS	DONE

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REPRESENTATIVES: VARIOUS INSTITUTIONS
APPENDICES

THAT Resolution **DM57/02/2006** dated **31 May 2006** be rescinded.

THAT the following Councillors be assigned to represent Council in the institutions as indicated:

Municipal Councillors Pension Fund

Councillor B A Nkwanyana with Councillor T M Letlaka as secundus.

Munimed:

Councillor M S Legong with Councillor H J Venter as secundus.

Municipal Employees Pension Fund:

Councillor Z B Mdluli with Councillor A Msiza as secundus.

Joint Municipal Pension Fund:

Councillor T S Masilela with Councillor S Q Kabini as secundus.

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DM94/08/2011	LOCAL GOVERNMENT: MUNICIPAL SYSTEMS AMENDMENT ACT, 2011	THAT the Local Government: Municipal Systems Amendment Act, 2011 be noted.	CS	
DM95/08/2011	SALGA CIRCULAR 33/2011: NOTICE OF STRIKE BY SAMWU	THAT the report on notice of Strike by SAMWU be noted. THAT the advisory SALGA in respect of implementation of 6.08% increase be noted. THAT strike management plan be adhered to and the advise on point 4 be implemented.	CS	
DM96/08/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR R J MOLOISI	THAT the application for leave of absence from the Special Council meeting held on 27 July 2011 submitted by Clr R J Moloisi be noted. THAT the late application for leave of absence from the Special Council meeting held on 27 July 2011 submitted by Clr R J Moloisi be approved.	CS	

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DM97/08/2011	FINANCIAL MONTHLY REPORT: JULY 2011	<p>THAT the monthly budget statement and financial report for July 2011 be noted.</p> <p>THAT statement of financial performance be reported on in comparison with the previous quarterly reports.</p>	FS	
DM98/08/2011	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES : JULY 2011	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 31 July 2011 be note	FS	
DM99/08/2011	REPORT ON THE 2010 – 2011 ANNUAL TRAINING REPORT AND 2011 – 2012 WORKPLACE SKILLS PLAN.	THAT the 2010 – 2011 Annual Training Report and the 2011 – 2012 Workplace Skills Plan submitted to the LGSETA in compliance with the Skills Development Act 97 of 1998 and the Skills Development Levies Act 9 of 1999 and the additions thereof be noted.	CS	
DM100/08/2011	NATIONAL HEALTH INSURANCE IN SOUTH AFRICA (POLICY PAPER)	THAT the report on National Health Insurance Policy be noted.	FS	

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DM101/08/20 11	FINANCIAL: ANNUAL FINANCIAL STATEMENTS: 30 JUNE 2011	THAT the Annual Financial Statements (unaudited) for the year ending 30 June 2011 be note	FS	
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DM102/08/2011	<p>COUNCILLORS: DECLARATIONS OF INTERESTS</p>	<p>THAT the Register of Declared Interests by Councillors compiled in terms of the Code of Conduct applicable to Councillors in terms of the Local Government: Municipal Systems Act 32 of 2000 be noted.</p> <p>THAT it be determined that all interests declared by respective Councillors may be made public if such information is required for <u>bona fide</u> purposes in terms of the Promotion of Access to Information Act 54 of 2002.</p> <p>THAT all outstanding declarations of interest be submitted on or before 30 September 2011.</p> <p>THAT failure to submit the forms will be a breach of the Code of Conduct applicable to Councillors in terms of the Local Government: Municipal Systems Act 32 of 2000.</p> <p>THAT outstanding declaration of interest forms be submitted by 30 September 2011.</p>	CS	DONE
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DM103/08/2011	PROMULGATION OF LOCAL GOVERNMENT DISCIPLINARY REGULATIONS FOR SENIOR MANAGERS, 2010	THAT the report on the promulgation of Local Government: Disciplinary Regulations for Senior Managers, 2010, be noted.	CS	
DM104/08/2011	REPORT ON THE 2011 JOB CREATION SUMMIT	THAT the 2011 Job Creation Summit draft report be noted. THAT the Job Creation Summit be held at Loskop Dam from 13 - 14 October 2011.	CS	
DM105/08/2011	REQUEST FOR EXTENSION OF THE TERM OF OFFICE OF THE AUDIT COMMITTEE MEMBERS	THAT the report on the request for the extension of the Term of Office of the Audit Committee Members be noted. THAT the term of office of the Audit Committee be extended until 30 September 2011. THAT the MMC for Finance and MMC for Corporate Services be nominated as members of the Interview Panel to be constituted by the Municipal Manager.	AMM	

APPENDICES

DM106/09/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR R J MOLOISI	<p>THAT the application for leave of absence from the Section 79 Corporate Services, Human Resources, Legal Services and Human Resources Development meeting held on 12 August 2011 submitted by Clr R J Moloisi be noted.</p> <p>THAT the late application for leave of absence from the Section 79 Corporate Services, Human Resources, Legal Services and Human Resources Development meeting held on 12 August 2011 submitted by Clr R J Moloisi be approved.</p>	CS	DONE
DM107/09/2011	AUDIT COMMITTEE CHARTER	THAT the Audit Committee Charter be noted.	AMM	
DM108/09/2011	INTERNAL AUDIT CHARTER	THAT the Internal Audit Charter be noted.	AMM	

APPENDICES

DM109/09/2011	MOUTSE DEMARCATION FORUM AND OTHERS V PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA AND OTHERS [2011] ZACC 27, CCT 40/0	THAT the Constitutional Court judgment of Moutse Demarcation Forum and Others v President of the Republic of South Africa and others [2011] ZACC 27, CCT 40/08, be noted.	CS	
DM110/09/2011	SERVICE DELIVERY SURVEY	THAT the report on Service Delivery survey be noted.	CS	
DM111/09/2011	REPLACEMENT OF AFRICAN NATIONAL CONGRESS (ANC) PR COUNCILLOR G M MONAMA: DC31 NKANGALA DISTRICT COUNCIL	THAT the report on the replacement of African National Congress (ANC) Councillor G M Monama be noted.	CS	DONE

APPENDICES

DM112/09/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR I M MASOMBUKA	<p>THAT the application for leave of absence from the Mayoral Committee meeting held on 24 August 2011 submitted by Clr I M Masombuka be noted.</p> <p>THAT the late application for leave of absence from the Mayoral Committee meeting held on 24 August 2011 submitted by Clr I M Masombuka be approved.</p>	CS	DONE
DM113/09/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR I M MASOMBUKA	<p>THAT the application for leave of absence from the Mayoral Committee meeting held on 7 September 2011 submitted by Clr I M Masombuka be noted.</p> <p>THAT the late application for leave of absence from the Mayoral Committee meeting held on 7 September 2011 submitted by Clr I M Masombuka be approved.</p>	CS	DONE
DM114/09/2011	FINANCIAL MONTHLY REPORT: AUGUST 2011	THAT the monthly budget statement and financial report for August 2011 be noted.	FS	

APPENDICES

DM115/09/2011	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES: AUGUST 2011	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 31 August 2011 be noted.	FS	
DM116/09/2011	NDM DRAFT ENVIRONMENTAL MANAGEMENT PLAN	THAT the Nkangala District Municipality Draft Environmental Management Plan (EMP) be approved.	SC	
DM117/09/2011	ANNUAL NATIONAL ASSESSMENT (ANA) REPORT 2011	THAT the report on the Annual National Assessment (ANA) Report be noted.	FS	
DM118/09/2011	DRAFT RISK ASSESSMENT REPORT: 2011/12 FINANCIAL YEAR	THAT the approval of the Draft Risk Assessment Report by the Municipal Manager in terms of Clause 130(1)(b) of the Council's Standing Rules of Order be noted.	FS	

APPENDICES

DMI19/09/2011	EMPLOYMENT EQUITY REPORT	<p>that the Employment Equity report due to be submitted in terms of Section 21 of the Employment Act, No 55 of 1998 to the Department of Labour on or before 1 October 2011 be noted and approved.</p> <p>THAT participation of women and people living with disabilities at Top and Senior Management must be improved and advanced.</p>	CS	
DMI20/09/2011	PROGRESS REPORT: PLANNING, DESIGN AND ERECTION OF COMMEMORATIVE PLAQUE DELMAS MAGISTRATE COURT	<p>THAT the progress report on implementation of the Planning, Design and Erection of the Commemorative Plaque at the Delmas Magistrate project be noted.</p>	SC	

APPENDICES

DM121/09/2011	<p>REPORT ON THE DAMAGES CAUSED BY VELD FIRES IN THEMBISILE HANI AND DR J S MOROKA LOCAL MUNICIPALITIES WITHIN THE NKANGALA DISTRICT MUNICIPALITY</p>	<p>THAT the Progress Report on Damages Caused by Veld Fires in Thembisile Hani and Dr J S Moroka Local Municipalities within Nkangala District Municipality be noted.</p> <p>THAT the Province be approached to declare the areas in Thembisile Hani Local Municipality and Dr J S Moroka which were damaged by fire as disaster areas.</p> <p>THAT the Nkangala District Municipality assists with the coordination of the establishment of a Fire Protection Association (FPA).</p>	SC	
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APPENDICES

DM122/09/2011	<p>COUNCILLORS SKILLS PROGRAMME: NOMINATION OF MEMBERS OF MAYORAL COMMITTEE TO ATTEND INTEGRATED DEVELOPMENT PLANNING (IDP) SKILLS TRAINING</p>	<p>THAT the following members of the Mayoral Committee be nominated to attend the IDP Skills training during 17 – 21 October 2011:</p> <p>Cllr I M Masombuka Cllr C Motau Cllr N E Hlophe</p> <p>THAT it be noted that the registration costs will be borne by the LGSETA and the municipality will be responsible for indirect costs, namely accommodation (if necessary) and subsistence and travelling costs.</p>	CS	DONE
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APPENDICES

	<p>PROGRESS REPORT: DEVELOPMENT OF THE INTEGRATED YOUTH DEVELOPMENT STRATEGY</p>	<p>In view of the IYDS being ready for adoption it is hereby suggested:</p> <p>THAT the consultative workshop on the Youth Development Strategy be held with the following stakeholders:</p> <p>6 Local Municipalities (Youth Managers, MMC for Youth Development);</p> <p>SAYC structures, 5 per Local Municipalities;</p> <p>Youth Leagues of ANC, DA, PAC and FF;</p> <p>All Provincial Departments;</p> <p>National Youth Development Agency;</p> <p>Mining Sector and Business;</p> <p>SALGA, SEDA, FET, MEGA, MRTT.</p> <p>AT the following proposed programme be adopted:</p>	<p>SC</p>	
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APPENDICES

		TIME	ACTIVITY	RESPONSIBLE PERSON	
		08h30 – 09h00	Tea and Registration	All	
		09h00 – 09h30	Welcome address	Executive Mayor Cllr S K Mashilo	
		09h30 – 10h30	Strategic Overview of the IYDS	Municipal Manager	
		10h30 – 11h30	Presentation on the IYDS	Theo Pretorius	
		11h30 – 13h00	Commissions	All	
		13h00 – 14h00	Lunch	All	
		14h00 – 15h30	Commissions Report Back	Rapporteurs	
		16h00	Way forward		
		16h15	Vote of Thanks	Speaker	

APPENDICES

		<p>THAT the proposed Consultative Workshop be held on the 6 October 2011.</p>		
DM-CONF02/09/2011	<p>PERSONNEL: SALARY INCREASES 2011/2012 FINANCIAL YEAR</p>	<p>THAT the contents of circular 37/2011 received from SALGA dated 9 September 2011 be noted.</p> <p>THAT the following salary increases be implemented with effect from 1 July 2011 in respect of all employees excluding Municipal Manager and employees appointed as Managers directly accountable to Municipal Managers in terms of Section 57(6) of the Municipal System Act 32 of 2000.</p> <p>An across the board increase of 6.08% with effect from 1 July 2011.</p> <p>THAT all Section 57 employees' salary increase be adjusted in accordance with their contracts of service, which adjustment may not exceed 6,08%.</p>	CS	DONE

APPENDICES

DM124/10/2011	REPORT ON CONSUMER PRICE INDEX UPDATE: JULY, 2011	THAT the report on Consumer Price Index Update: July, 2011 be noted.	FS	
DM125/10/2011	REPORT ON GROSS DOMESTIC PRODUCT (GDP) : QUARTER 2, 2011	THAT the report on the Real Gross Domestic Product: Quarter 1, 2011 be noted.	FS	
DM126/10/2011	REPORT ON 2011 LOCAL GOVERNMENT BUDGETS AND EXPENDITURE REVIEW 2006/7 – 2012/13.	THAT the Report on 2011 Local Government Budget and Expenditure Review 2006/7 – 2012/13 be noted.	FS	
DM127/10/2011		THAT the Report on National Evaluation Policy Framework be noted.	CS	
DM128/10/2011	PREMIER: LIMPOPO PROVINCE V SPEAKER: LIMPOPO PROVINCIAL LEGISLATURE AND [2011] ZACC 25: CCT94/10 (11 AUGUST 2011)	THAT the Constitutional Court Judgment of the Premier: Limpopo Province v Speaker: Limpopo Provincial Legislature and Others, be noted.	CS	

APPENDICES

DM129/10/2011	REPORT ON THE GREEN PAPER ON LAND REFORM	<p>THAT the Report on Green Paper on Land Reform be noted.</p> <p>THAT the draft comments in relation to the Green Paper on Land Reform to the Department of Rural Development and Land Reform be submitted to the Mayoral Committee.</p>	CS	
DM130/10/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR S K MASHILO (EXECUTIVE MAYOR)	<p>THAT the application for leave of absence from the Mayoral Committee meeting held on 7 September 2011 submitted by Clr S K Mashilo (Executive Mayor) be noted.</p> <p>THAT the late application for leave of absence from the Mayoral Committee meeting held on 7 September 2011 submitted by Clr S K Mashilo (Executive Mayor) be approved.</p>	CS	DONE

APPENDICES

DM131/10/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR S K MASHILO (EXECUTIVE MAYOR)	<p>THAT the application for leave of absence from the Mayoral Committee meeting held on 21 September 2011 submitted by Clr S K Mashilo (Executive Mayor) be noted.</p> <p>THAT the late application for leave of absence from the Mayoral Committee meeting held on 21 September 2011 submitted by Clr S K Mashilo (Executive Mayor) be approved.</p>	CS	DONE
DM132/10/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR M J MASUKU	<p>THAT the application for leave of absence from the Section 79 Corporate Services, Human Resources, Legal Services and Human Resources Development meeting held on 12 August 2011 submitted by Clr M J Masuku be noted.</p> <p>THAT the late application for leave of absence from the Section 79 Corporate Services, Human Resources, Legal Services and Human Resources Development meeting held on 12 August 2011 submitted by Clr M J Masuku be approved.</p>	CS	
DM133/10/2011	COUNCILLORS: ATTENDANCE OF COUNCIL AND OTHER MEETINGS	that the report on the attendance of Council and Council meetings by Councillors for the period 1 July to 30 September 2011 be noted.	CS	

APPENDICES

DM134/10/2011	SUPPLY CHAIN IMPLEMENTATION: QUARTERLY REPORT JULY TO SEPTEMBER 2011	<p>that the quarterly report ending July to September 2011 be noted.</p> <p>THAT a Supply Chain Management process report be submitted to the Mayoral Committee.</p>	CS	
DM135/10/2011	DRAFT PUBLIC SECTOR INTEGRITY MANAGEMENT FRAMEWORK	<p>THAT the Draft Public Sector Integrity Management Framework be noted.</p>	CS	
DM136/10/2011	FINANCIAL: QUARTERLY REPORT: SEPTEMBER 2011	<p>THAT the quarterly budget statement and financial report for the quarter ended 30 September 2011 be noted.</p>	FS	

APPENDICES

DM137/10/2011	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES : SEPTEMBER 2011	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 30 September 2011 be noted.	FS	
DM138/10/2011	FINANCIAL MONTHLY REPORT: SEPTEMBER 2011	THAT the monthly budget statement and financial report for September 2011 be noted.	FS	
DM139/10/2011	THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 (ACT 5 OF 2000): PREFERENTIAL PROCUREMENT REGULATIONS, 2011	THAT the report on Preferential Procurement Regulations 2011 be noted. THAT it be noted that the Preferential Procurement Regulations will come into effect on 7 December 2011.	FS	

APPENDICES

DM140/10/2011	REPORT ON BENEFICIATION STRATEGY FOR THE MINERALS INDUSTRY OF SOUTH AFRICA	THAT the Beneficiation Strategy for the Minerals Industry of South Africa report be noted.	LED	
DM141/11/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR E DU TOIT	<p>THAT the application for leave of absence from the Section 79 Corporate Services, Human Resources, Legal Services and Human Resources Development meeting held on 4 October 2011 submitted by Clr E du Toit be noted.</p> <p>THAT the late application for leave of absence from the Section 79 Corporate Services, Human Resources, Legal Services and Human Resources Development meeting held on 4 October 2011 submitted by Clr E du Toit be approved.</p>	CS	

APPENDICES

DM142/11/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR I M MASOMBUKA	<p>THAT the application for leave of absence from the Section 79 Finance Committee meeting held on 30 August 2011 submitted by Clr I M Masombuka be noted.</p> <p>THAT the late application for leave of absence from the Section 79 Finance Committee meeting held on 30 August 2011 submitted by Clr I M Masombuka be approved.</p>	CS	
DM143/11/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR J F RADEBE	<p>THAT the application for leave of absence from the Section 79 Rural, Agriculture, Public Safety & Transport Committee meeting held on 17 August 2011 submitted by Clr J F Radebe be noted.</p> <p>THAT the late application for leave of absence from the Section 79 Section 79 Rural, Agriculture, Public Safety & Transport Committee meeting held on 17 August 2011 submitted by Clr J F Radebe be approved.</p>	CS	

APPENDICES

DM144/11/2011	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR J N MSIZA	<p>THAT the application for leave of absence from the Section 79 Local Economic Development, Human Settlement and Tourism Committee meeting held on 20 October 2011 submitted by Clr J N Msiza be noted.</p> <p>THAT the late application for leave of absence from the Section 79 Local Economic Development, Human Settlement and Tourism Committee meeting held on 20 October 2011 submitted by Clr J N Msiza be approved.</p>	CS	
DM145/11/2011	SUPPLY CHAIN IMPLEMENTATION: QUARTERLY REPORT APRIL TO JUNE 2011	that the three months ending report from April to June 2011 be noted.	FS	
DM146/11/2011	DEVELOPMENT AND REGISTRATION OF AN NDM FIRE AND RESCUE SERVICES EMBLEM	THAT the report on the Development and Registration of Nkangala District Municipality Fire and Rescue Services Emblem be noted.	SC	

APPENDICES

DM147/11/2011	PROGRESS: IMPLEMENTATION OF MILLENNIUM DEVELOPMENT GOALS (MDGS): COUNTRY REPORT 2010: REPUBLIC OF SOUTH AFRICA	THAT the Progress Report on Implementation of Millennium Development Goals (MDGs): Country Report 2010: Republic of South Africa be noted.	SC	
DM148/11/2011	REPORT ON NATIONAL CLIMATE CHANGE RESPONSE POLICY	THAT the Report on the National Climate Change Response Policy be noted. THAT further discussions be held to ascertain the developmental impacts of climate Change within NDM, and how the Policy can be optimally used to mitigate the impacts.	SC	
DM149/11/2011	FINANCIAL MONTHLY REPORT: OCTOBER 2011	THAT the monthly budget statement and financial report for October 2011 be noted.	FS	

APPENDICES

DM150/11/2011	INFORMATION TECHNOLOGY REPORT ON THE DRAFT GEOGRAPHIC INFORMATION SYSTEMS (GIS) STRATEGY DOCUMENT	<p>THAT the report on The Draft Geographic Information Systems (GIS) Strategy document be noted.</p> <p>THAT further consultation be made with Local Municipalities.</p>	SC	
DM151/11/2011	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES : OCTOBER 2011	<p>THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 31 October 2011 be noted.</p>	FS	
DM152/11/2011	REPORT ON THE INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP) 2011	<p>That the report the Integrated National Electrification Program (INEP) be noted.</p>	LED	

APPENDICES

DM153/11/2011	MEMORANDUM OF AGREEMENT ON THE EPWP INCENTIVE GRANT FOR MUNICIPALITIES BETWEEN THE NATIONAL DEPARTMENT OF PUBLIC WORKS AND THE NKANGALA DISTRICT MUNICIPALITY	<p>That the progress report on the implementation of the EPWP incentive grant be noted.</p> <p>THAT Dr J S Moroka, Victor Khanye and Thembisile Local Municipalities be engaged for their reporting on job creation in terms of EPWP and that the Executive Mayor further liaise with the Executive Mayors of the three (3) Local Municipalities to discuss the importance of reporting on matters relating to EPWP job opportunities created.</p>	SC	
DM154/11/2011	IMPLEMENTATION OF ADMINISTRATIVE ADJUDICATION OF ROAD TRAFFIC OFFENCES (AARTO) ACT 46 OF 1998 BY ALL TRAFFIC INSTITUTION	<p>THAT the report on the Implementation of Administrative Adjudication of Road Traffic Offences Act (AARTO) Act 46 of 1998 by all traffic institution be noted.</p>	SC	

APPENDICES

dM155/11/2011	PENSION SUPPORTED HOUSING LOAN SCHEME AGREEMENT: MUNICIPAL EMPLOYEES PENSION FUND	<p>THAT the report on the Pension Supported Housing Loan Scheme Agreement by ABSA be noted.</p> <p>THAT Council enter into the Agreement to enable access to Pension Fund Housing Subsidy Scheme by registered members.</p>	CS	
DM156/11/2011	PENSION SUPPORTED HOUSING LOAN SCHEME AGREEMENT: MUNICIPAL COUNCILLORS PENSION FUND	<p>THAT the report on the Pension Supported Housing Loan Scheme Agreement by ABSA be noted.</p> <p>THAT Council enter into the Agreement to enable access to Pension Fund Housing Subsidy Scheme by registered members.</p>	CS	
	CIRCULAR2/2011: REDETERMINATION OF MUNICIPAL BOUNDARIES: REMINDER OF CLOSING DATE FOR SUBMISSION OF NEW REQUESTS FOR MUNICIPAL BOUNDARY CHANGES	<p>THAT the report on the Municipal Demarcation Board (MDB) re-determination of boundaries be noted.</p> <p>THAT Local Municipalities be advised on the need to respond to proposals and submission of new requests (if any) before the closing date of 15 December 2011.</p>	CS	

APPENDICES

DM158/11/2011	REPORT ON NDM SEPTEMBER 2011 COMMUNITY OUTREACH PROGRAMME	<p>THAT the report on the NDM September 2011 Community Outreach Programme be noted.</p> <p>THAT Local Municipalities be furnished with the Report for their consideration during their engagements with communities therein.</p> <p>THAT Sector Departments be furnished with the Report for their consideration in their current and future Plans.</p>	CS	
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APPENDICES

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">DMI59/11/2011</p>	<p>REVITALIZATION STRATEGIES FOR SMALL TOWNS AND NODAL POINTS IN THE NKANGALA DISTRICT</p>	<p>THAT the Revitalization Strategies for Small Towns and Nodal Points for Nkangala District be approved.</p> <p>THAT all the identified projects be incorporated into the constituent Local Municipalities and Nkangala District 2012/13 IDP's.</p> <p>THAT all the Local Municipalities be furnished with their respective strategies for consideration and adoption in their 2012/13 IDP's.</p> <p>THAT Nkangala District should facilitate the funding of the identified projects through different sources of funding available within government and through PPP's model where applicable.</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">SC</p>	
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APPENDICES

DMS01/12/2011	<p>DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF COUNCILLORS</p>	<p>THAT the report on the Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils as published in Government Notice 1064 dated 14 December 2011 be noted.</p> <p>THAT the Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils in terms of the Remuneration of Public Office Bearers Act 20 of 1998 be approved.</p> <p>THAT the new Determination by the Minister be implemented after the concurrence of the Member of the Executive Council (MEC) responsible for local government in the Province has been obtained.</p> <p>THAT it be noted a 5% across the board percentile increase in salaries, allowances and benefits of councillors be paid with retrospective effect from 1 July 2011.</p> <p>THAT it be further noted that the once-off gratuities of three months pensionable salaries in respect of the outgoing councillors following the 2011 municipal elections will be paid from the National fiscus.</p>	FS	
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APPENDICES

	<p>APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR S K MASHILO</p>	<p>THAT the application for leave of absence from the Mayoral Committee meeting held on 23 November 2011 submitted by Clr S K Mashilo be noted.</p> <p>THAT the late application for leave of absence from the Mayoral Committee meeting held on 23 November 2011 submitted by Clr S K Mashilo be approved.</p>	CS	
	<p>APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR H J VENTER</p>	<p>THAT the application for leave of absence from the Council meeting held on 30 November 2011 submitted by Clr H J Venter be noted.</p> <p>THAT the late application for leave of absence from the Council meeting held on 30 November 2011 submitted by Clr H J Venter be approved.</p>	CS	
	<p>DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF MEMBERS OF MUNICIPAL COUNCIL 2011/12 FINANCIAL YEAR</p>	<p>THAT the correspondence received from MEC on his concurrence with the council resolution be noted.</p> <p>THAT it be further noted that the upper limits of salaries, allowances and benefits for the councillors were implemented in December 2011.</p>	SC	

APPENDICES

	FINANCIAL MONTHLY REPORT: NOVEMBER 2011	THAT the monthly budget statement and financial report for November 2011 be noted.	FS	
	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES : NOVEMBER 2011	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 30 November 2011 be noted.	FS	
DM6/01/2012	FINANCIAL MONTHLY REPORT: DECEMBER 2011	THAT the monthly budget statement and financial report for December 2011 be noted.	FS	
DM7/01/2012	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES : DECEMBER 2011	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 31 December 2011 be noted.	FS	

APPENDICES

DM8/01/2012	FINANCIAL: QUARTERLY REPORT: DECEMBER 2011	THAT the quarterly budget statement and financial report for the quarter ended 31 December 2011 be noted.	FS	
DM9/01/2012	SUPPLY CHAIN IMPLEMENTATION: QUARTERLY REPORT OCTOBER TO DECEMBER 2011	that the three months ending report from October to December 2011 be noted.	FS	
DM10/01/2012	MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT	THAT the report on the mid-year budget and performance assessment be noted. THAT an adjustment budget be prepared and submitted to a Special Council meeting to be held in February 2012.	FS	

APPENDICES

DM11/01/2012	MATTERS APPROVED BY THE COUNCIL-IN-COMMITTEE	<p>THAT the report on matters approved by the Council-in-Committee be noted.</p> <p>THAT a report on the expenditure incurred in respect of a staff function be submitted in terms of Rule 130(2) of the Council’s Standing Rules of Order.</p>	FS	
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APPENDICES

DM12/01/2012	2010/11 DRAFT ANNUAL REPORT (MATTER DEALT WITH ON IN IN-COMMITTEE BASIS)	<p>THAT the draft Annual Report for the financial year 2010/11 be approved without reservations.</p> <p>THAT a forensic Audit be conducted in respect of the Supply Chain Management processes and alleged loss of data by the Acting Assistant Manager: Supply Chain Management as raised in the response of the Municipal Manager on Point 3.2.2 of the Auditor-General's report.</p> <p>THAT the Municipal Manager be placed on Special leave pending the finalisation of the investigation process.</p> <p>THAT an Acting Municipal Manager be appointed in view of the Municipal Manager having been placed on Special Leave.</p> <p>THAT the Executive Mayor be delegated to deal with the matters referred to in (2)(3) and (4) above.</p>	FS	
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APPENDICES

DM13/01/2012	<p>APPOINTMENT OF MEMBERS OF THE AUDIT COMMITTEE</p>	<p>THAT the report on the appointment of members of the Audit Committee be noted.</p> <p>THAT the following three (3) top candidates be appointed as members of the District Audit Committee:</p> <p>Mr L T Gafane 84,8%. Ms F J Mudau 84,40% Mr V K Chuene 77,2%</p> <p>THAT Ms F J Mudau be appointed as the Chairperson of the District Audit Committee.</p> <p>THAT the two (2) vacant posts be re-advertised and the two (2) candidates who tendered apologies at first interviews be shortlisted for interviews on the vacant posts.</p>	CS	
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APPENDICES

DM14/01/2012	<p>REPORT ON THE NKANGALA 2012 STRATEGIC LEKGOTLA: PRE-PREPARATION</p>	<p>THAT the 2012 District Strategic Lekgotla be convened on the 15th & 16th of February 2012.</p> <p>THAT the Strategic Lekgotla be constituted as follows:</p> <p>Fulltime Councillors, Municipal Manager and Senior Managers of the District.</p> <p>Executive Mayors, Speakers, Chief Whips and Municipal Managers of the six local municipalities.</p> <p>THAT the Supply Chain Management procedures be followed in procuring a suitable venue from the list of venues reflected in paragraph 10.</p>	CS	
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APPENDICES

DMS1/02/2012	<p>DRAFT POLICY: PROVISION OF SECURITY AND PROTECTION AND CHAUFFEURING SERVICES TO THE EXECUTIVE MAYOR</p>	<p>THAT the report on the Draft Policy: Provision of Security and Protection and Chauffeuring services to the Executive Mayor be noted.</p> <p>THAT the Draft Policy referred to in 4.1 above be approved.</p> <p>THAT it be noted that the total cost for providing the said services in terms of employing one (1) driver and one (1) VIP Protection Officer for the four (4) months remaining in the financial year amounts to R204 202.</p> <p>THAT in view of this expenditure being not provided in the 2011/2012 financial year, an appropriation be made from the 2011/2012 budget adjustment.</p> <p>THAT budgetary provision be made in the 2012/2013 financial year for continuous provision of this service.</p> <p>THAT the existing organization structure be amended to cater for the creation of these posts.</p>	CS	
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APPENDICES

DMS2/02/2012	<p>PROPOSED AMENDMENT OF THE ORGANISATION STRUCTURE (ORGANOGRAM)</p>	<p>THAT the report on the Proposed Amendment of the Organisation Structure (organogram) be noted.</p> <p>THAT the new posts proposed for creation be approved and the organization structure be amended accordingly.</p> <p>THAT the expenditure to fill the said new posts appropriated from the 2011/2012 adjustment budget.</p>	CS	
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APPENDICES

DMS3/02/2012	ADJUSTMENT BUDGET: 2011/2012 FINANCIAL YEAR	<p>THAT Council’s adjustment budget for the 2011/12 financial year as summarized above and contained in ANNEXURE “C” pages 17 to 18 be approved.</p> <p>THAT the following projects be funded from the Adjustment budget: Revenue Enhancement mechanism for all 6 (six) Local Municipalities.</p> <p>Upgrading of Klarinet Sewer Pump Station.</p> <p>Road maintenance in Thembisile Hani Local Municipality (additional two (2) clusters.)</p>	FS	
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APPENDICES

DMS4/02/2012	DRAFT 2012/13 INTEGRATED DEVELOPMENT PLAN FOR THE DISTRICT	<p>THAT the report on the Draft 2012/13 Integrated Development Plan for the District be noted.</p> <p>THAT the Draft 2012/13 Integrated Development Plan of the District be adopted.</p> <p>THAT the Draft 2012/13 IDP of the District be published for 21 days Public comments process in terms of the applicable legislation.</p> <p>THAT the Resolutions of the District Strategic Lekgotla be incorporated in the Draft 2012/13 IDP of the District as the basis for the developmental priorities of the District in the 2012/13 Financial Year and beyond.</p> <p>THAT Local Municipalities furnish the District with their respective lists of priority projects that they would like the District to fund in the 2012/13 Financial Year and beyond.</p>	FS/LED	
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APPENDICES

DMS5/02/2012	<p>PROGRESS REPORT: PLANNING, DESIGN AND ERECTION OF COMMEMORATIVE PLAQUE DELMAS MAGISTRATE COURT</p>	<p>THAT the progress report on implementation of the Planning, Design and Erection of the Commemorative Plaque at the Delmas Magistrate project be noted.</p> <p>THAT the unveiling ceremony of the Art Work be held on the 3 March 2012 at the Victor Khanye Local Municipality.</p>	CS	
DMS6/02/2012	<p>Proposed Amendment of the Council's Standing Rules of Order</p>	<p>THAT the report on the Proposed Amendment of the Council's Standing Rules of Order be noted.</p> <p>THAT the matter be referred to the Rules and Ethics Committee in terms of Clause 58 of the Council's approved Standing Rules of Order.</p>	CS	

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DM-CONF1/02/2012	<p>special dispensation: RATIONALISATION OF SALARY SCALES: FIRE BRIGADE SERVICES PERSONNEL</p>	<p>THAT the report on the Special Dispensation: Rationalisation of Salary Scales for Fire Brigade Service personnel be noted.</p> <p>THAT the protocol and salary structure of Msukaligwa Local Municipality as contained in ANNEXURE “A” pages 1 to 4 be adopted in respect of the District’s fire brigade service as a special dispensation aimed at salary parity.</p> <p>THAT the implementation date of the protocol and salary structure be determined as 1 March 2012.</p> <p>THAT the adjustment budget be appropriated for the purpose of implementing the special dispensation of the Fire Brigade Service personnel.</p>	FS/SC	
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APPENDICES

DM-CONF2/02/2012	<p>PROPOSED UPGRADING OF POST: SECRETARY IN THE OFFICE OF THE EXECUTIVE MAYOR</p>	<p>THAT the report on the proposed upgrading of Post: Secretary in the Office of the Executive Mayor be noted.</p> <p>THAT the upgrading of the post level 7 to post Level 6 of the Secretary in the Office of the Executive Mayor be approved without changing the post designation to Executive Secretary.</p> <p>THAT the date of effect of the upgrading of the post be determined as 1 March 2012.</p> <p>THAT it be noted that the difference in salary of Post Level 7 and Post Level 6 will be funded from the adjustment budget.</p> <p>THAT a report regarding the change of post designation of the Secretary in the Office of the Municipal Manager and the subsequent resolution taken by Council in 2005 be submitted at the next Council meeting.</p>	CS	
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APPENDICES

DM-CONF3/02/2012	RATIONALISATION OF SALARY SCALES AND SALARY PARITY: LEVEL 1 – 3 EMPLOYEES AND CONVERSION OF EMPLOYMENT OF CONTRACT EMPLOYEES	THAT the matter deferred to the next Council Meeting.	FS	
DM-CONF4/02/20	PERSONNEL: MANAGER: TECHNICAL SERVICES: APPOINTMENT	THAT THIS ITEM BE WITHDRAWN	TS	
DM15/02/2012	POLICY FRAMEWORK FOR THE DESIGNATION OF FULL-TIME COUNCILLORS	THAT the Policy Framework for the Designation of full-time Councillors be noted.	CS	
DM16/02/2012	Municipal councilors ExEmpted from Payment of UIF Contribution	That the report on Municipal Councillors exempted from payment of UIF Contributions be noted.	CS	

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DM17/02/2012	CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY V BLUE MOONLIGHT PROPERTIES 39 (PTY) LTD AND ANOTHER (CCT 37/11) [2011] ZACC 33 (1 DECEMBER 2011)	THAT the Constitutional Court judgment, CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY V BLUE MOONLIGHT PROPERTIES 39 (PTY) LTD AND ANOTHER (CCT 37/11) [2011] ZACC 33 (1 DECEMBER 2011), be noted.	CS	
DM18/02/2012	REPORT ON THE DEVELOPMENT OF A RECONCILIATION STRATEGY FOR THE OLIFANTS RIVER WATER SUPPLY SYSTEM (ORWSS)	<p>THAT the report on the Development of a Reconciliation Strategy for the Olifants River Water Supply System (ORWSS) be noted.</p> <p>THAT the report be dealt with further at the District Strategic Lekgotla scheduled for 27 - 28 February 2012.</p>	TS	

APPENDICES

DM19 /02/2012	REPORT ON THE DEVELOPMENT OF THE HEALTH AND SAFETY PLAN FOR WITBANK WATER TREATMENT WORKS	<p>THAT the report on the Witbank Treatment Works Health and Safety Plan be noted.</p> <p>THAT the report be properly packaged to be dealt with during the Executive Mayor's Outreach Programme for eMalahleni Local Municipality.</p>	SC	
DM20/02/2012	PROGRESS REPORT ON ROUTINE ROAD MAINTENANCE IN THEMBISILE HANI LOCAL MUNICIPALITY	<p>THAT the report on routine road maintenance in Thembisile Hani Local Municipality be noted.</p> <p>THAT the matter be dealt with further during the Executive Mayor's Outreach Programme for Thembisile Hani Local Municipality.</p>	TS	

APPENDICES

DM21/02/2012	VICTIMS OF CONFLICT DOCUMENTATION PROCESS FOR NKANGALA DISTRICT MUNICIPALITY (NDM) CENOTAPH PHASE 2	<p>THAT the report on the Nkangala District Municipality Phase 2 Cenotaph project and programme be noted and supported.</p> <p>THAT the Speaker of Nkangala District Municipality chairs the political Committee of the Cenotaph, in conjunction with the Speakers of the constituent local municipalities.</p>	TS	
DM22/02/2012	REPORT OF THE FIFTH GROUP OF THE EXPANDED PUBLIC WORKS PROGRAM (EPWP) LEARNERSHIPS	<p>THAT the report of the fifth Expanded Public Works Program (EPWP) be noted.</p>	TS	
DM23/03/2012	PENSION SUPPORTED HOUSING LOAN AGREEMENT: MUNICIPAL GRATUITY FUND	<p>THAT the report on the Gratuity Supported FNB- Smart Housing Loan Agreement by FNB be noted.</p> <p>THAT Council enters into the Agreement to enable access to Gratuity Fund Housing Loans by registered members.</p>	SC	

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Dm24/03/2012	2011 NATIONAL SENIOR CERTIFICATE EXAMINATION RESULTS IN THE NDM AREA	THAT the report on the 2011 National Senior Certificate Examination Results for Nkangala be noted.	SC	
DM25/03/2012	NATIONAL FUND FOR MUNICIPAL WORKERS	<p>THAT the National Fund for Municipal Workers retirement scheme be noted.</p> <p>THAT the National Fund for Municipal Workers retirement scheme be approved.</p> <p>THAT the following representatives be elected to represent Council on the National Fund for Municipal Workers.</p> <p>Cllr B M Mothibi Cllr R J Moloisi</p> <p>THAT Council enters into an Agreement to enable access to Gratuity Fund Housing Loans by registered members.</p>	CS	

APPENDICES

DM26/03/2012	STUDY OF THE FUNCTIONALITY OF WARD COMMITTEES IN THE DISTRICT	<p>THAT the report on the study of the functionality of Ward Committees in the district be noted.</p> <p>THAT the recommendations be considered in the preparation of the Training of Ward Committees towards strengthening their functionality.</p> <p>THAT the District Coordinate and Budget for the Training of Ward Committees across the District.</p>	TS	
DM27/03/2012	APPLICATION OF INDIGENT POLICY ON WATER SERVICES IN LOCAL MUNICIPALITIES	<p>THAT the report on the status of basic services and application of indigent policies in Local Municipalities be noted.</p> <p>THAT a feasibility study be commissioned by NDM for the construction of a water purification plant in Thembisile Hani Local Municipality.</p>	TS	

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DM28/03/2012	DEVELOPMENT OF THE EMALAHLENI WATER TREATMENT WORKS OPERATING MANUAL	<p>THAT the report on the operating manual for the Emalahleni Water Treatment Works be noted.</p> <p>THAT the matter be included in the programme of the Executive Mayor’s Outreach Meeting for eMalahleni Local Municipality.</p> <p>THAT a meeting for the District Forum on Infrastructure Development and Service Delivery be convened as a matter of urgency.</p>	TS	
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DM29/03/2012	<p>REPORT ON NDM JANUARY/FEBRUARY 2012 COMMUNITY OUTREACH PROGRAMME</p>	<p>THAT the report on the NDM January/February 2012 Community Outreach Programme be noted.</p> <p>THAT note be taken of the inclusion of the developmental issues emanating from communities in the District's 2012/13 IDP.</p> <p>THAT Local Municipalities be furnished with the report for their consideration during engagements with communities.</p> <p>THAT Sector Departments be furnished with the report for consideration in their current and future Plans.</p> <p>THAT Budget be set aside for Mass Catering for the Outreach Meetings.</p> <p>THAT the community need for a cemetery facility at Ward 9 of Steve Tshwete Local Municipality be raised at the District Mayor's Forum when the report on the Draft Cemetery Strategy is dealt with.</p>	CS	
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APPENDICES

DM30/03/2012	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR H F NIEMANN	<p>THAT the application for leave of absence from the Special Council meeting held on 21 December 2011 submitted by Clr H F Niemann be noted.</p> <p>THAT application for leave of absence from the Special Council meeting held on 21 December 2011 submitted by Clr H F Niemann be approved.</p>	CS	
DM31/03/2012	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR A P MAFUME	<p>THAT the application for leave of absence from the Mayoral Committee meeting held on 21 February 2012 submitted by Clr A P Mufume be noted.</p> <p>THAT application for leave of absence from the Mayoral Committee meeting held on 21 February 2012 submitted by Clr A P Mufume be approved.</p>	CS	

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DM32/03/2012	<p>PROPOSED ESTABLISHMENT OF NDM LOCAL LABOUR FORUM</p>	<p>THAT the report on the establishment of Local Labour Forum (LLF) be noted.</p> <p>THAT the establishment of the Nkangala District Municipality Local Labour Forum be adopted.</p> <p>THAT the LLF be composed as a 5-a-Side in terms of clause 12.1.6 referred to in paragraph 8 of the report.</p> <p>THAT the employer party be represented by three (3) management representatives, appointed by the Municipal Manager in terms of his delegated authority and two Councillors be appointed to represent the employer component as follows:</p> <p>Councillor C Motau Councillor C P Maseko</p> <p>THAT it be noted that the organized labour will confirm names of its representatives to the Municipal Manager or his authorized representative.</p>	CS	
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APPENDICES

DM33/03/2012	<p>PROGRESS REPORT: APPOINTMENT OF MEMBERS OF THE AUDIT COMMITTEE</p>	<p>THAT the Progress Report on the appointment of members of the Municipality’s Audit Committee be noted.</p> <p>THAT the members of the Audit Committee be remunerated as follows:</p> <p>Chairperson R3 055 per day plus disbursement costs.</p> <p>Member(s) R1 855 per day plus disbursement costs.</p> <p>THAT the term of office of the Audit Committee be determined as 1 March 2012 to 28 February 2015.</p> <p>THAT it be noted that the interviews for the two members of the Audit Committee will be conducted in April 2012.</p>	CS	
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DM34/03/2012	<p>WITHDRAWAL FROM SHARED AUDIT COMMITTEE ARRANGEMENT : EMALAHLENI LOCAL MUNICIPALITY</p>	<p>THAT the report on the withdrawal of eMalahleni Municipal Council from the District-wide shared audit Committee arrangement, be noted.</p> <p>THAT prior to accepting the withdrawal of eMalahleni municipality from the said arrangement, the Executive Mayor of Nkangala District Municipality be delegated to engage with the Executive Mayor of eMalahleni in this respect.</p> <p>THAT should eMalahleni Local Municipal Council confirm its withdrawal from the shared or single audit committee arrangement, a Council resolution in this regard be submitted to Nkangala District Municipality.</p>	CS	
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APPENDICES

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">DM35/03/2012</p>	<p>ADOPTION OF FINAL DRAFT 2012/13 INTEGRATED DEVELOPMENT PLAN OF THE DISTRICT</p>	<p>THAT the Draft 2012/13 Integrated Development Plan of the District be approved.</p> <p>THAT the 2012/13 Final IDP of the District be published for public inspection in terms of the applicable legislation.</p> <p>THAT MEC of the Department of Co-operative Government and Traditional Affairs be furnished with the copy of the Final Draft 2012/13 IDP as per the applicable Legal prescripts.</p> <p>THAT the summarised version of the presentations by the respective departments and other relevant attachments be included in the IDP.</p> <p>THAT the approved organisational structure (organogram) be inserted into the IDP document.</p> <p>THAT the Executive Mayor be delegated to finalise and include all matters that were discussed at Nkangala District Municipality IDP Indaba 2012.</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">LED/IDP</p>	
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APPENDICES

DM36/03/2012	REPORT ON THE DISTRICT 2012 STRATEGIC LEKGOTLA	<p>THAT the Report on the District’s 2012 Strategic Lekgotla be noted.</p> <p>THAT the Resolutions of the Strategic Lekgotla be included in the Nkangala District Municipality’s reviewed 2012/13 Integrated Development Plan (IDP).</p> <p>THAT the missing information such as the provision of bulk electricity, bulk water and sanitation be incorporated into the report.</p>			CS						
DM37/03/2012	PROJECTS TO BE FUNDED FROM THE ADJUSTMENT BUDGET FOR 2011/2012 FINANCIAL YEAR	<table border="1"> <tr> <td data-bbox="855 786 978 957">Project No</td> <td data-bbox="978 786 1178 957"></td> <td data-bbox="1178 786 1435 957">ESTIMATED BUDGET (EXCL VAT)</td> </tr> <tr> <td data-bbox="855 957 978 1058"></td> <td data-bbox="978 957 1178 1058">EMAKHAZE NI LOCAL</td> <td data-bbox="1178 957 1435 1058"></td> </tr> </table>	Project No		ESTIMATED BUDGET (EXCL VAT)		EMAKHAZE NI LOCAL		<p>THAT the following projects be approved for implementation funded from the</p>	TS	
Project No		ESTIMATED BUDGET (EXCL VAT)									
	EMAKHAZE NI LOCAL										
		<p>THAT in view of the high investment in capital and non-capital projects in eMalahleni Local Municipality, a meeting between NDM and eMalahleni Municipality be convened in April 2012 to ascertain if such investment yields positive results.</p>									

THAT the draft annual budget for the financial year 2012/13 and the multi-year and single-year capital appropriations attached hereto as annexure “GG” page 1271 to 1366 be noted in terms of section 16(2) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) as set out in the following tables:

Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in annexure “GG” page 1289.

ii Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in annexure “GG” page 1291.

iii Budgeted Financial Performance (revenue by source and expenditure by type) as contained in annexure “GG” page 1293 to 1295.

iv Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in annexure “GG” page 1296 to 1297.

THAT the financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and service delivery targets be noted as set out in the following tables:

Budgeted Financial Position as contained in annexure “GG” page 1296 to 1299.

Budgeted Cash Flows as contained in annexure “GG” page 1300 to 1301;

Cash backed reserves and accumulated

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DM39/03/2012	FINAL DRAFT INTEGRATED YOUTH DEVELOPMENT STRATEGY FOR NKANGALA DISTRICT MUNICIPALITY	<p>THAT the report on the Final Draft Integrated Youth Development Strategy be noted.</p> <p>THAT the Final Draft Integrated Youth Development Strategy be adopted.</p>										
DM40/03/2012	PROGRESS REPORT: VICTIMS OF CONFLICT DOCUMENTATION PROCESS FOR NKANGALA DISTRICT MUNICIPALITY (NDM) CENOTAPH PHASE 2	<table border="1"> <thead> <tr> <th data-bbox="855 547 1117 639">NAMES</th> <th data-bbox="1117 547 1337 639">DATES</th> </tr> </thead> <tbody> <tr> <td colspan="2" data-bbox="855 639 1337 732">Dr Moroka Municipality</td> </tr> <tr> <td data-bbox="855 732 1117 890">BopapeTsakane Abram</td> <td data-bbox="1117 732 1337 890">Birth: 25 June 1920 Died: 1993</td> </tr> </tbody> </table>	NAMES	DATES	Dr Moroka Municipality		BopapeTsakane Abram	Birth: 25 June 1920 Died: 1993		<p>THAT the Report on the Victims of Conflict Documentation Process for Nkangala District Municipality Cenotaph Phase II be noted and accepted.</p>		
NAMES	DATES											
Dr Moroka Municipality												
BopapeTsakane Abram	Birth: 25 June 1920 Died: 1993											

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		<p>THAT the Nkangala District Municipality Cenotaph Phase 2 names be advertised for public comments.</p> <p>THAT families of those whose names do not meet the requirements for inclusion on the Nkangala District Cenotaph Phase II be informed.</p> <p>THAT Nkangala District Municipality investigates the possibility of establishing a Regional Freedom Park where the names of freedom fighters will be contained.</p> <p>THAT the Acting Municipal Manager be mandated to finalise any other matter incidental to the Nkangala District Cenotaph Phase II Project.</p>		
DM41/03/2012	KWA-MHLANGA MID-TERM FIRE STATION CALLS REPORT	THAT the 2010-11 Kwa-Mhlanga Mid-term Fire Station calls report be noted.	SC	

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dm-conf5/03/2012	QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN	THAT the report on the response of questions raised by Cllr H F Niemann be noted.	TS	
DM-CONF6/03/2012	RATIONALISATION OF SALARY SCALES AND SALARY PARITY: LEVEL 1 – 3 EMPLOYEES AND CONVERSION OF EMPLOYMENT OF CONTRACT EMPLOYEES	THAT the item be withdrawn from the Agenda.	CS	

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appointment of manager: finance:

THAT the report on the interviews of the Manager: Finance (Chief Financial Officer), be noted.

THAT it be noted that Mr Lotter and Mr Dyushu were requested to submit their written apologies or withdrawals from the interview, but to no avail.

THAT it be further noted that both SAMWU and IMATU were invited to attend the interview, but also to no avail.

THAT on the basis of performance in the interviews, Mrs A L Stander who had the highest score of 76.4% be appointed as the Manager: Finance (Chief Financial Officer) with effect from 1 April 2012 in accordance with Section 56 of the Municipal Systems Amendment Act, 2011 (Act No. 7 of 2011).

THAT it be noted that Mrs A L Stander has been enrolled with Wits University for the Certificate Programme in Management Development (CPMD) for Finance Management in terms of Regulation 18(2) of the Municipal Regulations on Minimum Competency Levels, 2007.

THAT the contract of Mrs A L Stander be subject to the following conditions in terms of the Local Government: Municipal Systems Amended Act:

She is appointed in terms of a written employment contract with the municipality complying with the provisions of Section 57;

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her appointment is subject to a separate performance agreement to be concluded within 60 days after her appointment as Manager: Finance, failing which the appointment lapses, provided that upon good cause shown by her to the satisfaction of the municipality, her appointment shall not lapse and

APPENDICES

DM-CONF8/03/2012	<p>APPOINTMENT OF ACTING MANAGER: TECHNICAL SERVICES AND ACTING MANAGER: FINANCE: REQUEST FOR CONDONATION</p>	<p>THAT the report on the appointment of Acting Manager: Technical Services and Acting Manager Finance: Request for condonation be noted.</p> <p>THAT the action of the Executive Mayor of appointing the Acting Manager: Technical Services and the Acting Manager: Finance, be condoned by Council in view of his action being in the best interest of the municipality.</p>	CS	
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PERSONNEL: MANAGER:
TECHNICAL SERVICES
APPOINTMENT

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THAT the report on the Appointment of Manager: Technical Services, be noted.

THAT it be further noted that the provisions of Section 56 (1)(a)(i) and (3) of the Municipal Systems Amendment Act, 2011, (Act No 7 of 2011) had been taken cognizance of.

THAT in view of the engineering professional skills being a scarce and critical, mainly in the Region and Province of Mpumalanga, and in the view of Mr A G Zimbwa possessing the relevant skills and having served Council satisfactorily during his tenure, his contract be extended by three (3) years commencing from 01 April 2012 – 31 March 2015.

THAT the contract of Mr A G Zimbwa be subject to the following conditions in terms of the Local Government: Municipal Systems Amended Act:

He is appointed in terms of a written employment contract with the municipality complying with the provisions of Section 57;

his appointment is subject to a separate performance agreement to be concluded within sixty (60) days after his appointment as Manager: Technical Services, failing which the appointment lapses, provided that upon good cause shown by him to the satisfaction of the municipality, his appointment shall not lapse; and

the performance agreement shall be concluded annually,

thereafter, within one month after the beginning of the financial year of the municipality.

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The employment contract referred to in subsection (1) (a) of the Act must

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DM-CONF10/03/2012	<p>PROGRESS REPORT: PLACING OF THE MUNICIPAL MANAGER ON SPECIAL LEAVE</p>	<p>THAT the report on the placing of the Municipal Manager on pre-cautionary suspension be noted.</p> <p>THAT the following resolution per DM 12/01/2012:</p> <p><i>“THAT the Municipal Manager be placed on special leave pending the finalization of the investigation process”</i> be rescinded and be replaced by the following resolution:</p> <p><i>“THAT the Municipal Manager be placed on precautionary suspension pending the decision of the Municipal Council whether or not to institute charges of misconduct against him”.</i></p> <p>THAT the precautionary suspension of the Municipal Manager not be lifted.</p> <p>THAT disciplinary measures be instituted against the Municipal Manager in terms of Regulations 8,9 and 10 of the Disciplinary Regulations for Senior Managers, 2010.</p> <p>THAT the Executive Mayor be further delegated to deal with the matter referred to in (4) above.</p>	CS	
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DM71/04/2012	PERFORMANCE AGREEMENTS FOR CONTRACT EMPLOYEES FROM 2009/2010 FINANCIAL YEAR TO-DATE	THIS ITEM HAS BEEN DEALT WITH UNDER CONFIDENTIAL ITEMS.	CS	
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DM-CONF1/04/2012	<p>PROGRESS REPORT: PLACING OF THE MUNICIPAL MANAGER ON PRECAUTIONARY SUSPENSION</p>	<p>THAT the Progress Report on the Placing of the Municipal Manager on Precautionary suspension be noted.</p> <p>THAT it be further noted that based on the new information provided in the abbreviated draft final report on the forensic investigation, new charges of misconduct will be instituted against the Municipal Manager.</p> <p>THAT Council also notes that the continuation of the disciplinary hearing of the Municipal Manager has been scheduled for 10-11 May 2012.</p> <p>THAT it be further affirmed that the Executive Mayor is authorized to deal with any matter incidental to the disciplinary process of the Municipal Manager within the legal parameters, including instituting further charges.</p>	CS	
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DM-CONF2/04/2012	APPLICATION FOR EXTENSION OF APPOINTMENT OF THE ACTING MUNICIPAL MANAGER	<p>THAT the report on the application for extension of appointment of Acting Municipal Manager, Mr A G Zimbwa be noted.</p> <p>THAT an application be lodged urgently with the Member of the Executive Council (MEC) for local government for the approval of the extension of the acting appointment of Mr A G Zimbwa as the Municipal Manager in terms of Section 54A(2A)(b) of the Municipal Systems Amendment Act, 2011 (Act No. 7 of 2011).</p>	CS	
DM-CONF3/04/2012	PERFORMANCE AGREEMENTS FOR CONTRACT EMPLOYEES FROM 2009/2010 FINANCIAL YEAR TO-DATE	<p>THAT the Acting Municipal Manager be authorized to sign, all non-Section 57 performance agreements that should have been signed from 2009/2010 financial year to-date.</p>	CS	
DM42/04/2012	EXPARTE: PREMIER: LIMPOPO PROVINCE, SPEAKER OF LIMPOPO PROVINCIAL LEGISLATURE AND OTHERS	<p>THAT the Constitutional Court judgment; Exparte: Premier of Limpopo Province, Speaker of Limpopo Provincial Legislature and others, be noted.</p>	CS	

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DM43/04/2012	PROGRESS REPORT ON NKANGALA REGIONAL PARKS LAND RESTITUTION PROCESS	<p>That the report on Nkangala Region Provincial Parks land restitution process be noted.</p> <p>THAT a comprehensive report be submitted to the mayoral committee meeting, including who the NDM representative was in the Zithabiseni Resort upgrade project.</p>	SC	
DM44/04/2012	THE MOLOTO RAIL CORRIDOR DEVELOPMENT INITIATIVE: STEERING COMMITTEE PROGRESS REPORT	<p>THAT the report of the Moloto Rail Development Initiative: Steering Committee progress report be noted.</p>	LED	

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DM45/04/2012	<p>THE STATUS OF WASTE WATER TREATMENT WORKS IN NKANGALA DISTRICT MUNICIPALITY</p>	<p>THAT Nkangala District Municipality convenes a meeting with DWA and all WSAs in its jurisdiction to discuss the possible ways of addressing the findings that were raised per WWTW.</p> <p>THAT the Water Services Authorities be advised to budget for upgrade, operation & maintenance of the WWTW while requesting funding from Nkangala District Municipality on capital projects.</p> <p>THAT the report on the status of Waste Water Treatment Works in Nkangala District Municipality be noted</p>	TS	
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DM46/04/2012	THE STATUS OF WATER TREATMENT WORKS IN NKANGALA DISTRICT MUNICIPALITY	<p>THAT the report on the status of Water Treatment Works (WTW) in Nkangala District Municipality be noted.</p> <p>THAT the Water Services Authorities be advised to budget for upgrade, operation & maintenance of the WTW while requesting funding from Nkangala District Municipality on capital projects.</p> <p>THAT Nkangala District Municipality should convene a meeting with Department of Water and Environmental Affair (DWEA) and all WSAs in its jurisdiction to discuss the possible ways of addressing the findings that were raised per Waste Water Treatment Works (WTW).</p>	TS	
DM47/04/2012	FINAL DRAFT LOCAL ECONOMIC DEVELOPMENT STRATEGY FOR NKANGALA DISTRICT MUNICIPALITY	THIS ITEM HAS BEEN WITHDRAWN.	LED	

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DM48/04/2012	PLACEMENT OF JOB SEEKERS IN THE NKANGALA DISTRICT MUNICIPALITY	<p>THAT the progress report on the placement of job seekers in the District be noted.</p> <p>THAT a progress report indicating if the minimum requirement of the project were met by the service provider as a result of the service provider not being allowed in certain areas of the district, be submitted to the Mayoral Committee.</p>	SC	
DM49/04/2012	REPORT ON PERFORMANCE AGREEMENTS FOR CONTRACT EMPLOYEES FROM 2009/2010 FINANCIAL YEAR TO-DATE	<p>THAT the item be deferred back for re-submission to the next Mayoral Committee meeting.</p>	CS	

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DM50/04/2012	APPLICATION FOR LEAVE OF ABSENCE: COUNCILLOR m j masuku	<p>THAT the application for leave of absence from the Section 79 Corporate Services, Human Resources, Legal Services & HRD meeting held on 7 February 2012 submitted by Clr M J Masuku be noted.</p> <p>THAT the late application for leave of absence from the Section 79 Corporate Services, Human Resources, Legal Services & HRD meeting held on 7 February 2012 submitted by Clr M J Masuku be approved.</p>	CS	
DM51/04/2012	FINANCIAL MONTHLY REPORT: FEBRUARY 2012	THAT the monthly budget statement and financial report for February 2012 be noted.	FS	
DM52/04/2012	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES: FEBRUARY 2012	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 29 February 2012 be noted.	FS	
DM53/04/2012	FINANCIAL MONTHLY REPORT: MARCH 2012	THAT the monthly budget statement and financial report for March 2012 be noted.	FS	

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DM54/04/2012	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILLOR ALLOWANCES: MARCH 2012	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 31 March 2012 be noted.	FS	
DM55/04/2012	FINANCIAL: QUARTERLY REPORT: MARCH 2012	THAT the quarterly budget statement and financial report for the quarter ended 31 March 2012 be noted.	FS	

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dm56/04/2012	review of powers and functions: nkangala district municipality	<p>THAT the report on the Review of Powers and Functions of Nkangala District Municipality be noted.</p> <p>THAT an interaction session with the constituent local municipalities and other relevant stakeholders be held during May 2012.</p> <p>THAT based on the outcome of such an interaction session, the MEC for Cooperative Governance and Traditional Affairs be approached with a view to consider adjusting the division of functions and powers between a district municipality and its constituent local municipalities in terms of Section 85 (Act No. 117 of 1998), as amended.</p>	CS	
dm57/04/2012	review of the Municipality's performance management system	<p>THAT the report on Draft NDM Integrated Performance Monitoring and Evaluation System be noted.</p> <p>THAT a single Integrated Performance Monitoring and Evaluation System/Framework be represented in the following flow diagram, be recommended for approval Council.</p> <p>THAT an Integrated Performance Monitoring and Evaluation System/Framework Policy be developed for approval by Council to be implemented with effect from 2012/13 financial year.</p>	CS	

APPENDICES

dm58/04/2012	<p>DRAFT INTERNAL HUMAN RESOURCE DEVELOPMENT AND CAPACITY BUILDING STRATEGY</p>	<p>THAT the report on the Draft Internal Human Resource Development and Capacity Building Strategy be noted.</p> <p>THAT a Summit of the Corporate Services within the District be held during 3 to 4 May 2012 at the Nkangala District Municipality at the Nkangala District Municipality Building to review and develop Code of By-laws; Code of Policies; and Standard Operating Procedures, constituted, <i>inter alia</i>, by the Members of Mayoral Committees responsible for Corporate Services, Corporate Services Managers/Director; HR Manager Skills Development Facilitators, Legal advisors and Labor Relation Officers.</p> <p>THAT the Department of Cooperative Governance and Traditional Affairs, the Provincial Treasury, South African Local Government Association (SALGA) Mpumalanga; and organised labour be within the workplaces be invited to attend the summit.</p> <p>THAT the Acting Municipal Manager, be authorised to deal with matters incidental to the proposed summit.</p>	CS	
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APPENDICES

dm59/04/2012	REVIEW OF EXISTING AND DEVELOPMENT OF NEW JOB DESCRIPTIONS	<p>THAT the report on the review of existing and development of new job descriptions be noted.</p> <p>THAT the process to approve job descriptions be completed by 30 June 2012.</p>	CS	
dm60/04/2012	alignment of integrated development plan (IDP), budget and service delivery and budget implementation plan (sdbip)	<p>THAT the report on the Alignment of IDP, Budget and SDBIP, be noted.</p> <p>THAT the 2012/13 SDBIP document be enhanced by providing a column to indicate which department or unit is responsible to execute a particular objective and another column to denote a vote number from which the project is funded.</p>	CS	
dm61/04/2012	AMENDMENTS TO THE LABOUR RELATIONS ACT No 66 of 1995 AND THE BASIC CONDITIONS OF EMPLOYMENT ACT No 75 of 1997	<p>THAT the amendments to the Labour Relations Amendment Act 66 of 1995 and the Basic Conditions of Employment Act, 1997 be noted.</p>	CS	

APPENDICES

DM62/04/2012	THE DISTRICT 2011/12 JOB SUMMIT PROJECTS AND IMPLEMENTATION PLAN	<p>THAT the report on the District Job Summit Projects and Implementation Plan be noted.</p> <p>THAT it be noted that resolutions and projects of the Job Summit are part of the Nkangala District Municipality's reviewed 2012/13 Integrated Development Plan (IDP).</p>	SC	
dm63/04/2012	SALGA: TRADE UNION WAGE DEMANDS: 2012	THAT the SALGA report on Trade Union Wage Demands: 2012 be noted.	CS	
dm64/04/2012	SUPPLY CHAIN IMPLEMENTATION: QUARTERLY REPORT JANUARY TO MARCH 2012	that the three months ending report from January to March 2012 be noted.	FS	

APPENDICES

dm65/04/2012	2011/12 NKANGALA DISTRICT MUNICIPALITY CAREER EXPO	<p>THAT the report on the Nkangala District Municipality 2011/12 Career Expo be noted.</p> <p>THAT the 2011/12 Career Expo be held on 02 June 2012 as part of the Youth month activities for Nkangala District Municipality.</p>	SC	
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DRAFT

NKANGALA COMMUNITY
BUILDER AWARDS
APPENDICES

That Nkangala District together with the Local Municipalities hosts the Community Builder Awards for the region in

recognition
of the work

done by
others.

That the
following
programme
be adopted
leading
towards the
award
ceremony
of 2012.

<i>ACTIVITY</i>	<i>TARGET</i>	<i>RESPONSIBLE PERSON</i>
<i>Workshop to outline the process</i>	<i>1 day</i>	<i>NDM and all Local Municipalities, SAYC, Women Groupings, Disability Groups</i>
<i>Issuing of a public notice to invite registration</i>	<i>1 day</i>	<i>Nkangala district municipality</i>
<i>Opening and closing of application process</i>	<i>1 month</i>	<i>Local Municipalities</i>
<i>Short listing of the applications</i>	<i>4 days</i>	<i>District Panel (1)</i>
<i>Site verification</i>	<i>2 weeks</i>	<i>Technical Committees</i>

Municipality | APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL

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ATTENDANCE

<i>Video recording</i>	<i>1 week</i>	<i>Service Provider</i>
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DM67/04/2012	PROGRESS REPORT: NKANGALA DISASTER COMMUNICATION CONTROL SYSTEM PROJECT	THAT the progress report on the Installation of the Disaster Management Communication Control project for Nkangala District Municipality be noted.	SC	
DM68/04/2012	REPORT ON NKANGALA DISTRICT'S 2012 IDP INDABA	THAT the Report on District 2012 IDP Indaba be adopted. THAT the incorporation of the inputs of the Indaba in the District's 2012/13 IDP be noted.	DPU/IDP	

APPENDICES

DM69/04/2012	<p>THE REPORT ON THE SUBMISSION OF THE APPLICATION PROCEDURE ON LAND USE PLANNING/TOWN PLANNING APPLICATIONS</p>	<p>THAT the submission of Land Use Application procedure in terms of the Town planning and Township Ordinances 1986 (15 of 1986) and in term of the Town Planning Schemes be noted.</p> <p>THAT the Land Use Application process be canvassed amongst all the Political and Administrative Leadership of Thembisile Hani, Dr JS Moroka and Emakhazeni Local Municipalities respectively.</p> <p>THAT all the Local Municipalities be furnished with the submission of Land Use Procedure documents.</p> <p>THAT all the three aforementioned Local Municipalities adhere to this process so as to ensure smooth process leading to the final approval, which will facilitate appropriate pace of development therein.</p>	TP	
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APPENDICES

DM70/04/2012	REDETERMINATION OF MUNICIPAL BOUNDARIES	<p>THAT all the municipalities in the district reach consensus that 06 June 2012 be the meeting date that MDB will visit the district area.</p> <p>THAT the Executive Mayors in the district meet prior to the meeting date and deliberate on issues and further contribution on the matter.</p> <p>THAT a meeting also be held with the Executive Mayors of the neighbouring districts as well as other stakeholders.</p>	CS	
DM71/04/2012	PERFORMANCE AGREEMENTS FOR CONTRACT EMPLOYEES FROM 2009/2010 FINANCIAL YEAR TO-DATE	<p>THAT the item be deferred back for re-submission to the next Mayoral Committee meeting.</p>	CS	

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DM72/05/2012	FINANCIAL: MONTHLY REPORT ON STAFF SALARIES, ALLOWANCES & BENEFITS AND COUNCILOR ALLOWANCES : APRIL 2012	THAT the monthly report on Staff salaries, allowance & benefits and Councilor Allowance for the period ending 30 April 2012 be noted.	FS	
DM73/05/2012	FINANCIAL MONTHLY REPORT: APRIL 2012	THAT the monthly budget statement and financial report for April 2012 be noted.	FS	
DM74/05/2012	PROGRESS REPORT ON THE IMPLEMENTATION OF THE RISK-BASED AUDIT PLAN AND INTERNAL AUDIT PROGRAM FOR THE 2011/12 FINANCIAL YEAR	THAT the internal audit progress report on the implementation of the risk-based audit plan and internal audit program for the 2011/12 financial year be noted. THAT an Implementation Plan in respect of issues raised by the Auditor-General be continuously reported to the Mayoral Committee and Council.	FS	

APPENDICES

DM75/05/2012	VIREMENT POLICY: 2012/2013	<p>That the Draft Virement Policy attached hereto as ANNEXURE “EE” pages 753 to 762 be noted.</p> <p>THAT the Draft Virement Policy be considered and recommended for approval by Council.</p> <p>THAT the Draft Virement Policy be presented before the Budget Steering Committee on 22 May 2012.</p>	FS	
DM76/05/2012	REVIEW OF ASSET MANAGEMENT POLICY: 2012/2013	<p>That the Draft Review of the Asset Management Policy attached hereto as ANNEXURE “HH” page 777 to 801 be noted.</p> <p>That the existing Asset Management Policy attached hereto as ANNEXURE “GG” pages 775 and 776 be rescinded.</p> <p>THAT the Draft Review of the Asset Management Policy attached hereto as ANNEXURE “HH” page 777 to 801 be considered and recommended for approval by Council.</p>	FS	

APPENDICES

DM77/05/2012	DRAFT REVIEW: CASH AND INVESTMENT POLICY: 2012/2013	<p>That the Cash and Investment Policy, a copy of which is attached hereto as annexure “HH” page 790 to 795 be rescinded.</p> <p>That the Draft Review of the Cash and Investment Policy, a copy of which is attached hereto as annexure “II” page 796 to 804 be approved.</p>	FS	
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APPENDICES

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">DM78/05/2012</p>	<p>PROPOSED ESTABLISHMENT OF RISK MANAGEMENT UNIT AND COMMITTEE</p>	<p>THAT the report on the proposed establishment of the risk management unit and risk management committee be noted.</p> <p>THAT the post level and post designation of the Risk Officer be upgraded from Post Level 5/9 to level 4/9 and the post designation be changed to Chief Risk Officer (CRO).</p> <p>THAT it be noted that the Acting Municipal Manager has designated the Acting Deputy Manager: Corporate Services, Mr T A Segoane as Risk Officer.</p> <p>THAT the Acting Municipal Manager be delegated authority to establish a Risk Management Committee in accordance with the Public Sector Risk Management Framework.</p> <p>THAT the Acting Municipal Manager be further delegated authority to deal with all matters incidental to the creation of a Risk Management Committee.</p> <p>THAT the Audit Committee be appointed as a Risk Committee and Mr T L Gafane be appointed as the Chairperson of the Risk Committee.</p>		
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APPENDICES

DM79/05/2012	<p>PROGRESS REPORT: IMPLEMENTATION OF ONCE-OFF GRATUITY FOR FORMER COUNCILLORS</p>	<p>THAT the Progress Report on once-off gratuity payment to ex-councillors be noted.</p> <p>THAT Local Municipalities be encouraged to report to their respective Councils on progress of applications for their councillors.</p> <p>THAT banking details be verified with the Councillors concerned.</p>	FS	
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APPENDICES

dm80/05/2012	alignment of ndm powers, duties and functions with its organisational structure (organogram)	<p>THAT the report on the Alignment of NDM Powers, Duties and Functions with its organisational structure (organogram) be noted.</p> <p>THAT the proposed amendments in the organogram in terms of creating new posts, freezing and transferring posts be approved.</p> <p>THAT it be further noted that the estimated total employee costs including the new posts will amount to R74 753 274 of the total operating budget.</p>	CS	
DM81/05/2012	INTERNAL AUDIT METHODOLOGY FOR 2011/12 FINANCIAL YEAR	<p>THAT internal audit methodology for the 2011/12 financial year be noted.</p>	FS	

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DM82/05/2012	REPORT OF SHARED AUDIT COMMITTEE	<p>THAT the report of the shared audit committee be noted.</p> <p>THAT the Audit Committee be provided with the report of the Auditor-General and the developed Action Plan.</p>	AUDIT	
DM83/05/2012	REPORT ON THE DISTRICT CORPORATE SERVICES SUMMIT	<p>THAT the Report on District 2012 Corporate Summit be noted.</p> <p>THAT the Recommendations emanating from the Summit be implemented, and progress report reported on Quarterly basis.</p>	SC	

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DM85/05/2012	<p>PROGRESS REPORT: DRAFT CLIMATE CHANGE MITIGATION AND RESPONSE STRATEGY</p>	<p>THAT the Progress Report on the Draft: Climate Change Mitigation and Response Strategy for Nkangala District Municipality be noted.</p> <p>THAT the Proposed Climate Change Summit to consult and consolidate adaptation, mitigation and response strategies be held on the 29 May 2012.</p> <p>THAT Cllrs L J Dikgale, N E Hlope and C Mudau be delegated to serve as the Political Task Team Members for the Coordination of the District Climate Change Summit.</p>	SC	
DM86/05/2012	<p>DRAFT ATMOSPHERIC EMISSION LICENSING (AEL) SECTION 78 ASSESSMENT REPORT & IMPLEMENTATION PLAN</p>	<p>THAT the NDM Draft: Atmospheric Emission Licensing (AEL) Report & Implementation Plan be noted and approved.</p> <p>THAT the internal mechanism option of Atmospheric Emission Licensing service delivery be adopted.</p> <p>THAT the Acting Municipal Manager be authorized to deal with all matters incidental to the Atmospheric Emission Licensing (AEL) Section 78 Assessment Report & Implementation Plan.</p>	SC	

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DM87/05/2012	ECLEI WORLD CONGRESS AND RIO +20 CONFERENCE	THIS ITEM WAS WITHDRAWN.		
DM88/05/2012	APPOINTMENT OF MEMBERS OF THE AUDIT COMMITTEE	<p>THAT the report on the appointment of members of the Audit Committee be noted.</p> <p>THAT the following two (2) candidates mentioned below be appointed as members of the District Audit Committee:</p> <p>Ngwenya S A (AM) 73,6%</p> <p>Ngobeni S A (AM) 69,6%</p>	CS	
DMS1/07/2012	2012/2013 DRAFT WORKPLACE SKILLS PLAN AND 2011 DRAFT ANNUAL TRAINING REPORT	THAT the report on the 2012-2013 Workplace Skills Plan and 2011-2012 Annual Training Report be hereby approved.	CS	

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DMS2/07/2012	DRAFT YEAR PLANNER: 1 JULY 2012 TO 30 June 2013	<p>THAT it be noted that the item on the Draft Year Planner: 1 July 2012 to 30 June 2013 be hereby withdrawn pending the finalisation of the re-establishment of Section 79 and Section 80 Committees.</p>	CS	
DMS3/07/2012	DELEGATION OF POWERS	<p>THAT the report on Delegation of Powers be noted.</p> <p>THAT the Delegations of Powers be hereby approved.</p> <p>THAT a report containing financial sub-delegations in terms of Sections 59; 79 and 82 of the Municipal Financial Management Act, 2003 (Act No. 56 of 2003) be submitted to Council at its next meeting.</p>	CS	

THAT the report on the Draft Amendment of the Council's Standing Rules of Order be noted.

THAT Draft Amendment of the Council's Standing Rules of Order be hereby approved.

THAT the following corrections / amendments be effected on the document:

The words in bold type in **square brackets[]** indicates deletion and words underlined with **solid line indicates** amendments effected and the sections as amended are highlighted on the ANNEXURE.

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4. Determination of time and venue of special council meetings

(1) The speaker **[may, in consultation with the municipal manager], must at the request of the Executive Mayor** at any time convene a special meeting of the council on a date, time and at a suitable venue.

(2) The speaker must, if a majority of the councillors of the council request him or her in writing to convene a special council meeting, **[in consultation with the municipal manager,]** convene a special council meeting on the date set out in the request and at a time and venue **[determined in terms of such consultation]. 10. Notice of council and committee meetings**

(2) The notice period referred to in rule 10(1) does not apply when the **[municipal manager] Executive Mayor** deems it necessary to table an urgent matter for the council's consideration.

APPENDICES

council meeting or public hearing;

(b) the relevant chairperson in the case of any other committee meeting.

(c) **The Executive Mayor in the case of MAYCO**

Page 15 Section 15(3) and (4)

15. Removal of councillor and traditional leader from office as a result of absence from meetings without leave

(3) If, after consideration of the matter, the council –

(a) finds that the councillor was absent without good reasons, **[the municipal manager] the Executive Mayor** must, in writing, request the MEC to remove the councillor from the council in terms of the Code of Conduct applicable to councillors; or

(4) A councillor ceases to be a councillor on the date that the MEC informs **[the municipal manager] the Executive Mayor** that the councillor had been removed from office.

Page 27 Section 47(1) and 2;

47. Deputations

(1) Anybody who wishes to obtain an interview with the mayoral committee or a committee of council, must lodge a written request with the **[municipal manager] Executive Mayor/Chairperson** and such an application must state the

Municipal Manager, Executive Mayor, Council, Location and Council

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(2) **[The municipal manager must submit the request to the relevant manager for investigation and submission of a comprehensive report to the municipal manager]. In respect of such request the municipal manager must investigate and**

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DMS5/07/2012	DRAFT PERFORMANCE MANAGEMENT POLICY AND PERFORMANCE MANAGEMENT SYSTEM PROCEDURE MANUAL	<p>THAT the Draft Performance Management Policy (PMS) and the Performance Management Procedure Manual be noted.</p> <p>THAT the Draft PMS Policy and the PMS Procedure Manual be hereby approved.</p>	CS	
DMS6/07/2012	DEVIATIONS: SUPPLY CHAIN MANAGEMENT	<p>THAT the report in terms of clause 37 of the Supply Chain Management Policy on deviations be noted.</p>	FS	

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APPENDIX C –DISCLOSURE OF INTEREST

DECLARATION OF FINANCIAL INTEREST AND GIFT BY OFFICIALS: 2011/2012 FINANCIAL YEAR							
NO	Name and Surname	Personnel Number	Description of Gift	Value of Gift	Received From	Date Received	Description of Financial Interests
1	Phoshoko Grace	P113191	None	N/A	N/A	N/A	None
2	Zulu ME	P113051	None	N/A	N/A	N/A	None
3	Lucky Msoki	P113065	None	N/A	N/A	N/A	None
4	Mmaphefo Aphane	P113079	Cake	R 58.00	Afri-Infra Consulting Engineers	09/05/2012	None
5	Malifu Khanye	P113043	None	N/A	N/A	N/A	None
6	Kholiwe Simelane	P112845	None	N/A	N/A	N/A	None

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7	Lawrence Makofane	P112884	None	N/A	N/A	N/A	None
8	Susan Silinda	P112725	None	N/A	N/A	N/A	None
9	NB Mtshali	P113828	None	N/A	N/A	N/A	None
10	MK Mathbe	P112570	None	N/A	N/A	N/A	None
11	Noluthando Zulu	P113807	None	N/A	N/A	N/A	None
12	Blessing Mabena	P113940	None	N/A	N/A	N/A	None
13	Lerato Gambu	P112411	None	N/A	N/A	N/A	None
14	Alice Stander		None	Jewellery maker: a hobby		N/A	None
15	Neela Vala	P110132	None	N/A	N/A	N/A	None
16	Nirupa Parbhoo	P111664	None	N/A	N/A	N/A	None
17	Paulinah Mahlangu	P108693	None	N/A	N/A	N/A	None
18	Rose Williams	P106706	None	N/A	N/A	N/A	None

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19	Trudie Van Niekerk	P111802	None	N/A	N/A	N/A	None
20	Nqobile Nkosi	P113268	None	N/A	N/A	N/A	None
21	Kekane I.R	P113177	None	N/A	N/A	N/A	None
22	Lebogang Kekane	P113758	None	N/A	N/A	N/A	None
23	Patricia Kgobane	P113653	None	N/A	N/A	N/A	None
24	Patrick Baloyi	P113667	None	N/A	N/A	N/A	None
25	Mahlangu VM	P112876	None	N/A	N/A	N/A	None
26	P Raputoa	P113120	None	N/A	N/A	N/A	None
27	Gift Mathalise	P113282	None	N/A	N/A	N/A	None
28	Sbongile Mtsweni	P113625	None	N/A	N/A	N/A	None
29	Boetie Mathe	P112683	None	N/A	N/A	N/A	None
30	Wendy Marulane		None	N/A	N/A	N/A	None

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31	Boitumelo Leslie Magweemang		None	N/A	N/A	N/A	None
32	Tshifhiwa Mudau	P113142	None	N/A	N/A	N/A	None
33	Mabunda TT	P113072	None	N/A	N/A	N/A	None
34	Segoane Trevor	P110990	None	N/A	N/A	N/A	None
35	Thandi Mazwi	P112612	None	N/A	N/A	N/A	None
36	Sipho Masilela	P113681	None	N/A	N/A	N/A	None
37	Lebogang Masango	P114024	None	N/A	N/A	N/A	None
38	Asnath Mothokoa	P113891	None	N/A	N/A	N/A	None
39	Makgai NWS	P113688	None	N/A	N/A	N/A	None
40	Alet Schoeman	P103303	None	N/A	N/A	N/A	None
41	Mohlala Linkie	P113814	None	A guest lecturer at the University of Pretoria until 30 November 2012			

APPENDICES

COUNCILLORS: REGISTER OF DECLARED INTERESTS 2011-2012

COUNCILLOR	SHARES AND SECURITIES	MEMBERSHIP OF CLOSE CORPORATIONS	INTERESTS IN TRUSTS	DIRECTORSHIPS	PARTNERSHIPS	FINANCIAL INTERESTS IN OTHER BUSINESSES UNDERTAKINGS	EMPLOYMENT AND REMUNERATION	INTERESTS IN PROPERTY	PENSION	SUBSIDIES GRANTS AND SPONSORSHIPS
Bhamje e M	EDME Investments Roshgold	None	None	Jabu Cosmetics	None	Jabu Cosmetics	Emalahle ni Local Municipality	20 Eileen St Jackaro Park (Residence)	Emalahle ni Council	None
Danisa	None	Begezela Security	None	None	None	None	Thembsi le Hani	None	None	None

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M		Services					LM			
Dikgal e L J	None	None	None	None	None	None	None	Own house	Municipal Pension Fund	None
Du toit E	None	None	None	None	None	None	None	Vygiela an 8 & 10 Struisba ai, Overbur g Western Cape	None	None
Grobler B	None	None	None	Grobler & Associat es Dietician s	None	None	Sanlam	None	Municipal Councillors Pension Fund	None
Hlope N E	None	Vusisitjhaba Trading Interprice	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Hlumb ane M	None	Nonotsie Vakasha JV and Nonotsie		Nonotsie Vakasha	Nonotsi e Guest	None	Nonotsie Vakasha	None	Municipal Councillors	None

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B		Guest House		JV and Nonotsie Guest House	House		JV		Pension Fund	
Jele E A	None	Maleleza Laundry	None	None	None	None	None	None	None	None
Kabini S Q	None	None	None	None	None	None	None	None	None	None
Legong S M	none	none	none	none	none	none	Dr J S Moroka LM	None	Councillor pension Fund	None
Legong T B	None	None	None	None	None	None	None	None	Councillor Pension Fund	None
Letlaka T M	None	Ngithandeni Business Enterprise	None	Ngithandeni Business Enterprise	Ngithandeni Business Enterprise	None	None	House 17 Delphinium Street Pine Ridge Emalahleni	Municipal Councillors Pension Fund	None

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Louw J M	None	None	None	None	None	None	Plot 100, Leeupoort, Emalahle ni	None	None	None
Mabuz a B S	None	Siyovuya Sesisonke General Trading Services CK1	None	None	None	None	Emakhazeni LM	Own House	Municipal Councillors Pension Fund	None
Mafume P A	Msiphuya Transport & General Dealer	Msiphuya Transport & General Dealer	None	Msiphuya Transport & General Dealer	None	None	None	None	Municipal Councillors Pension Fund	None
Mahlang M G	Sanlan Glacier	None	Sanlam	None	Eglincc	None	None	None	Municipal Councillors Pension Fund	None
Mahlang J B	None	None	None	None	None	Mahlang u Taxi Services	Mpumalanga Government of fice of the	None	Municipal Councillors Pension Fund/Gepf	Housing subsidy -office of the Premier

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							Premier			
Mahlan gu N J	Computer Shares (Cashbuild)	None	None	None	None	Two wives has interest on N J Enterprise	None	2 stands (vlaklaagte), KwaMhlanga	Sanlam and Glacier	None
Maja S R	Siriti sa basotho	Siriti sa basotho	None	None	None	None	Mahlatse Educare Center	None	None	Dept of Social Services
Makhabane E N	None	None	None	None	None	None	Victor Khanye LM	House 51 Bester Street Delmas	MCPF	None
Maluleke M T	None	None	None	None	None	None	None	None	MPF	None
Maseko C P	None	None	None	None	None	Part time in Operation	None	None	None	None

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						Khanyisa Eskom Project				
Mashilo S K	Old Mutual, Sanlam, Sasol	None	Mashilo Family Trust	None	None	None	NDM	Farm 205JR, Unit 311 & Farm 218 JR & House 1458 Boldhi Street Bronkhorstspruit	Municipal Councillors Pension Fund	None
Masilela TS	None	None	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Masina M A S	Vodacom and Sasol	None	None	None	None	None	Steve Tshwete LM	None	Steve Tshwete LM	None
Masombuka I	None	None	None	None	None	None	None	None	Municipal Councillors	None

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M									Pension Fund	
Masuku M-J	SDC & Forever Living Product, Swissgarde, Ivory Shlain	None	None	None	Swissgarde health & beauty products	None	None	None	None	None
Mathibela S M	None	General Dealer	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Mdluli Z B	None	Monate Meate CC	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Mkhabela C F	None	None	None	None	None	None	None	None	None	None
Mnguni M E	None	JABMOCCA Construction	None	None	None	None	None	None	None	None
Mnyakeni B S	None	None	None	None	None	Taxi Transport	None	Sizabantu General	Municipal Councillors Pension Fund	None

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								Dealer			
Mohoa duba A M	None	None	None	None	None	None	None	Kharigud e Voluntee r	None	None	None
Mokha bela J T	None	None	None	None	None	None	None	Dr J S Moroka LM	None	Councillor pension Fund	Grant received on behalf of grandso n
Mokoe na L M	None	None	None	None	None	None	None	Mpumala nga Dept of Educatio n	None	Municipal Councillors Pension Fund	None
Moloisi R J	None	None	None	None	None	None	None	ESKOM : R750 000.00 pa	None	None	None

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Monareng K N	None	None	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Motau-Dube C	Sasol Inzalo, Women in Mining and Stratequity. ICI Wealthnet	Rise and Sparkle ck	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Mothibi M B	None	None	None	None	None	None	None	None	None	None
Msiza A	None	None	None	None	None	None	None	None	None	None
Msiza J N	None	None	None	None	None	None	None	None	None	None
Mthimunye G T	None	Triglo Enterprises	None	None	None	None	None	None	Special Pension	none
Mtsweni J L	Old Mutual	None	None	None	None	None	None	None	None	None
Mtsweni	None	None	None	None	None	Driving	Driving	None	None	None

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ni R Q						School	School			
Mufume P A	Msiphuya Consulting	Msiphuya cc	None	Msiphuya Transport & General Trading and Msiphuya football Club	None	None	None	None	None	None
Ngwenya X S	Stock Markert, Wife is a sole shareholder of Ziyawa H. Event Mngt	None	None	None	None	None	None	Own a stand in Dullstroom, 4 roomed house in Emthonjeni. Wife owns 11 rental rooms	Municipal Pension Fund	None
Nieman H F	None	None	None	None	None	None	Pro-Eng Consultative	13 Gouritz Street,	None	None

APPENDICES

							Engineers R180 000 pa	Aerorand		
Nkosi M S	Amandla Brand Trading Enterprise	Amandla Brand Trading Enterprise	None	Amandla Brand Trading Enterprise	None	None	None	None	Municipal Councillors Pension Fund	None
Nkosi N B	None	NaDlamini Trading cc	None	NaDlamini Trading cc	None	None	None	House 5108, ext 4, Botleng, Delmas	Municipal Councillors Pension Fund	None
Nkosi T L	None	Tayo Construction Enterprise	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Nkwan yana B A	Telkom,SANLAM,Phuthuma Futhil	None	None	None	None	Regent, SANLAM	None	None	Municipal Councillors Pension Fund	None
Ntuli D	None	None	None	None	None	None	NDM	U79 Tweefontein, Thembi	Municipal Councillors pension Fund	None

APPENDICES

								sile Hani Local Municip ality		
Radebe J F	None	Jerry Malaza Enterprice Supply & Maintanance	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Rapats a M J	None	Rapse Trading enterprises	Duna mis famil y Trust and Lamb ano Resid ence Prope rty trust	None	Quantra M	Rapatsa Construc tion, Puttie	Lateral Unison, Bircroff	6 Busines s Stands,3 Residen tial Stands	Municipal Councillors Pension Fund	None
Scheffe r H J	BHP Billiton, MTN, EXXARO, SAB, Shoprite checkers, Sasol, PSG	Holographix Properties 282 cc	None	None	None	None	None	Hologra phix Properti es 282cc	Municipal Councillors Pension Fund	None

APPENDICES

	Securies, Standard Bank									
Shong we S E	None	None	None	None	None	None	None	Owned	None	None
Sibany oni J M	Stratequity, Media 24 Welkom Yizani	None	None	None	None	None	None	None	Municipal Councillors Pension Fund	None
Sithole S F	None	None	None	None	None	None	None	None	None	None
Van Den Berg E	None	None	Van Den Berg Boerd ery	None	None	None	None	Blesbok spruit, Van Wyksol ei Portfon 6	Municipal Councillors Pension Fund	None
Venter H J	Naspers,MTN , Old Mutual ,Sanlam,BHP Biliton and	Venpret Comms & Electrical cc	None	None	None	Consulti ng 7 Project :	Self Employe d	Bonlure Estate No1,Gle nmore5	None	None

APPENDICES

	SASOL					Jimano		78 , Erf 1807 Midran d Portion 1 of Portion 336 Naawpo ort		
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APPENDICES

APPENDIX D – FUNCTIONS OF MUNICIPALITY

Division of functions and powers between the Nkangala District Municipality and Local Municipalities

Function	Victor Khanye	Dr JS Moroka	Emalah leni	Emakh azeni	Steve Tshwete	Them bisile	NDM
Air pollution	Yes	Yes	Yes	Yes	Yes	Yes	-
Building regulations	Yes	Yes	Yes	Yes	Yes	Yes	-
Child care facilities	Yes	Yes	Yes	Yes	Yes	Yes	-
Electricity reticulation	Yes	No	Yes	Yes	Yes	No	No
Fire Fighting	Yes including DM function	No	Yes including DM function	Yes including DM function	Yes including DM function	No	MP315, and excluding DM function in MP311, MP312, MP 313,

APPENDICES

							MP314
Local tourism	No	Yes	No	No	Yes	No	MP311, MP 312, MP314 MP315
Municipal airport	No	No	Yes	No	Yes	No	Yes, except MP312, MP313
Municipal Planning	Yes	No	Yes	No	Yes	No	MP314, MP315, MP316 and IDPs
Municipal Health Services	No	No	No	No	No	No	Performs its own function
Municipal Public Transport	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pontoons and Ferries	Yes	Yes	Yes	Yes	Yes	Yes	-

APPENDICES

Storm Water	Yes	Yes	Yes	Yes	Yes	Yes	-
Trading Regulations	Yes	Yes	Yes	Yes	Yes	Yes	-
Water (Potable)	Yes	Yes	Yes	Yes	Yes	Yes	No
Beaches and Amusement Facilities	Yes	Yes	Yes	Yes	Yes	Yes	-
Billboards and display of advertisement in public places	Yes	Yes	Yes	Yes	Yes	Yes	-
Cemeteries, Funeral Parlours and Crematoria	Yes including DM function	Yes including DM function	Yes including DM function	Yes including DM function	Yes including DM function	Yes	MP315
Cleansing	Yes	Yes	Yes	Yes	Yes	Yes	-
Control of Public Nuisance	Yes	Yes	Yes	Yes	Yes	Yes	-

APPENDICES

Control of undertaking that sell liquor to the public	Yes	Yes	Yes	Yes	Yes	Yes	-
Facilities for the accommodation, care and burials of animals	Yes	Yes	Yes	Yes	Yes	Yes	-
Fencing and Fences	Yes	Yes	Yes	Yes	Yes	Yes	-
Licensing of dogs	Yes	Yes	Yes	Yes	Yes	Yes	-
Licensing and control of undertakings that sell food to the public	Yes	Yes	Yes	Yes	Yes	Yes	-
Local Amenities	Yes	Yes	Yes	Yes	Yes	Yes	-
Local Sport Facilities	Yes	Yes	Yes	Yes	Yes	Yes	-
Markets	Yes	Yes including	Yes includin	Yes includin	Yes	Yes	Yes ,except

APPENDICES

		DM function	g DM function	g DM function			MP312, MP 314, MP316
Municipal Abattoirs	Yes	Yes	Yes	Yes	Yes	Yes	Yes, except MP316
Municipal Parks and Recreation	Yes	Yes	Yes	Yes	Yes	Yes	-
Municipal Roads	Yes including DM function	Yes including DM function	Yes	Yes including DM function	Yes including DM function	Yes	Yes except MP311, MP313, MP314, MP316
Noise Pollution	Yes	Yes	Yes	Yes	Yes	Yes	-
Pounds	Yes	Yes	Yes	Yes	Yes	Yes	-
Public Places	Yes	Yes	Yes	Yes	Yes	Yes	-
Refuse Removal, Refuse dumps and solid waste disposal	Yes including DM function	Yes including DM function	Yes including DM function	Yes including DM function	Yes including DM function	Yes including DM function	No

APPENDICES

					n	n	
Street Trading	Yes	Yes	Yes	Yes	Yes	Yes	-
Street Lighting	Yes	Yes	Yes	Yes	Yes	Yes	-
Traffic and Parking	Yes	Yes	Yes	Yes	Yes	Yes	-

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APPENDICES

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2011/12

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APPENDICES

PURPOSE

This report will form part of the Annual Report 2011/12 (Appendix G).

BACKGROUND

Nkangala District Municipality and four local municipalities with exception of Emalahleni and Thembisile-Hani Local Municipalities have opted for a shared audit committee service. The Audit Committee was established in terms of section 166 of the Municipal Finance Management Act (MFMA).

Statutory Requirements

Section 166 of the MFMA clearly states that each municipality to have an audit committee. The audit committee is an independent advisory body that advises council, political office bearers, accounting officer, and staff of the municipality on the following:

Internal financial control and internal audits;

Risk management;

Accounting policies;

The adequacy, reliability, and accuracy of financial reporting and information;

Performance management

Effective governance;

Compliance with the MFMA, the annual Division of Revenue Act (DORA) and any other applicable legislation;

Performance evaluation;

Any other issues referred to by the municipality;

APPENDICES

Review annual financial statements so as to provide authoritative and credible view of the financial position, on overall compliance with MFMA, DORA, and other pieces of relevant legislations.

Respond to Council on any matter raised by the Auditor-General (AGSA);

Carry out such investigations into financial affairs of the municipality as may be prescribed from time to time.

It is expected on a quarterly basis for the Audit Committee to review and advise municipal council on matters relating items listed above.

ATTENDANCE OF MEETINGS BY MEMBERS

The Audit Committee members were appointed on 01 March 2012 to serve as the Nkangala District shared Audit Committee for the 2011/12 Financial year. The Audit Committee held two meetings for the year under review and all members attended.

Ms. F Mudau	Chairperson	2 Meetings Attended (100%)
Mr. V Chuene	Member	2 Meetings Attended (100%)
Mr. T Gafane	Member	2 Meetings Attended (100%)

INTERNAL AUDIT (IA)

The following matters were high-lighted as challenges during the year under review:

Slow response by management in availing information to Internal Audit Unit and addressing Internal Audit findings. This hampers the effectiveness of the IA unit and **the Audit Committee**.

Management not availing quarterly Audit Committee reports in time to the IA. This caused delays in submitting these reports to the Audit committee for the timeous and effective preparation for AC meetings. The AC charter stipulates that reports must be received seven days before the meetings.

APPENDICES

The AC recommended that the Acting Municipal Manager addresses the delay in the submission of information.

4.1 Progress Report on Implementation of Internal Audit Findings

The recommendations below were high-lighted in during the two quarters:

Unresolved Internal Audit findings are just as important as Auditor-General (AG) findings as these findings will eventually find their way into the AG audit report that will eventually translate into an emphasis of matter or cause an opinion to be qualified/disclaimer/adverse. The Audit Committee recommends that individual responsible directors/managers be held accountable for Internal Audit action plan items and that these be included as part of their performance agreements. Disciplinary measures should be taken by the Accounting Officer against directorates that fail to resolve audit findings.

Nineteen(19) reports were tabled for consideration by AC:

PMS Information Report: The report high-lighted that there is no alignment between the Performance Agreements of Sec 57 employees with the SDBIP. AC recommended that these deviations must be addressed as it will hinder performance appraisals.

4.2 Internal Audit Staffing

The Audit Committee would like to commend Council for the appointment of three Internal Auditors. This will go a long way in assisting the local municipalities deal with their capacity issues and serve costs of outsourcing the Internal Audit projects.

4.3 Review of internal controls measures

The review internal control measures shows that they are fairly adequate and effective but there is still room for improvements on Supply Chain Management and Performance management System and reporting.

4.3 Internal Audit Methodology 2011/2012 financial year.

The Internal Audit Methodology 2011/12 was noted by the Audit Committee and is recommended for Council approval.

APPENDICES

AUDITOR-GENERAL 2011/2012 AFS AUDIT PROCESS

In a meeting held with the OAG, it was reported that the Audit process unfolded without any challenges. The AG is content with the availability of key staff members and the turn-around time in submitting the requested information and there will be no problem in reaching the agreed upon milestones during this audit process.

RISK MANAGEMENT

Although Risk Management is a standing item on all Audit Committee meetings to report on risk management progress and its integration into the strategic planning process, no report on risk management was submitted to the Audit Committee except for the strategic risk assessment report for 2011/12 financial year.

In view of the above, the following recommendation as previously mentioned will stand:

the establishment of Risk Management Committee, that will sit on quarterly basis;

speedy filling up of positions in this unit;

incorporate Risk Management into the performance agreements of senior managers; and

Continuously engage with Provincial Treasury on issues of risk management.

A survey should be conducted to assess the risk management maturity level of the Municipality. The outcomes of the survey indicate the necessary intervention to achieve the desired maturity level. Management is urged to continuously conduct risk awareness campaigns and workshops on at least on a quarterly basis.

The Audit Committee further recommends that RMC in the Municipality hold Risk Management Committee meetings that will provide the RMC adequate time to address both conceptual and practical risk issues before reporting to the AC. Up to date no risk management reports were tabled at AC meetings.

APPENDICES

FINANCIAL OVERVIEW

7.1 Budget and Treasury Office

The Audit Committee is satisfied with the performance of the unit.

7.2 Supply Chain Management

The draft supply chain management policy was tabled for as part of stakeholder involvement prior to approval by Council. Recommendations to enhance the policy were tendered by the AC. These included the capturing of the provisions of National Treasury MFMA Circular 62. The critical issue of the involvement of the Internal Audit unit with SCM issues whilst not interfering with the independence of the unit was high-lighted.

The municipality needs to continuously capacitate the SCM unit in order to improve on the capital spending and service delivery. Tenders need to be monitored on the time taken from advert to completion of projects. It is recommended that:

A procurement plan be developed and time frames to be respected;

Monthly reports to be tabled at Mayoral Committee and remedial actions to be implemented in order to improve spending patterns.

7.3 Cash Flow management

On issues of debt outstanding for more than 60 days, the Audit Committee recommends that the money be collected as this is in-contravention of the MFMA. The AC is satisfied with the debt management on the overall.

There is a need to seriously monitor investments held in the call account, with a view of maximizing interest earned whilst not compromising the readily availability of funds when needed.

Management is urged to prepare a 12- month cash flow forecast that will serve as a management tool to assess and evaluate the future cash needs of the municipality. This will also assist the municipality to do forward planning with the aim of improving service delivery.

It is further recommended that the financial report to AC be enhanced with information relating to variances, comparative figures from quarterly budgeted amounts and remedial actions to be taken by management in attaining the budget as approved by Council. These improvements will assist the AC to effectively interpret the financial information and the financial position of the municipality at a given time.

APPENDICES

INSTITUTIONAL PERFORMANCE OVERVIEW

For the year ended June 2012 the following issues are reported:

The slow spending on capital budget was high-lighted as a serious concern, less than 30% of the capital budget was spent for the year. Council took strides in addressing this issue.

PROPOSED ACTION PLAN TO ENHANCE MUNICIPAL PERFORMANCE

The proposed action plan seeks to: (These will remain until a Clean Audit is attained)

achieve a hands on approach by all oversight structures of Council in facilitating activities and programs that will result in improved service delivery;

to be able to attain clean audit by 2014;

improve the quality of financial statements and supporting documentation; and,

the strengthening of governance structures

No.	Action Plan Description	Responsibility	Due Date
1.	A properly constituted Audit Steering Committee to hold meetings throughout the year and constant feedback to be provided to the relevant portfolio committee chairpersons.	Municipal Manager/Portfolio Chairpersons	Monthly
2.	Action plans developed to address the root causes of findings contained in AG management report and audit report. Emphasis be made on shortened turnaround time on addressing AG findings Executive Mayor to be briefed on progress on resolving AG audit	Municipal Manager	Immediately after audit

APPENDICES

No.	Action Plan Description	Responsibility	Due Date
	findings		
3.	Council resolution is sought for timely submission of complete Audit Committee packs (quality checked by the Municipal Manager)	Council	Immediately
4.	Council resolution to ensure Municipal Manager and CFO are consistent in attending Audit Committee meetings	Council	Immediately
5.	Accounting records reconciled and suspense accounts cleared. Feedback provided to Finance Portfolio Chairperson	CFO	Monthly
6.	Quarterly financial statements submitted to the Audit Committee with substantiating working paper files	CFO	Quarterly
7.	Updated and reconciled asset registers	CFO	Monthly
8.	Asset verifications conducted as per policy (preferably twice per annum)	CFO	Ongoing
9.	Standardized financial management reporting system implemented in all municipality e.g. Caseware	Accounting Officer	Immediately
10.	Annual Financial Statements prepared and submitted to the Audit Committee for review timorously with substantiating working papers	Accounting Officer	Year-End reporting to AC

APPENDICES

No.	Action Plan Description	Responsibility	Due Date
			(August)
11.	Internal audit findings resolved timeously	Municipal Manager	Monthly
12	Robust Cash flow management system that includes cash flow focus and prudent expenditure management (Accrual vs. real cash information provided)	Municipal Manager	Monthly
13.	Audit Committee recommendations/resolutions implemented timeously	Municipal Manager	Monthly
14	Quarterly Audit Committee meetings held & attended by Municipal Manager/CFO and other senior managers	Municipal Manager	All quarterly AC meetings
15.	<p>The following mechanisms need to be in place:</p> <p>Quarterly reporting to Council by the Audit Committee</p> <p>Regular interaction between the Audit Committee, MPAC and Portfolio Committees</p> <p>Tracking of Audit Committee resolutions by Portfolio Chairpersons and MPAC on a monthly basis</p> <p>Meetings with other oversight organs/stakeholders e.g. Provincial Treasury and COGHSTA</p>	Audit Committee	Quarterly

APPENDICES

No.	Action Plan Description	Responsibility	Due Date
16.	Prompt filling of vacant positions of section 56 and 57 managers Prioritising of filling posts of Municipal Managers	Council/Municipal Manager	Ongoing
17.	Risk Management Committees established and effective.	Municipal Manager/Chief Risk Officer	Immediately
18.	Risk Management Committees meetings held to effectively monitor the implementation of risk mitigation strategies.	Municipal Manager/Chief Risk Officer	Monthly
19.	Management to support and guide the IT Forum and also ensure that resolutions are implemented. IT should start to enable the municipality and not only be seen as a cost centre but more as an enabler of business.	Municipal Manager/IT Officer	Monthly
20.	Clean Audit Strategy supported at the level of Council.	Council	Ongoing
21.	Audit issues and action plan progress report to be a standing item on Management, EXCO and MPAC agendas.	Council	Ongoing

Conclusion

APPENDICES

The Audit Committee acknowledges the co-operation and assistance by the District Municipality for co-coordinating the activities of the committee. The Audit Committee Chairperson remains confident of these matters receiving due consideration and intervention. We are committed to fully execute our oversight function and in strengthening Corporate Governance.

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 2011/12	Recommendations adopted (enter Yes) If not adopted (provide explanation)
11-Aug-11	NONE	
26-Aug-11	NONE	
23-Nov-11	NONE	
22-Mar-12	Risk Management Committees established and effective.	Yes
	Risk Management Committees meetings held to effectively monitor the implementation of risk mitigation strategies.	Yes
	Filling of vacant positions of section 56 and 57 managers including internal audit positions	Yes

APPENDICES

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 2011/12	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	Prioritising of filling posts of Municipal Managers and CFO where applicable.	Yes
	Action plans developed to address the root causes of findings contained in AG management report and audit report. Emphasis be made on shortened turnaround time on addressing AG findings.	Yes
	Executive Mayor/Mayor to be briefed on progress on resolving AG audit findings	Yes
10-May-12	Quarterly financial statements submitted to the Audit Committee with substantiating working paper files	Yes
	Management to support and guide the IT Forum and also ensure that resolutions are implemented. IT should start to enable the municipality and not only be seen as a cost centre but more as an enabler of business.	Yes

APPENDICES

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 2011/12	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	Clean Audit Strategy supported at the level of Council.	Yes
17-May-12	Council resolution is sought for timely submission of complete Audit Committee packs (quality checked by the Municipal Manager)	Yes
	Internal audit findings resolved timeously	Yes
	Audit Committee recommendations/resolutions implemented timeously	Yes
	Audit issues and action plan progress report to be a standing item on Management, EXCO and MPAC agendas.	Yes
	A properly constituted Audit Steering Committee to hold meetings throughout the year and constant feedback to be provided to	Yes

APPENDICES

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 2011/12	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	the relevant portfolio committee chairpersons.	
22-Jun-12	Council resolution to ensure Municipal Manager and CFO are consistent in attending Audit Committee meetings. Quarterly Audit Committee meetings held & attended by Municipal Manager/CFO and other senior managers	Yes

APPENDICES

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into during Year 2011/12)					
R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
MUNSOFT	Municipal Financial & Billing Software	07 October 2003	Not defined (Perpetual) – Contract has provision for termination by either party	CFO	Monthly maintenance Agreement - R 41 512.14 pm
RICOH	Photocopying Machines	25 March 2010	36 months Contract	Corporate Services	Monthly maintenance Agreement - R 48 690.00 pm and cost

APPENDICES

					per copy
<i>TH.1</i>					

Public Private Partnerships Entered into during Year 2011/12					
					R' 000
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	Value 2011/12
NONE					
<i>TH.2</i>					

APPENDICES

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Information provided in 427 to 435

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Not applicable

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Not applicable

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Not applicable

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

Delete Directive note once comment is complete – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

TL.1

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

APPENDICES

Capital Programme by Project 2008/09					
Capital Project	Original Budget	Adjustment Budget	Actual	R' 000	
				Variance (Act - Adj) %	Variance (Act - OB) %
Water					
"Project A"	82	85	92	8%	11%
"Project B"	82	85	92	8%	11%
"Project C"	85	90	95	5%	11%
Sanitation/Sewerage					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Electricity					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Housing					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Refuse removal					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Stormwater					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Economic development					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Sports, Arts & Culture					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Environment					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Health					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Safety and Security					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
ICT and Other					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
T N					

APPENDICES

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2011/12

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Not applicable to the District

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

APPENDIX S – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

APPENDIX T – PRESEDENTIAL OUTCOME FOR LOCAL GOVERNMENT

Not applicable to the District

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

SEE ANNEXURE A OF VOLUME II

GENERAL INFORMATION

Executive Mayor, Speaker, Chief Whip and Members of the Mayoral Committee

Executive Mayor:	Clr S K Mashilo
Speaker:	Clr B A Nkwanyana
Council Whip:	Clr T Letlaka
MMC for Finance:	Clr IM Masombuka
MMC for Infrastructure & Service Delivery:	Clr LJ Dikgale
MMC for Social Services, Disaster, Youth, Health & Education:	Clr. NE Hlope
MMC for Local Economic Development and Rural Development:	Clr. AP Mufume
MMC for Corporate, Human Resources & Legal Services:	Clr.C Motau
MMC for Rural Development, Public Safety and Transport:	Clr. JF Radebe

Grading of Local Authority

APPENDICES

Grade 9 High Capacity Municipality

Auditors

The Auditor-General South Africa

Bankers

ABSA Bank Middelburg

Primary Bank Account

Name of Bank: ABSA

Account No: 1040 161 836

Branch Code: 334350

Type of Acc: Current Account

Registered Office

2A Walter Sisulu Street, Middelburg, 1050

Municipal Manager/Accounting Officer

Mr T C Makola (1 July 2011 to 25 January 2012)

Mr A G Zimbwa (Acting 28 January 2012 to 30 June 2012)

Manager: Finance/Chief Financial Officer

APPENDICES

Mr M J Strydom (Acting from 1 July 2011 to 31 March 2012)

Mrs A L Stander (1 April 2012 to 30 June 2012)

Credit rating

International Long Term: BBB+

Long Term: AA-

Short Term: F1+

Contact details

Telephone : +27 (13) 249 2000

Fax : +27 (13) 249 2114

REPORT OF THE MANAGER: **FINANCE**

1. INTRODUCTION

The financial objective of the municipality is to secure sound and sustainable management of the financial affairs of the municipality and to assist the six local municipalities to be financially viable.

Critical functional areas for the district municipality and local municipalities include the payment for services, revenue collection, capacity for municipal infrastructure expenditure and compliance with legislation.

Issue 3 of the IDP relates to financial viability and includes projects that contributed to the financial viability of the district and local municipalities.

2. REVIEW OF OPERATING RESULTS

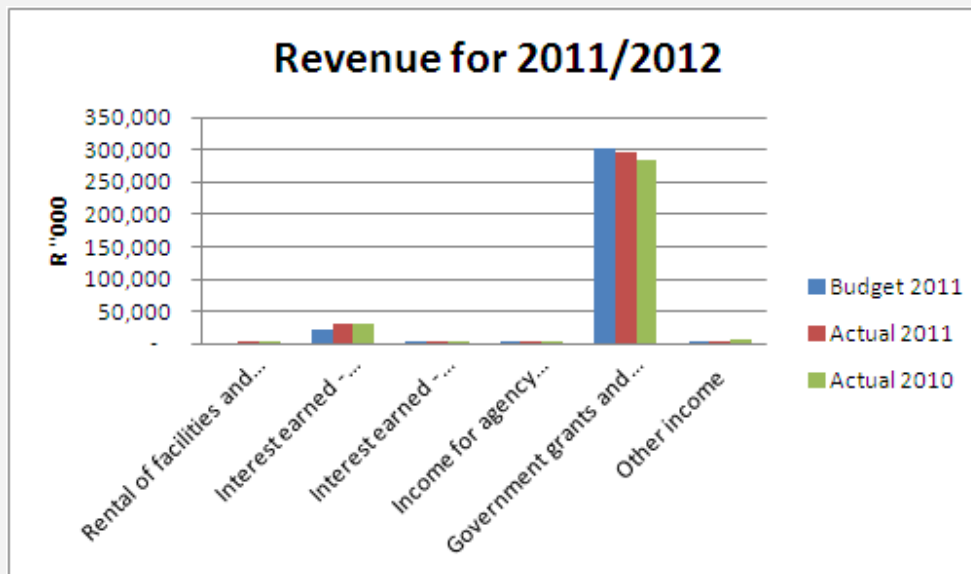
The 2011/2012 budget of the Nkangala District Municipality was approved by Council on the 4th of May 2011. An adjustment budget was approved on the 28th of March 2012. Herewith is a commentary on the financial results.

2.1 REVENUE

APPENDICES

2012 Budget		Note	2012 R	2011 R
REVENUE				
-	Rental of facilities and equipment		256,152	264,347
22,125,000	Interest earned - external investments		30,256,521	31,135,900
103,000	Interest earned - outstanding debtors		20,878	41,486
226,864	Income for agency services/ donars		226,864	112,602
301,055,832	Government grants and subsidies	15	294,684,832	284,659,021
2,384,000	Other income	16	4,707,485	5,919,642
325,894,696	Total revenue		330,152,730	322,132,998

APPENDICES



INTEREST EARNED

Interest earned on external investments decreased with 2.82% from R31,135,900 (2010/2011) to R30,256,521 (2011/2012). This decrease is attributed to a decrease in interest rates on call deposits.

Interest earned on outstanding debtors decreased with 49.68% from R41,486 (2010/2011) to

APPENDICES

R20,878 (2011/2012) due to better credit control measures.

GOVERNMENT GRANTS AND SUBSIDIES

Government Grants and subsidies increased with 3.52 % from R284,659,021(2010/11) to R294,684,832 (2011/12). Government Grants and subsidies include the RSC Levy Replacement grant, the equitable share, and Fire Service subsidy, Municipal System Improvement Grant, Finance Management Grant and the Transport Grant.

According to the accounting policies only the portion that has been expended and meets the conditions of the grant are recognized as revenue.

OTHER INCOME

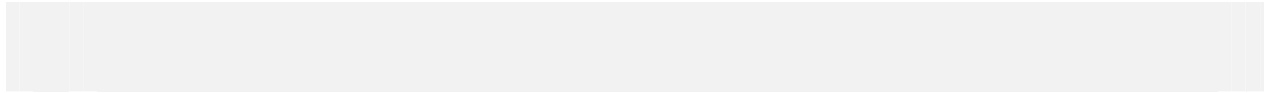
Other income decreased with 20.48% from R5,919,642 (2010/11) to R4,707,485 (2011/12), which include discount received.

Total revenue increased with 2.49% from R322,132,998 to R330,152,720 from the 2010/2011 financial year. This amount exceeded the budget amount with R4,258,035.

Indicative allocations published in Division of Revenue Act (DORA) point to an increase in the RSC Levy Replacement Grant.

The outlook for the next financial year is that the total revenue will increase compared to the year under review.

APPENDICES

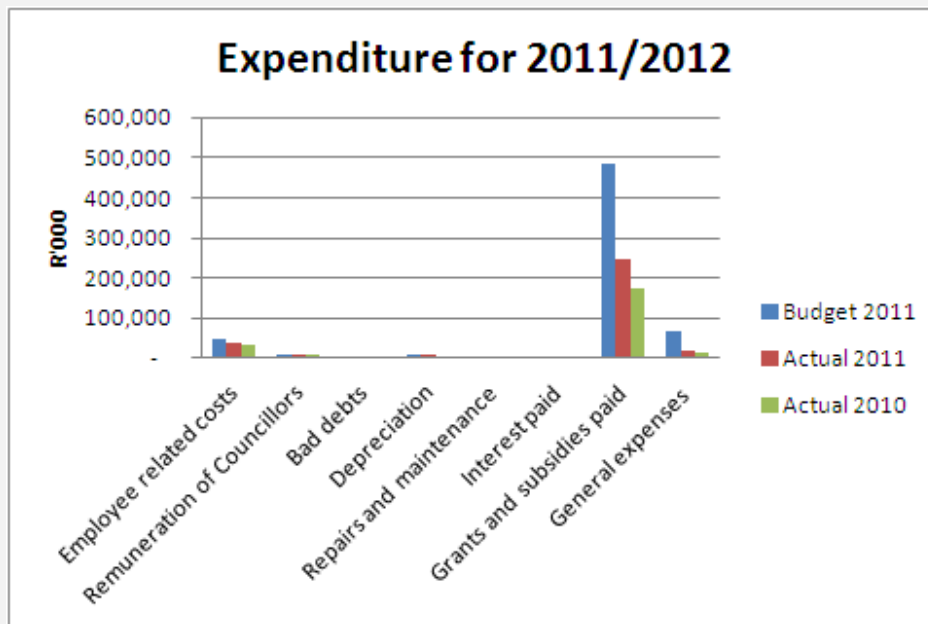


APPENDICES

2.2 EXPENDITURE

2012 Budget	EXPENDITURE	2012 R	2011 R
46,195,331	Employee related costs	38,231,320	35,556,126
10,264,008	Remuneration of Councillors	10,254,697	8,589,272
27,000	Bad debts	17,710	5,960
7,853,000	Depreciation	7,556,871	6,619,085
2,973,533	Repairs and maintenance	2,087,666	2,335,394
6,722,000	Interest paid	5,973,380	6,632,339
484,821,172	Grants and subsidies paid	248,856,578	175,774,518
67,109,165	General expenses	19,265,878	13,712,330
625,965,209	Total Expenditure	332,244,100	249,225,024

APPENDICES



EMPLOYEE RELATED COST

Actual employee related costs increased with 7.52 % from R35,556,126 (2010/11) to R38,231,320 (2011/12). Actual employee related costs are 82.76 % of the budget, which is due

APPENDICES

to vacancies which have not been filled in the year under review.

REMUNERATION OF COUNCILLORS

Payments made to councillors are in terms of the legislation on remuneration of public office bearers.

Actual councillor allowance costs increased with 19.39 % from R8,589,272 (2010/11) to R10,254,697 (2011/12). Actual councillor allowance costs are 99.91% of the budget.

DEPRECIATION

Depreciation is charged on Property, Plant & Equipment at rates determined in the accounting policies and asset useful life's is reviewed annually.

Actual depreciation costs increased with 14.17 % from R6,619,085 (2010/11) to R7,556,871 (2011/12). Actual depreciation costs are 96.23% of the budget.

REPAIRS & MAINTENANCE

This expenditure relates to maintenance on the office building which was used for the full duration of the year under review.

Actual repair and maintenance costs decreased with 10.61 % from R2,335,394 (2010/11) to

APPENDICES

R2,087,666 (2011/12). Actual repair and maintenance costs are 70.21% of the budget.

INTEREST PAID

This interest relates to interest on long term loans with INCA, DBSA and financial leases for office equipment.

Actual interest costs decreased with 9.94 % from R6,632,339 (2010/11) to R5,973,380 (2011/12). Actual interest costs are 88.86% of the budget.

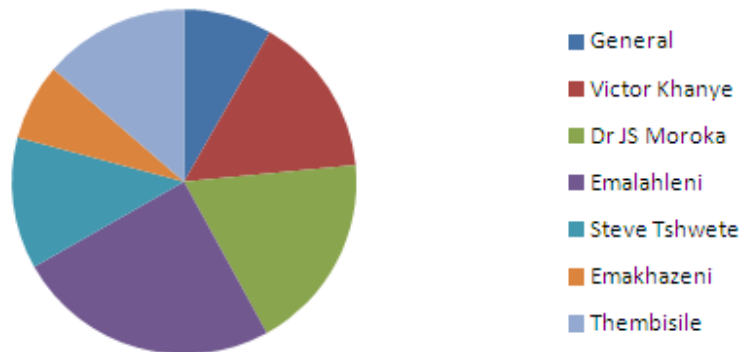
GRANTS & SUBSIDIES

This expenditure relates to expenditure on infrastructure for local municipalities and regional functions for which the District Municipality is the primary authority.

Actual grants and subsidies paid represent 74.90% (70.53%:2010/11) of the total expenditure and increased with 41,58% from R175,774,518 (2010/11) to R248,856,578 (2011/12). The increased expenditure shows that initiatives to speed- up project expenditure is starting to pay dividends during the period under review.

APPENDICES

Actual 2012



GENERAL EXPENDITURE

General Expenditure comprise of operating expenditure not disclosed elsewhere on the statement of financial performance. Detail of general expenditure is disclosed under note 22 to the financial statements.

Actual general expenditure costs increased with 40.50 % from R13,712,330 (2010/11) to R19,265,878 (2011/12). Actual general expenditure costs are 28.71% of the budget.

APPENDICES

3. FINANCIAL POSITION

The Statement of Financial position represents the financial strength of the municipality by a comparison of assets over liabilities.

The total assets of the municipality decreased with 1.88% from R846,254,892 (2010/11) to R830,332,058 (2011/12). The contributing factors of this decrease in inventory and call investments as a result of the increased project expenditure.

Liabilities decreased with 11.17% from R123,828,251 (2010/11) to R109,996,784 (2011/12), which is mainly due to the decreased accruals for 2012.

4. KEY RATIOS

CURRENT RATIO

This ratio represents the ability of the municipality to pay short term obligations within the next 12 months.

Current assets	Current	
----------------	---------	--

APPENDICES

		Liabilities	
	R	R	Ratio
2011	724,459,129	71,355,365	10.15:1
2012	705,682,795	62,962,684	11.21:1

ACID TEST

A stringent indicator that determines whether a company/institution has enough short-term assets to cover its immediate liabilities without considering inventory. Institutions with ratios of less than 1 cannot pay their current liabilities and should be looked at with extreme caution.

	Current assets - Current Inventory	Liabilities	
--	------------------------------------	-------------	--

APPENDICES

	R	R	Ratio
2011	479,876,417	71,355,365	6.73:1
2012	467,209,191	62,962,684	7.42:1

SOLVENCY RATIO

This represents the ability of the municipality to pay both its long term and short term obligations.

	Total Assets	Total Liabilities	
	R	R	Ratio
2011	846,254,892	123,828,251	6.83:1
2012	830,332,055	109,996,784	7.55:1

APPENDICES

OTHER RATIOS

	30-Jun-12	30-Jun-11
Employee related cost/Total Expenditure	11.51	14.27
Actual Grants and subsidies paid/Total Expenditure	74.90	70.53
Actual Grants and subsidies paid/Budget	51.33	30.41

5. CREDIT RATING

Fitch's international credit rating committee has affirmed the Nkangala District Municipality's the Long-term local currency rating at 'BBB+' and National Long-term rating at 'AA-(zaf)'. The

APPENDICES

Outlook for both ratings is Stable.

At the same time the Committee has decided to upgrade the National Short-term rating to 'F1+(Zaf)' from 'F1(Zaf)'

APPENDICES

6. GENERALLY RECOGNISED ACCOUNTING PRACTICES

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

APPENDICES

7. CONCLUSION

Good governance, sound financial management and financial viability remain critical success factors for the municipality.

8. ACKNOWLEDGEMENT

I would like to extend my appreciation to the Honourable Executive Mayor, Mayoral Committee and Councillors for strategic direction and leadership demonstrated during the financial year.

The guidance and vision of the Acting Municipal Manager and Heads of Departments are acknowledged with gratitude. A special word of appreciation is extended to all my colleagues for their loyalty and support.

Thank you

APPENDICES

AL STANDER

MANAGER: FINANCE (CHIEF FINANCIAL OFFICER)

APPENDICES

NKANGALA DISTRICT MUNICIPALITY STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2012

	Note	2012 R	2011 R
NET ASSETS AND LIABILITIES			
Net assets		720,335,271	722,426,641
Accumulated surplus/(deficit)		720,335,271	722,426,641
Non-current liabilities		47,034,100	52,472,886
Long-term liabilities	2	39,906,195	45,632,027
Non-current provisions	3	7,127,905	6,840,859
Current liabilities		62,962,684	71,355,364
Retentions	4	25,370,163	23,666,699
Provisions	5	5,433,943	3,663,131
Creditors from exchange transactions	6	25,590,656	36,684,374
Unspent conditional grants and receipts	7	-	687,696
Current portion of long-term liabilities	2	6,567,923	6,653,464
Total net assets and liabilities		830,332,055	846,254,892
ASSETS			
Non-current assets		124,649,260	121,795,764
Property, plant and equipment	9	85,794,634	86,331,777
Investments	10	38,854,626	35,463,986
Current assets		705,682,795	724,459,129
VAT	8	19,021,830	13,394,298
Inventory	11	238,473,604	244,582,712
Other debtors from exchange transactions	12	139,153	329,845
Call investment deposits	13	437,065,084	453,327,229
Bank balances and cash	14	10,983,124	12,825,045
Total assets		830,332,055	846,254,892

APPENDICES

NKANGALA DISTRICT MUNICIPALITY STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2012

2012 Budget		Note	2012 R	2011 R
REVENUE				
-	Rental of facilities and equipment		256,152	264,347
22,125,000	Interest earned - external investments		30,256,521	31,135,900
103,000	Interest earned - outstanding debtors		20,878	41,486
226,864	Income for agency services/ donars		226,864	112,602
301,055,832	Government grants and subsidies	15	294,684,832	284,659,021
2,384,000	Other income	16	4,707,485	5,919,642
325,894,696	Total revenue		330,152,730	322,132,998
EXPENDITURE				
46,195,331	Employee related costs	17	38,231,320	35,556,126
10,264,008	Remuneration of councillors	18	10,254,697	8,589,272
27,000	Bad debts		17,710	5,960
7,853,000	Depreciation		7,556,871	6,619,085
2,973,533	Repairs and maintenance		2,087,666	2,335,394
6,722,000	Interest paid	19	5,973,380	6,632,339
484,821,172	Grants and subsidies paid	20	248,856,578	175,774,518
67,109,165	General expenses	22	19,265,878	13,712,330
625,965,209	Total expenditure		332,244,100	249,225,024
(300,070,513)	SURPLUS/(DEFICIT) FOR THE PERIOD		(2,091,370)	72,907,973
Refer to annexure E(1) for the comparison with the approved budget				

APPENDICES

**NKANGALA DISTRICT MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 30 JUNE 2012**

	<u>Note</u>	<u>Accumulated Surplus/ (Deficit)</u>	<u>Total</u>
			R
2011			
Balance at 1 July 2010		649,518,668	649,518,668
Surplus/(deficit) for the year		72,907,973	72,907,973
Balance at 30 June 2011		722,426,641	722,426,641
2012			
Surplus/(deficit) for the period		(2,091,370)	(2,091,370)
Balance at 30 June 2012		720,335,271	720,335,271

APPENDICES

NKANGALA DISTRICT MUNICIPALITY CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2012

	Note	2012 R	2011 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		321,932,318	322,132,998
Government grants received		294,224,000	280,238,624
Other		27,708,318	41,894,374
Cash paid to suppliers and employees		(348,118,660)	(279,216,646)
Salaries and re-imburements		(48,221,170)	(40,989,863)
Suppliers		(298,592,338)	(208,788,729)
Other		(1,305,152)	(29,438,055)
Cash generated from/(utilised in) operations	24	(26,186,342)	42,916,352
Interest received		30,277,398	31,177,386
Interest paid		(5,973,380)	(6,632,339)
NET CASH FROM OPERATING ACTIVITIES		(1,882,324)	67,461,398
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(7,019,729)	(12,772,302)
Decrease/(Increase) in non-current investments		(3,390,640)	(27,278,830)
NET CASH FROM INVESTING ACTIVITIES		(10,410,368)	(40,051,133)
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		(5,811,374)	(5,650,854)
NET CASH FROM FINANCING ACTIVITIES		(5,811,374)	(5,650,854)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(18,104,066)	21,759,411
Cash and cash equivalents at the beginning of the year		466,152,274	444,392,863
Cash and cash equivalents at the end of the period	25	448,048,208	466,152,274

APPENDICES

ACCOUNTING POLICIES

BASIS OF PREPARATION

The municipality's annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the accounting Standards Board:

A summary of the significant accounting policies are disclosed below.

These accounting policies are consistent with the previous year.

Significant Judgments

In preparing the municipality's annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the municipality's annual financial statements and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the municipality's annual financial statements. Significant judgements include:

APPENDICES

Fair value estimation

The carrying value less impairment provision of trade receivables and the carrying value of trade payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

Use of estimates

The preparation of financial statements in conformity with Generally Recognised Accounting Practice requires the use of certain critical accounting estimates for provisions, impairments and the useful lives of Property, Plant and Equipment. It also requires management to exercise its judgement in the process of applying the municipality's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the relevant sections of the financial statements. Although these estimates are based on management's best knowledge of current events and actions they may undertake in the future, actual results ultimately may differ from those estimates.

PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

GOING CONCERN ASSUMPTION

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

COMPARATIVES INFORMATION

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

Prior year comparatives

APPENDICES

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

OFFSETTING

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

PROPERTY, PLANT AND EQUIPMENT

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that the future economic benefits or service potential associated with the item will flow to the municipality and the cost of the item of the item can be measured reliably.

Major spare parts and stand by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property plant and equipment.

An item of property plant and equipment which qualifies for recognition as an asset shall initially be measured at cost.

Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at the date of acquisition.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Directly attributable costs include the following:

Cost of site preparation.

Initial delivery and handling costs.

APPENDICES

Installation cost.

Professional fees.

Estimate cost of dismantling the asset and restoring the site to the extent that it is recognised as a provision.

Subsequently, property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Land is not depreciated as it is deemed to have an indefinite life.

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

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The annual depreciation rates are based on the following estimated asset lives:-

<u>DETAILS</u>	<u>YEARS</u>	<u>DETAILS</u>	<u>YEARS</u>
<i>Infrastructure</i>		<i>Other</i>	
Electricity		Office Equipment	

APPENDICES

<u>DETAILS</u>	<u>YEARS</u>	<u>DETAILS</u>	<u>YEARS</u>
Supply & Reticulation	20	Computer Hardware	5 -7
Roads		Computer Software	3
Roads	10	Office Machines	3 - 5
Bridges	30	Air Conditioners	5 - 7
Sewerage		Furniture & Fittings	
Sewers	20	Chairs	7 - 10
Water		Tables/Desks	7 - 10
Supply & reticulation	20	Cabinets/Cupboards	7 - 10
Reservoirs & tanks	20	Miscellaneous	7 - 10

APPENDICES

<u>DETAILS</u>	<u>YEARS</u>	<u>DETAILS</u>	<u>YEARS</u>
Pumps	15	Emergency Equipment	
		Fire	15
<i>Community Assets</i>		Ambulances	5
Buildings		Fire hoses	5
Clinics	30	Emergency Lights	5
Parks	30	Plant & Equipment	
Community Centres	30	General	7
Fire Stations	30	Telecommunication equipment	5
		Radio	7

APPENDICES

<u>DETAILS</u>	<u>YEARS</u>	<u>DETAILS</u>	<u>YEARS</u>
Recreational Facilities		Graders	10
Fire Breaks	20	Generator	7
		Vehicles	
<i>Other</i>		Fire Engines	20
Buildings	30	Motor Vehicles	7
Paving	20	Bakkies	7
Fencing	20	Trucks	10 - 15
		Bins	
		Bins	5-10

APPENDICES

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

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimates.

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

Items of property, plant and equipment are derecognised when the asset is disposed of or when no further economic benefit or service potential expected from the use of the asset.

Impairment of assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Impairment of cash generating assets

Assets that are subject to impairment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered.

An impairment loss is recognised if the recoverable amount of an asset is less than its carrying amount. The impairment loss is recognised as an expense in the statement of financial performance immediately. The recoverable amount of the asset is the higher of the asset's fair value less cost to sell and its value in use.

APPENDICES

The fair value represents the amount obtainable from the sale in an arm's length transaction between knowledgeable, willing parties.

The value in use of an asset represents the expected future cash flows, from continuing use and disposal that are discounted to their present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the assets belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash flows from other assets or group of assets. An impairment loss is recognised whenever the recoverable amount of a cash-generating unit is less than its carrying amount.

The impairment loss is allocated to reduce the carrying amount of the asset. The carrying amount of individual assets are not reduced below the higher of its value in use, R1.00 or fair value less cost to sell.

A previously recognised impairment loss related to assets is reversed if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognised in prior periods.

After the recognition of an impairment loss, any depreciation charge for the asset is adjusted for future periods to allocate the assets' revised carrying amount on a systematic basis over its remaining useful life.

APPENDICES

Impairment of non-cash generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit orientated entity, it generates a commercial return.

Non-cash-generating are assets other than cash-generating assets.

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Irrespective of whether there is any indication of impairment, the municipality also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use, for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset should be tested for impairment before the end of the current reporting period.

Value in use of an asset is the present value of the asset's remaining service potential.

The present value of the remaining service potential of an asset is determined using the depreciated replacement cost approach: The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

APPENDICES

The replacement cost and reproduction cost of an asset is determined on an “optimised” basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating is adjusted in future periods to allocate the non-cash-generating asset’s revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset’s recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating is recognised immediately in surplus or deficit.

APPENDICES

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

FINANCIAL INSTRUMENTS

There are four categories of financial assets: fair value through surplus or deficit (which includes held for trading and those designated), loans and receivables, held-to-maturity and available for sale. All financial assets that are within the scope of IAS 39 are classified into one of the four categories.

There are two categories of financial liabilities: fair value through surplus or deficit (which includes held for trading and those designated) and financial liabilities at amortised cost.

Financial instruments include cash and bank balance, investments, trade receivables and long term liabilities and creditors. The municipality classifies its financial assets as loans and receivables or held to maturity and its liabilities as at amortised cost.

Where financial assets have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

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Financial Assets:

Loans and receivables:

Loans and receivables are non-derivative financial assets with fixed or determinable payments. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Loans and receivables are recognised initially at fair value plus transaction cost. After initial recognition they are measured at amortised cost using the effective interest rate method, less provision for impairment.

Accounts Receivable

Other receivables are recognised initially at fair value plus transaction cost and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables.

Significant financial difficulties of the debtor and default or delinquency in payments are considered indicators that the trade receivables are impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised would have been had the impairment not been recognised at the date of the impairment reversed. The amount of the reversal is recognised in surplus or deficit.

APPENDICES

Investments held-to-maturity

Investments are recognised initially at fair value plus transaction cost. After initial recognition they are measured at amortised cost calculated using the effective interest method, less provision for impairment.

Long-term liabilities

Financial liabilities are recognised initially at fair value plus transaction cost. After initial recognition financial liabilities are measured at amortised cost using the effective interest rate method.

Trade Creditors

Trade creditors are recognised initially at fair value plus transaction cost and subsequently measured at amortised cost using the effective interest method.

Retention

Retention is recognised initially at fair value plus transaction cost and subsequently measured at amortised cost using the effective interest method.

Gains and losses

Gains and losses arising from changes in financial assets or financial liabilities at amortised cost are recognised in surplus or deficit when the financial asset or liability is derecognised or impaired or through the amortisation process

Bank balances and cash

Bank balances and cash are recognised initially at fair value plus transaction cost. After initial recognition they are measured at amortised cost using the effective interest rate method.

APPENDICES

De-recognition

Financial assets

The municipality derecognises a financial asset only when:

The contractual rights to the cash flows from the financial asset expire, are settled or waived;

The municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or

The municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the another party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:

Derecognises the asset; and

recognises separately any right and obligation created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair value at that date. Any difference between the consideration received and the amounts recognised and derecognised in surplus or deficit in the period of the transfer.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received in recognised in surplus or deficit.

APPENDICES

Financial liabilities

The municipality removes a financial liability (or part of a financial liability) from its statement of financial position when it is extinguished – i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender or debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of the financial liability (or part of the financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit.

REVENUE RECOGNITION

Revenue shall be measured at the fair value of the consideration received or receivable. No settlement discount is applicable.

Rental of facilities:

Rental of facilities shall be recognised as revenue when:

It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and

The amount of the revenue can be measured reliably

APPENDICES

Government Grants:

Government Grants can be in the form of grants to acquire or construct fixed assets (capital grants), grants for the furtherance of national and provincial government policy objectives and general grants to subsidise the cost incurred by municipalities rendering services. Capital grants and general grants for the furtherance of government policy objectives are usually restricted revenue in that stipulations are imposed in their use.

Government grants are recognised as revenue when:

It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and

The amount of the revenue can be measured reliably, and

To the extent that there has been compliance with any restrictions associated with the grant

Other grants and donations received:

Other grants and donations shall be recognised as revenue when:

It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and

The amount of the revenue can be measured reliably, and

To the extent that there has been compliance with any restrictions associated with the grant

APPENDICES

Interest:

Revenue arising from the use of assets by others of the municipal assets yielding interest shall be recognised when:

It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and

The amount of the revenue can be measured reliably

Interest shall be recognised on a time proportionate basis that takes into account the effective yield on the asset.

Revenue from agency services:

Revenue from agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The revenue recognised is in terms of the agency agreement.

Other Revenue:

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

All other revenue is recognised at fair value as and when they happen.

APPENDICES

PROVISIONS

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

CASH AND CASH EQUIVALENTS

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

RETIREMENT BENEFITS

Defined contribution plans:

Obligations for contributions to defined contribution plans are recognised as an expense in the statement of financial performance as incurred.

Contributions to the defined contribution pension plan in respect of service in a particular period are included in the employees' total cost of employment and are charged to the statement of financial performance in the year to which they relate as part of cost of employment.

APPENDICES

Defined benefit plans:

Post employment medical care benefits:

The municipality provides post employment medical care benefits to its employees and their legitimate spouses. The entitlement to post – retirement medical benefits is based on employee remaining in service up to retirement age and the completion of a minimum service period. The expected cost, of these benefits is accrued over the period of employment.

Actuarial gains and losses arising from experience adjustments are debited or credited to Statement of Financial Performance in the period in which it occurs. Valuations of these obligations are carried out annually by management.

BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Financial Performance. Borrowing costs that relate to the acquisition/purchase of Property, Plant and Equipment that meet the definition of a qualifying asset, is capitalised to the cost of the item of Property, Plant and Equipment.

APPENDICES

EVENTS AFTER REPORTING DATE

Recognised amounts in the financial statements are adjusted to reflect events arising after the reporting date that provide evidence of conditions that existed at the reporting date. Events after the reporting date that are indicative of conditions that arose after the reporting date are dealt with by way of a note to the financial statements

LEASES:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risk and rewards of ownership to the lessee.

Assets held under finance leases are initially recognised as assets of the Municipality at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to surplus or deficit. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

APPENDICES

INVENTORY:

The municipality constructs infrastructure projects, which will subsequently be transferred to local municipalities in its area of jurisdiction at no cost when the project is completed. Projects still in progress and not yet completed is disclosed as inventory.

VALUE ADDED TAX:

The Municipality accounts for Value-Added-Tax on the payment basis

UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government or organ of state.

Unauthorised expenditure is accounted for as an expense in the statement of Financial Performance, and where recovered it is subsequently accounted for as revenue in the statement of financial performance.

IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act no. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), and the public Office Bearers Act, Act No. 20 of 1988), or is in contravention of the municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the

APPENDICES

Statement of the Financial Performance, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

FRUITLESS AND WASTEFUL EXPENDITURE

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

CONTINGENCIES

CONTINGENT ASSETS

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

Contingent assets are not recognised as assets but are disclosed in note to the financial statements.

CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised as liabilities but are disclosed in note to the financial statements.

APPENDICES

COMMITMENTS

Items are classified as commitments where the municipality commits itself to future transactions that will normally result in the outflow of resources. Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

approved and contracted commitments;

where the expenditure has been approved and the contract has been awarded at the reporting date;

where disclosure is required by a specific standard of GRAP.

RELATED PARTIES

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the local sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

APPENDICES

2 LONG-TERM LIABILITIES

	Balance at 2011/06/30 R	Received during the period R	Redeemed or written off during the period R	Balance at 2012/06/30 R	Less short term portion R	Long term portion R
Annuity loans	51,285,439	-	5,296,556	45,988,883	6,167,369	39,821,513
DBSA: 1996@ 6 months JIBAR plus 2%. Redeemable at 30/9/2019	26,995,193	-	3,173,961	23,821,232	3,768,290	20,052,942
INCA: 2004 @ 12.28% p.a. Redeemable at 30/12/2018	24,290,246	-	2,122,595	22,167,651	2,399,080	19,768,571
Lease liabilities	1,000,053	223,992	738,810	485,235	400,554	84,681
Gestetner Finance (Gestetner MPC 300AD) Redeemable at 31/08/2012	21,520	-	18,236	3,284	3,284	-
Gestetner Finance (Gestetner MP 1350) Redeemable at 31/08/2012	416,486	-	352,920	63,565	63,565	-
Gestetner colour digital MPC 3300 AD Redeemable at 25/03/2013	85,044	-	45,776	39,268	39,268	-
Gestetner colour digital MPC2800AD Redeemable at 25/03/2013	72,076	-	38,796	33,280	33,280	-
Gestetner Digital MFP PRO1357EX Redeemable at 25/03/2013	329,224	-	177,210	152,014	152,014	-
Gestetner mono digital MP4000CSP Redeemable at 25/03/2013	75,703	-	40,748	34,955	34,955	-
Ricoh Digital copier/printer PRO1357EX Redeemable at 04/0/2014	-	111,996	31,084	80,911	36,955	43,957
Gestetner MPC3501ARDF Redeemable at 02/07/2014	-	111,996	34,039	77,957	37,232	40,725
Total external loans	52,285,492	223,992	6,035,366	46,474,118	6,567,923	39,906,195

Reconcillation of minimum lease payments

Not later than one year	400,554	673,686
Later than one year but not later than five years	121,967	447,488
	<u>522,521</u>	<u>1,121,174</u>

APPENDICES

3 NON-CURRENT PROVISIONS	2012	2011
Post employment medical aid benefit	7,127,905	6,840,859
Total non-current provisions	7,127,905	6,840,859

The post employment medical aid benefit are provided for ex retired employees and their legitimate spouses and is paid monthly. It is a defined benefit and the entitlement to post-retirement medical benefits is based on employees remaining in service up to retirement age and the completion of a minimum service period. The provision is an estimate of the liability based on historical staff turnover and life expectancy of the relevant people and is discounted by using the inflation rate at the reporting date.

The movement in the non-current provision is reconciled as follows: -

Balance at beginning of year	6,840,859	5,085,029
Contributions to provision	359,171	1,881,170
Transfer to current provisions	(72,125)	(125,340)
Balance at end of year	7,127,905	6,840,859

4 RETENTIONS	2012	2011
Retention	25,370,163	23,666,699
Total retention	25,370,163	23,666,699

5 PROVISIONS	2012	2011
Performance bonus	5,330,848	3,547,555
Post employment medical aid benefit	103,095	115,576
Total Provisions	5,433,943	3,663,131

Performance bonuses are paid in arrear and accrued on the basis that conditions have been met and there is no indication that performance bonuses will not be paid.

The movement in current provisions are reconciled as follows: -

<u>Performance Bonus</u>	2012	2011
Balance at beginning of year	3,547,555	1,532,451
Transfer from non-current		
Contributions to provision	1,835,046	2,326,927
Expenditure incurred	(51,754)	(311,823)
Balance at end of year	5,330,848	3,547,555

APPENDICES

6 CREDITORS	2012	2011
Trade creditors	22,646,513	33,720,563
Credit card at ABSA Bank	-	3,005
Fleet card at ABSA Bank	73,543	68,837
Rental deposit	26,578	23,978
Leave	2,843,601	2,733,923
Other creditors	420	134,068
	<u>25,590,656</u>	<u>36,684,374</u>

7 UNSPENT CONDITIONAL GRANTS AND RECEIPTS	2012	2011
<i>Conditional grants from other spheres of government</i>	-	460,832
Transport	<input type="text" value="-"/>	<input type="text" value="460,832"/>
<i>Other conditional receipts</i>	-	226,864
DBSA	<input type="text" value="-"/>	<input type="text" value="226,864"/>
Total conditional grants and receipts	<u>-</u>	<u>687,696</u>

See Note 15 for reconciliation of grants from other spheres of government.

These amounts are invested in a ring-fenced investment until utilized.

8 VAT	2012	2011
VAT (payable)/ receivable	<u>19,021,830</u>	<u>13,394,298</u>

VAT is payable on the receipts basis. Only once payment is received from debtors VAT is paid over to SARS.

APPENDICES

9 PROPERTY, PLANT AND EQUIPMENT

30-Jun-12

Reconciliation of carrying	<u>Land and Buildings</u>	<u>Infra-structure</u>	Community	Other	Leased	Total
	R	R				
Carrying values at 1 July 2011	61,792,635	3,348,162	64,900	20,267,937	858,144	86,331,777
<i>Land at cost</i>	300,000					300,000
<i>Buildings at cost</i>	58,065,407	3,528,874	9,125,120	40,605,594	2,439,283	113,764,279
<i>Capital under construction</i>	4,846,263	-	-	-	-	4,846,263
<i>Transfer in / (Transfer out) Cost</i>	9,047,901		(9,047,901)			-
Cost values after transfer	72,259,571	3,528,874	77,219	40,605,594	2,439,283	118,910,542
<i>Transfer in / (Transfer out)</i>						
<i>Accumulated depreciation</i>	(132,844)		132,844			-
<i>Accumulated depreciation</i>	(10,334,092)	(180,712)	(145,163)	(20,337,658)	(1,581,139)	(32,578,764)
Accumulated Depreciation	(10,466,936)	(180,712)	(12,319)	(20,337,658)	(1,581,139)	(32,578,764)
Carrying values at 1 July 2011 after transfer	61,792,635	3,348,162	64,900	20,267,937	858,144	86,331,777
<i>Acquisitions</i>	-	-	66,111	6,509,855	223,992	6,799,958
<i>Capital under construction</i>	219,771		-			219,771
<i>Depreciation</i>	(2,265,452)	(352,887)	(10,591)	(4,267,541)	(660,399)	(7,556,871)
Carrying values at 30 June 2012	59,746,954	2,995,275	120,420	22,510,250	421,736	85,794,635
<i>Land at cost</i>	300,000					300,000
<i>Buildings at cost</i>	67,113,308	3,528,875	143,330	47,115,450	2,663,275	120,564,236
<i>Capital under construction</i>	5,066,034	-	-	-	-	5,066,034
<i>Accumulated depreciation</i>	(12,732,388)	(533,599)	(22,910)	(24,605,199)	(2,241,539)	(40,135,635)

A transfer was made from Community assets to Land and Buildings for the Fire Station in Kwamhlanga for R9,047,901 (cost) minus R132,844 (Depreciation). The Fire station was previously wrongly classified under Community Assets. The net effect on Property, Plant and Equipment is zero

30-Jun-11

Reconciliation of carrying value	<u>Land and Buildings</u>	<u>Infra-structure</u>	Community	Other	<u>Leased Assets</u>	Total
	R	R			R	
Carrying values at 1 July 2010	58,014,598	1,034,333	26,576	19,656,062	1,446,990	80,178,560
<i>Land at cost</i>	300,000					300,000

APPENDICES

	2012		2011	
	R		R	
10 INVESTMENTS				
Balance at the beginning of the financial year				
Invested and / or accrued interest		35,463,986		8,185,156
Withdrawn		3,390,640		27,278,830
Balance at the end of the financial year		<u>38,854,626</u>		<u>35,463,986</u>
Financial Instruments				
Long term investments - at cost		10,229,023		9,109,374
Long term investments - at cost		28,625,602		26,354,612
		<u>38,854,626</u>		<u>35,463,986</u>
	2012	2011	2012	2011
			Guaranteed Value	Guaranteed Value
Promisary note - Investec	R 10,229,023	R 9,109,374	R 11,414,148	R 11,414,148
Promisary note - Investec	R 28,625,602	R 26,354,612	R 37,218,084	R 37,218,084
Total	<u>R 38,854,626</u>	<u>R 35,463,986</u>	<u>R 48,632,232</u>	<u>R 48,632,232</u>

Guaranteed Value

The guaranteed value of the investments amounts to:

R 48,632,232

R 48,632,232

	2012		2011	
11 INVENTORY				
Projects - Work in progress		238,473,604		244,582,712
Total Inventory		<u>238,473,604</u>		<u>244,582,712</u>
11.1 Work in progress				
Balance at the beginning of the year		244,582,712		188,211,281
Expenditure during the year		242,747,470		232,145,949
Less completed and transferred to local municipalities as per note 20		248,856,578		175,774,518
Balance at the end of the year		<u>238,473,604</u>		<u>244,582,712</u>

12 OTHER DEBTORS

	Gross Balances	Provision for Bad Debts	Net Balance
	R	R	R
As at 30 June 2012			
Sundry debtors			
Other	156,863	(17,710)	139,153
Total	<u>156,863</u>	<u>(17,710)</u>	<u>139,153</u>
As at 30 June 2011			
Sundry debtors			
Other	329,845	-	329,845
Total	<u>329,845</u>	<u>-</u>	<u>329,845</u>

Other : Ageing

	2012	2011
	R	R
Current (0 – 30 days)	37,027	31,913
31 - 60 Days	28,098	29,087
61 - 90 Days	32,371	19,144
91 - 120 Days	14,656	15,359
> 120 Days	44,713	234,243

APPENDICES

	2012 R	2011 R
Reconciliation of the bad debt provision		
Balance at beginning of the year	-	-
Contributions to provision	17,710	5,960
Bad debts written off against provision	-	(5,960)
Reversal of provision	-	-
Balance at end of year	<u>17,710</u>	<u>-</u>
Sundry Debtors as above	139,153	329,845
Total Other Debtors	<u>139,153</u>	<u>329,845</u>
13 CALL INVESTMENT DEPOSITS		
	2012	2011
Balance at the beginning of the financial year	453,327,229	425,475,241
Invested and / or accrued interest	207,917,817	277,382,007
Withdrawn	224,179,962	249,530,019
Balance at the end of the financial year	<u>437,065,084</u>	<u>453,327,229</u>
ABSA	60,016,448	73,095,381
Nedbank	42,017,808	33,274,796
FNB	76,602,633	75,834,801
Standard Bank	131,430,047	119,304,206
Sanlam	64,992,852	61,467,023
Investec	60,327,195	89,200,499
Accrued Interest	1,678,102	1,150,523
Total	<u>437,065,084</u>	<u>453,327,229</u>
See annexure G for more detail on investments		
14 BANK AND CASH BALANCES		
The Municipality has the following bank accounts: -		
Current Account (Primary Bank Account)		
ABSA Bank Limited: Account number 1040161836		
Cash book balance at beginning of year (including petty cash balance of R5200.00)	12,825,045	18,917,622
Cash book balance at end of year (including petty cash balance of R5200.00)	<u>10,983,124</u>	<u>12,825,045</u>
Bank statement balance at beginning of year	18,855,558	26,167,270
Bank statement balance at end of period	<u>17,514,965</u>	<u>18,855,558</u>
15 GOVERNMENT GRANTS AND SUBSIDIES		
	2012	2011
Equitable share	19,468,000	16,858,000
RSC Levy replacement grant	272,506,000	265,446,495
MSIG	1,000,000	750,000

APPENDICES

15.1 Equitable share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

15.2 RSC levy replacement grant

In terms of the Division of Revenue Act this grant is used to subsidise the replacement of the RSC Levies that were abolished from 1 July 2006

15.3 MSIG grant

	2012	2011
Balance unspent at beginning of year	-	-
Current year receipts	1,000,000	750,000
Conditions met - transferred to revenue	<u>1,000,000</u>	<u>750,000</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>-</u>

Department: Planning and Development
The municipal systems improvement grant under the vote of the Department of Provincial and Local Government focuses on stabilising municipal and governance systems, planning and implementation management support centres, reviewing integrated development plans and

Purpose of grant: implementing the Municipal Systems Act (2000).
All conditions of the grant has been met and the grant was never withheld

15.4 Transport grant

	2012	2011
Balance unspent at beginning of year	460,832	469,358
Current year receipts	-	-
Conditions met - transferred to revenue	<u>460,832</u>	<u>8,526</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>460,832</u>

Department: Planning and Development
Purpose of grant: This grant is to counter fund the integrated transport plan for the District.
All conditions of the grant has been met and the grant was never withheld

15.5 Finance management grant

	2012	2011
Balance unspent at beginning of year	-	-
Current year receipts	1,250,000	1,000,000
Conditions met - transferred to revenue	<u>1,250,000</u>	<u>1,000,000</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>-</u>

Department: Finance
To promote and support reforms in financial management by building the capacity in municipalities to implement the Municipal

Purpose of grant: Finance Management Act (MFMA)
All conditions of the grant has been met and the grant was never withheld

APPENDICES

15.6 EPWP Intensive grant	2012	2011
Balance unspent at beginning of year	-	-
Current year receipts	-	596,000
Conditions met - transferred to revenue	-	<u>596,000</u>
Conditions met still to be refunded to the municipality- transferred to current	<u>-</u>	<u>-</u>

Department: Planning & Development
Purpose of grant: The grant is intended to:
 - Assist in EPWP

All conditions of the grant has been met and the municipality still needs to be

Based on the allocations set out in the Division of Revenue Act, (Act ... of 2006), no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

15.7 DBSA grant	2012	2011
Balance unspent at beginning of year	226,864	339,466
Current year receipts	-	-
Conditions met - transferred to revenue	<u>226,864</u>	<u>112,602</u>
Conditions still to be met - transferred to liabilities (see note 7)	<u>-</u>	<u>226,864</u>

Department: Social Services
Purpose of grant: This grant was to draw up and Integrated Municipal Environmental Plan (IMEP).
 All conditions of the grant has been met and the grant was never withheld

16 OTHER REVENUE	2012	2011
Sundry income	2,282,095	3,303,526
Discount received	<u>2,425,390</u>	<u>2,616,116</u>
Total Other Income	<u>4,707,485</u>	<u>5,919,642</u>

APPENDICES

17 EMPLOYEE RELATED COSTS

	2012	2011
Employee related costs - Salaries and wages	25,278,750	22,190,827
Employee related costs - Contributions for UIF, pensions and medical aids	5,180,719	4,498,689
Contribution to post- retirement benefit	359,171	1,881,170
Travel, motor car, other allowances	2,206,136	2,053,602
Housing benefits and allowances	70,445	79,419
Overtime payments	1,766,299	1,184,395
Performance bonus	1,835,046	2,326,927
Long-service awards/ Leave encashment	1,534,753	1,341,095
Total employee related costs	38,231,320	35,556,126

There were no advances to employees.

Remuneration of the Municipal Manager

	2012	2011
Annual remuneration	1,331,262	1,074,479
Performance bonuses	-	-
Car allowance	220,000	220,000
Contributions to UIF, medical and pension funds	90,019	86,881
Total	1,641,281	1,381,360

Remuneration of the Acting Chief Finance Officer and Chief Finance Officer

Annual remuneration	801,073	676,362
Car allowance	100,000	84,000
Contributions to UIF, medical and pension funds	142,919	121,700
Total	1,043,992	882,062

Remuneration of Individual Executive Directors

	<u>Technical Services</u>	<u>Corporate Services</u>	<u>Social Services</u>
	R	R	R
30-Jun-12			
Annual remuneration	948,325	827,225	670,448
Acting allowance	189,830		
Car allowance	108,000	108,000	180,000
Contributions to UIF, medical and pension funds	13,792	10,629	86,820
Total	1,259,947	945,854	937,268
30-Jun-11			
Annual remuneration	731,593	640,836	545,510
Car allowance	108,000	162,000	180,000
Contributions to UIF, medical and pension funds	10,420	9,183	66,342
Total	850,014	812,019	791,853

APPENDICES

18 REMUNERATION OF COUNCILLORS

	2012	2011
Executive Mayor	678,846	620,235
Chief Whip	514,777	472,940
Speaker	553,460	501,843
Executive Committee Members	3,164,611	2,013,698
Councillors	4,170,044	4,022,913
Councillors' pension contribution	959,154	692,105
Councillors' medical contribution and other contributions	213,805	265,537
Total Councillors' remuneration	10,254,697	8,589,272

In-kind Benefits

The Executive Mayor, Council Whip, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Executive Mayor has use of a council owned vehicle for official duties.

One councillor has resigned but the notice thereof were received late. The councillor was overpaid with R7080.89. The councillor was requested to refund the said amount and the amount is included in the debtors amount in note 12.

19 INTEREST PAID

	2012	2011
Long-term liabilities	5,853,646	6,439,587
Finance leases	119,734	192,752
Total interest on external borrowings	5,973,380	6,632,339

20 GRANTS AND SUBSIDIES PAID

The District Municipality funds infrastructure projects to local municipalities within its jurisdiction, which includes water, sanitation, township establishment, etc.

Grants paid to local municipalities out of own revenue

	2012	2011
General	20,134,486	17,763,231
Victor Khanye	37,771,235	12,200,495
Dr JS Moroka	46,229,604	48,053,034
Emalahleni	61,597,537	37,110,131
Steve Tshwete	30,749,556	24,776,871
Emakhazeni	17,926,104	11,267,306
Thembisile	33,760,360	24,490,848
Total grants and subsidies out of own revenue	248,168,882	175,661,916

Grant paid to local municipalities out of implementing agents funds

APPENDICES

21 COMMITMENTS	2012	2011
Contracted and approved projects to be completed		
Regional	40,823,691	
General	40,662,988	24,755,358
Victor Khanye	4,009,397	30,449,412
Dr J S Moroka	13,920,254	22,938,961
Emalahleni	71,866,744	93,799,550
Steve Tshwete	31,482,995	52,031,716
Emakhazeni	25,519,082	34,009,593
Thembisile Hani	47,652,145	66,780,085
Other		29,499,626
	<u>275,937,296</u>	<u>354,264,300</u>

The District Municipality entered into contracts with services providers to construct projects, which will subsequently be transferred to local municipalities.

22 GENERAL EXPENSES	2012	2011
Other	18,271,894	12,785,539
Audit fees	1,756,712	2,333,016
Telecommunications	1,784,604	1,375,242
Travel & accommodation	2,130,589	1,455,364
Tourism	501,358	733,657
Fire fighting	647,714	3,799,829
Municipal planning	4,548,126	3,361,829
Roads Thembisile Municipality	7,968,658	5,094,071
Less debited elsewhere	(18,343,778)	(17,218,132)
	<u>19,265,878</u>	<u>13,720,415</u>

23 CHANGE IN ACCOUNTING POLICY

23.1 Change in the accounting treatment -Reclassification of interest paid

2012

2011

In previous financial years the interest paid in terms of the DBSA loan was classified as grants and subsidies paid to local municipalities as the loan was specifically taken up to fund projects done for local municipalities. Subsequently to the implementation of GRAP it should rather be classified as interest paid.

23.1.1 Grants and subsidies paid to local municipalities

Balance previous reported		179,054,136
Less interest paid amount		3,279,618
Restated amount after the change		<u>175,774,518</u>

23.1.2 Interest paid

Balance previous reported		3,352,722
Correction made		3,279,618
Restated balance after the change		<u>6,632,340</u>

APPENDICES

24 CASH GENERATED BY OPERATIONS	2012	2011
Surplus/(deficit) for the year	(2,091,370)	72,865,948
Adjustment for:-		
Depreciation	7,556,871	6,619,085
Contribution to provisions - non-current	287,046	1,755,830
Contribution to provisions – current	1,770,811	2,066,267
Interest paid	5,973,380	6,632,339
Investment income	(30,277,398)	(31,177,386)
Operating surplus before working capital changes:	(16,780,659)	58,762,083
(Increase) /Decrease in inventories	6,109,108	(56,371,431)
(Increase)/decrease in debtors	190,692	(138,719)
Increase / (Decrease) in creditors, retentions and unspent conditional grants	(10,077,950)	26,225,704
(Increase) / Decrease in VAT	(5,627,532)	14,438,715
Cash generated by/(utilised in) operations	(26,186,342)	42,916,352

25 CASH AND CASH EQUIVALENTS	2012	2011
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :		
Bank balances and cash	10,983,124	12,825,045
Call investment deposits	437,065,084	453,327,229
Total cash and cash equivalents	448,048,208	466,152,274

26 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION	2012	2011
Long-term liabilities (see Note 1)	45,988,883	51,285,439
Used to finance property, plant and equipment – at cost	45,988,883	51,285,439
Sub- total	-	-
Cash set aside for the repayment of long-term liabilities	6,600,000	10,909,400
Cash invested for repayment of long-term liabilities (see note 13)	6,600,000	10,909,400

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act.

27 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

27.1 Unauthorised expenditure

	2012	2011
Reconciliation of unauthorised expenditure		
Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council or condoned	-	-
Transfer to receivables for recovery (note 12)	-	-
Unauthorised expenditure awaiting authorization	-	-

APPENDICES

27.2 Fruitless and wasteful expenditure

	2012	2011
Reconciliation of fruitless and wasteful expenditure		
Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Condoned or written off by Council	-	-
To be recovered – contingent asset (see note 30)	-	-
Fruitless and wasteful expenditure awaiting condonement	-	-

Incident	Disciplinary steps/criminal proceedings
No incident	No disciplinary hearing held

27.3 Irregular expenditure

	2012	2011
Reconciliation of irregular expenditure		
Opening balance	12,673,904	-
Irregular expenditure current year	127,000	12,673,904
Condoned or written off by Council	-	-
Transfer to receivables for recovery – not condoned	-	-
Irregular expenditure awaiting condonement	12,800,904	12,673,904

Incident	Disciplinary steps/criminal proceedings
Council has appointed a service provider who is in service of the state. The service provider did not declare his employment details in his application form. It was only discovered after he has rendered the service to the municipality.	No disciplinary hearing held. There are no means to early detect false declarations as neither National Treasury, Provincial Treasury or SALGA has a database of people in service of the state.

28 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

28.1 Contributions to organized local government

	2012	2011
Opening balance	-	-
Council subscriptions	208,129	210,564
Amount paid - current year	(208,129)	(210,564)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

28.2 Audit fees

	2012	2011
Opening balance	-	-
Current year audit fee	1,756,712	2,333,016
Amount paid - current year	(1,756,712)	(2,333,016)
Balance unpaid (included in creditors)	-	-

28.3 VAT

VAT inputs receivables and VAT outputs receivables are shown in note 8. All VAT returns have been submitted by the due date throughout the year.

INTEREST

540

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28.4 PAYE and UIF

	2012	2011
Opening balance	-	-
Current year payroll deductions	8,160,655	4,179,216
Amount paid - current year	(8,160,655)	(4,179,216)
Balance unpaid (included in creditors)	-	-

28.5 Pension and medical aid deductions

	2012	2011
Opening balance	-	-
Current year payroll deductions and council contributions	9,372,642	4,755,785
Amount paid - current year	(9,372,642)	(4,755,785)
Balance unpaid (included in creditors)	-	-

28.6 Compliance with chapter 11 of the Municipal Finance Management Act

Council's Supply Chain Policy was adopted in October 2005 (DM208/09/2005) with effective date 1 January 2006. The Supply Chain Unit was established in December 2006. Minor deviations from the supply chain regulations occurred during the reporting period and a list thereof is attached as annexure I. The policy is currently being reviewed by management.

29 CONTINGENT LIABILITY

	R 2012	R 2011
Except for the guarantees held in lieu of retention disclosed in note 4, the only other contingent liabilities the municipality have are relating to litigation against the council for which the outcome is still uncertain	4,954,298	1,720,059
North West Development Corporation	75,248	75,248
Mahlalera Construction	-	-
Thecon Projects CC	900,000	900,000
Komati Pridop JV	-	-
Turfmaster	207,067	207,067
Bakone Power CC	734,240	-
Dora Zodwa Masombuka	500,000	500,000
SSI Engineering & Environment Consultants PTY Ltd	37,744	37,744
TC Makola	2,000,000	-
Plan & Associates	500,000	-

30 CONTINGENT ASSETS

Except for guaranteed value disclosed in note 10 Council don't have any contingent assets

31 RELATED PARTIES

APPENDICES

33 GOING CONCERN

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

34 COMPARISON WITH THE BUDGET

The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexures E(1), E(2) and H.

35 New standards and interpretations

35.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

IGRAP 2: Changes in Existing Decommissioning, Restoration and Similar Liabilities

The interpretation applies to changes in the measurement of any existing decommissioning, restoration or similar liability that is both:

- recognised as part of the cost of an item of property, plant and equipment in accordance with the Standard of GRAP on Property, Plant and Equipment (as revised in 2010); and
- recognised as a liability in accordance with the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets (as revised in 2010).

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The interpretation addresses how the effect of the following events that change the measurement of an existing decommissioning, restoration or similar liability should be accounted for:

- a change in the estimated outflow of resources embodying economic benefits (e.g. cash flows) or service potential required to settle the obligation;
- a change in the current market-based discount rate as defined in paragraph .52 of the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets (as revised in 2010) (this includes changes in the time value of money and the risks specific to the liability); and
- an increase that reflects the passage of time (also referred to as the unwinding of the discount).

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

The impact of the interpretation is not material.

IGRAP 3: Determining Whether an Arrangement Contains a Lease

This Interpretation of the Standards of GRAP does not apply to arrangements that are, or contain, leases excluded from the scope of the Standard of GRAP on Leases (as revised in 2010).

The issues addressed in this Interpretation of the Standards of GRAP are:

- how to determine whether an arrangement is, or contains, a lease as defined in the Standard of GRAP on Leases (as revised in 2010);
- when the assessment or a reassessment of whether an arrangement is, or contains, a lease should be made; and
- if an arrangement is, or contains, a lease, how the payments for the lease should be separated from payments for any other elements in the arrangement.

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The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

The impact of the interpretation is not material.

IGRAP 4: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

This Interpretation of the Standards of GRAP applies to accounting in the financial statements of a contributor for interests arising from decommissioning funds that have both of the following features:

The issues addressed in this Interpretation of the Standards of GRAP are:

- the assets are administered separately (either by being held in a separate legal entity or as segregated assets within another entity); and
- a contributor's right to access the assets is restricted.

A residual interest in a fund that extends beyond a right to reimbursement, such as a right to distributions once all the decommissioning has been completed or on winding up the fund, may be an equity instrument within the scope of the Standard of GRAP on Financial Instruments and is not within the scope of this Interpretation of the Standards of GRAP.

The issues addressed in this Interpretation of the Standards of GRAP are:

- how should a contributor account for its interest in a fund?
- when a contributor has an obligation to make additional contributions, for example, in the event of the liquidation of another contributor, how should that obligation be accounted for?

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

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The impact of the interpretation is not material.

IGRAP 5: Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies

This Interpretation of the Standards of GRAP provides guidance on how to apply the requirements of the Standard of GRAP on Financial Reporting in Hyperinflationary Economies (as revised in 2010) in a reporting period in which a municipality identifies the existence of hyperinflation in the economy of its functional currency, when that economy was not hyperinflationary in the prior period, and the municipality therefore restates its financial statements in accordance with the Standard of GRAP on Financial Reporting in Hyperinflationary Economies (as revised in 2010).

The questions addressed in this Interpretation of the Standards of GRAP are:

- how should the requirement ‘... stated in terms of the measuring unit current at the reporting date’ in paragraph .10 of the Standard of GRAP on Financial Reporting in Hyperinflationary Economies (as revised in 2010) be interpreted when a municipality applies the Standard of GRAP?
- a contributor’s right to access the assets is restricted.

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

The impact of the interpretation is not material.

IGRAP 6: Loyalty Programmes

This Interpretation of the Standards of GRAP is not applicable to the municipality.

The effective date of the interpretation is for years beginning on or after 01 April 2011.

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The municipality has adopted the interpretation for the first time in the 2012 financial statements.

There is no impact of the interpretation on adoption.

IGRAP 7: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

This Interpretation of the Standards of GRAP applies to all post-employment defined benefits and other long-term employee defined benefits.

For the purpose of this Interpretation of the Standards of GRAP, minimum funding requirements are any requirements to fund a post-employment or other long-term defined benefit plan.

The issues addressed in this Interpretation of the Standards of GRAP are:

- when refunds or reductions in future contributions should be regarded as available in accordance with paragraph .68 of the Standard of GRAP on Employee Benefits;
- how a minimum funding requirement might affect the availability of reductions in future contributions.

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

The impact of the interpretation is not material.

IGRAP 8: Agreements for the Construction of Assets from Exchange Transactions

This Interpretation applies to the accounting for revenue and associated expenses by municipalities that undertake the construction of assets in exchange transactions directly or through subcontractors. The construction of assets entered into by municipalities where funding to support the construction activity will be provided by an appropriation or similar allocation of general government revenue or by aid or grant funds are excluded from the scope of this Interpretation of the Standards of GRAP.

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Agreements in the scope of this Interpretation of the Standards of GRAP are agreements for the construction of assets in exchange transactions. In addition to the construction of assets in exchange transactions, such agreements may include the delivery of other goods or services.

The Interpretation of the Standards of GRAP addresses two issues:

- is the agreement within the scope of the Standard of GRAP on Construction Contracts (as revised in 2010) or the Standard of GRAP on Revenue from Exchange Transactions (as revised in 2010)?
- when should revenue from the construction of assets in exchange transactions be recognised?

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

The impact of the interpretation is not material.

IGRAP 9: Distributions of Non-cash Assets to Owners

This Interpretation of the Standards of GRAP is not applicable to the municipality.

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

There is no impact of the interpretation on adoption.

IGRAP 10: Assets Received from Customers

This Interpretation of the Standards of GRAP applies to the accounting for the receipt of items of property, plant and equipment by municipalities that receive such assets from their customers.

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Agreements within the scope of this Interpretation of the Standards of GRAP are those in which a municipality receives from a customer an item of property, plant and equipment that the municipality must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services, or to do both.

This Interpretation of the Standards of GRAP also applies to agreements in which a municipality receives cash from a customer when that amount of cash must be used only to construct or acquire an item of property, plant and equipment and the municipality must then use the item of property, plant and equipment either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services, or to do both.

This Interpretation of the Standards of GRAP does not apply to agreements in which the receipt occurs as part of a non-exchange transaction as defined in the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), or infrastructure used in a public-private partnership agreement (see the Guideline on Accounting for Public-private Partnerships), or assets received in a transfer of functions.

The Interpretation of the Standards of GRAP addresses the following issues:

- is the definition of an asset met?
- if the definition of an asset is met, how should the received item of property, plant and equipment be measured on initial recognition?
- if the item of property, plant and equipment is measured at fair value on initial recognition, how should the resulting credit be accounted for?
- how should the entity account for a receipt of cash from its customer?

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

The impact of the interpretation is not material.

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IGRAP 13: Operating Leases – Incentives

In negotiating a new or renewed operating lease, the lessor may provide incentives for the lessee to enter into the agreement. Examples of such incentives are an up-front cash payment to the lessee or the reimbursement or assumption by the lessor of costs of the lessee (such as relocation costs, leasehold improvements and costs associated with a pre-existing lease commitment of the lessee). Alternatively, initial periods of the lease term may be agreed to be rent free or at a reduced rent.

The issue is how incentives in an operating lease should be recognised in the financial statements of both the lessee and the lessor.

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

The impact of the interpretation is not material.

IGRAP 14: Evaluating the Substance of Transactions Involving the Legal Form of a Lease

A municipality may enter into a transaction or a series of structured transactions (an arrangement) with an unrelated party or parties (an investor) that involves the legal form of a lease. For example, a municipality may lease assets to an investor and lease the same assets back, or alternatively, legally sell assets and lease the same assets back. The form of each arrangement and its terms and conditions can vary significantly.

When an arrangement with an investor involves the legal form of a lease, the issues are:

- how to determine whether a series of transactions is linked and should be accounted for as one transaction;
- whether the arrangement meets the definition of a lease under the Standard of GRAP on Leases (as revised in 2010); and, if not,
 - whether a separate investment account and lease payment obligations that might exist represent assets and liabilities of the municipality;
 - how the municipality should account for other obligations resulting from the arrangement; and
 - how the municipality should account for a fee it might receive from an investor.

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The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

The impact of the interpretation is not material.

IGRAP 15: Revenue – Barter Transactions Involving Advertising Services

A municipality (seller) may enter into a barter transaction to provide advertising services in exchange for receiving other services from its customer (customer). Advertisements may be displayed on the Internet or poster sites, broadcast on the television or radio, published in magazines or journals, or presented in another medium. An example could be where a municipality offers advertising services to local businesses in its community newsletters in exchange for repairs and maintenance services provided by those businesses. These repair and maintenance services may, for example, take the form of repairing and maintaining office buildings or motor vehicles owned by the municipality.

In some cases, no cash or other consideration is exchanged between the municipality and other entity. In some other cases, equal or approximately equal amounts of cash or other consideration are also exchanged.

A seller that provides advertising services in the course of its ordinary activities recognises revenue under the Standard of GRAP on Revenue from Exchange Transactions (as revised in 2010) from a barter transaction involving advertising when, amongst other criteria, the services exchanged are dissimilar in terms of paragraph .18 in the Standard of GRAP on Revenue from Exchange Transactions (as revised in 2010) and the amount of revenue can be measured reliably in terms of paragraph .20(a) in the Standard of GRAP on Revenue from Exchange Transactions (as revised in 2010). This Interpretation of the Standards of GRAP only applies to an exchange of dissimilar services. An exchange of similar advertising services is not a transaction that generates revenue under the Standard of GRAP on Revenue from Exchange Transactions (as revised in 2010).

The issue is under what circumstances can a seller reliably measure revenue at the fair value of advertising services received or provided in a barter transaction.

The effective date of the interpretation is for years beginning on or after 01 April 2011.

The municipality has adopted the interpretation for the first time in the 2012 financial statements.

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The impact of the interpretation is not material.

GRAP 1 (as revised 2010): Presentation of Financial Statements

The revision resulted in various terminology and definition changes.

Additional commentary has been added, describing the purpose of financial statements in the public sector.

Commentary has been added to explain that where legislation requires a departure from a particular Standard of GRAP and that departure is material, municipalities cannot claim compliance with the Standards of GRAP.

Additional disclosure requirements have been added regarding the following areas: assets and liabilities included in disposal groups classified as held for sale, biological assets, and the use of transitional provisions in the accounting policy.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 2 (as revised 2010): Cash Flow Statements

The revision resulted in various terminology and definition changes.

Operating cash flows:

- Where a municipality is in the business of renting and subsequently selling the same assets, these cash flows should be regarded as operating rather than investing cash flows.

Investing cash flows:

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- Only expenditures incurred on a recognised asset qualify to be classified as investing activities in the cash flow statement.

Acquisitions and disposals of controlled municipal entities and other operating units:

- Guidance relating to acquisitions and disposals of municipal entities, particularly those on another basis of accounting, has been deleted.

Disclosure of undrawn borrowing facilities, restricted cash balances and the operating, investing and financing cash flows of jointly controlled municipal entities accounted for using the proportionate consolidation method, now encouraged rather than required.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 3 (as revised 2010): Accounting policies, Changes in Accounting Estimates and Errors

The revision resulted in various terminology and definition changes.

Paragraphs added to changes in accounting policies:

- a change from one basis of accounting to another basis of accounting is a change in accounting policy; and
- a change in the accounting treatment, recognition or measurement of a transaction, event or condition within a basis of accounting is regarded as a change in accounting policy.

Selection of accounting policies:

- the reference to the Accounting Practices Committee (APC) of SAICA has been deleted from paragraph .11 on the basis that it is not a standard setter and that municipalities would consider information from a wide range of sources in formulating an accounting policy and not just the pronouncements of the APC; and

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- commentary on the selection of benchmark and alternative accounting policies has been deleted.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 4 (as revised 2010): The Effects of Changes in Foreign Exchange Rates

Terminology changes:

Where reference has been made to the net realisable values of inventories, current replacement cost has also been included to allow for the appropriate valuation of inventories where they are distributed as part of a non-exchange transaction. Reference to 'trade' receivables has been amended to 'receivables'.

Monetary items:

Paragraph .15 clarifies that child support grants are 'payables', and not just 'obligations' in terms of the current requirements of the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 9 (as revised 2010): Revenue from Exchange Transactions

The revision resulted in various terminology and definition changes.

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Various amendments, deletions and additions to examples included in the appendix.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 10 (as revised 2010): Financial Reporting in Hyperinflationary Economies

Certain terminology changes:

- the reference to 'current cost' in paragraph .30 has been deleted; and
- where reference has been made to 'net realisable value', 'current replacement cost' has been added.

Net monetary position:
References to 'surplus' or 'deficit' have been changed, throughout the document, to 'gain' or 'loss'.

Interpretations:

Text included in this Standard of GRAP from IFRIC Interpretation 7 on Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies has been deleted.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 11 (as revised 2010): Construction Contracts

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The revision resulted in certain terminology changes:

Other amendments:

- an example has been added to clarify when a municipality acts as a contractor in a construction contract arrangement;
- the example in paragraph .11 has been deleted as it is inappropriate for the South African public sector; and
- the explanatory text relating to ‘contractors’ has been amended to clarify that a municipality can be a contractor if it performs construction related activities itself or through subcontractors.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 12 (as revised 2010): Inventories

The revision resulted in various terminology and definition changes.

Cost formulas:

Paragraph .34 was amended and .35 was added to separate the principle from the exception when applying the cost formula for inventories with a similar nature and use to the municipality.

Recognition as an expense:

Where reference has been made to ‘net realizable value’, ‘current replacement cost’ has been added.

Fair value measurement:

The appendix on how to determine fair value has been deleted.

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The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 13 (as revised 2010): Leases

The revision resulted in various terminology and definition changes.

Scope:

Paragraph .04 has been included to clarify that this Standard of GRAP does not apply to lease agreements to explore for or use natural resources such as oil, gas, timber, metals and other mineral rights and licensing agreements for such items as motion picture films, video recordings, plays, manuscripts, patents and copyrights.

Non-current Assets Held for Sale and Discontinued Operations:

Paragraph .51 has been added to clarify that finance lease assets classified as held for sale in accordance with the Standard of GRAP on Non-current Assets Held for Sale and Discontinued Operations shall be accounted for in accordance with that Standard of GRAP.

Guidance on accounting for finance leases by lessors:

The paragraph (previously paragraph .53) that provided guidance on the recognition of assets where municipalities enter into arrangements with private sector entities has been deleted as the Guideline on Accounting for Public Private Partnerships supersedes this guidance.

Guidance on operating lease incentives and substance over legal form:

The guidance included in the original text on substance over legal form has been deleted.

Classification of leases on land and buildings elements:

The guidance on the classification of land and buildings has been amended to ensure that the element of the lease relating to the land is classified as a finance lease where significant risks and rewards have been transferred, despite there being no transfer of title, consistent with the general classification guidance.

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The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 14 (as revised 2010): Events After the Reporting Date

Existence of a liability for dividends or similar distributions:

Paragraph .13 of GRAP 14 was amended to clarify that no liability exists at the reporting date for dividends or similar distributions declared after the reporting date.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 16 (as revised 2010): Investment Property

The revision resulted in various terminology and definition changes.

Recognition of investment property:

- additional commentary has been included in paragraph .19 and .20 to explain paragraph .18 that outlines the recognition criteria for investment property;
- this Standard of GRAP includes investment property under construction as it was inconsistent with the requirement that investment property being redeveloped was still within the scope of this Standard of GRAP, but not the initial development. As a result paragraphs .10 and .11 were amended, paragraphs .60 and .61 inserted, and paragraphs .25 and .65(e) of the original text deleted;

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- the measurement principles were also amended accordingly to allow investment property under construction to be measured at cost if fair value cannot be measured reliably, until such time as the fair value can be measured reliably; and
- additional guidance has been included in the examples of investment property to clarify that the rentals earned do not have to be on a commercial basis or market related for the property to be classified as investment property.

Disclosure:

Municipalities are encouraged, rather than required, to disclose the fair value of investment property when this is materially different from the carrying amount.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 17 (as revised 2010): Property, Plant and Equipment

The revision resulted in various terminology and definition changes.

Scope:

- the recognition and measurement of exploration and evaluation assets have been added to the scope exclusions; and
- investment properties under construction have been removed from the scope.

Measurement at initial recognition:

Paragraph .23 and .24 have been amended to clarify that the guidance applicable to determine fair value for revalued assets applies equally to the initial measurement of items of property, plant and equipment at fair value.

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Depreciable amount and depreciation period:

An additional paragraph has been added to clarify that reviewing the useful life of an asset on an annual basis does not require the municipality to amend the previous estimate unless expectations differ from the previous estimate.

Derecognition:

- the requirement to not classify gains from the disposal of property, plant and equipment as revenue, has been removed; and
- paragraph .79 has been added in line with the IASB Improvements Project to clarify that where assets are held for rental to others in the ordinary course of operations and the municipality subsequently sells the assets, the Standard of GRAP on Non-current Assets Held for Sale and Discontinued Operations does not apply. Rather, these assets are to be transferred and treated in accordance with the Standard of GRAP on Inventories.

Disclosures:

- the required disclosures in paragraph .90 have been amended to encourage disclosures. Added to the list of encourage disclosures is the fair value disclosure of assets where the cost model is used; and
- the requirement to disclose the cost basis for revaluated assets was removed.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 19 (as revised 2010): Provisions, Contingent Liabilities and Contingent Assets

The revision resulted in certain terminology changes.

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Social benefits:

Paragraphs .08 and .16(a) clarify that social benefits due at year end are ‘payables’, as the amounts due are certain in terms of legislation.

Binding agreements for restructurings:

Paragraph .87 has been amended to clarify that restructurings may take place in the public sector in terms of directives, legislation or other means. These alternative means are enforceable and may give rise to an obligation.

Interpretations:

In developing the Standard of GRAP initially, the Board included relevant text from any Interpretation that had been issued by the International Financial Reporting Interpretations Committee (IFRIC) relating to provisions, contingent liabilities and contingent assets. The Board included selected text from IFRIC 1 on Changes in Decommissioning, Restoration and Similar Liabilities and IFRIC 5 Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds in line with the Board’s decisions. The Board subsequently concluded that it would issue any Interpretations as separate documents rather than dispersing the text of the Interpretations across various Standards. As a result, paragraphs .37 to .43, .74 to .80, and Appendix F of the previous version of GRAP 19, have been deleted.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

GRAP 100 (as revised 2010): Non-current Assets Held for Sale and Discontinued Operations

The revision resulted in various terminology and definition changes.

Scope:

Paragraph .07 has been added to clarify the application of other Standards of GRAP to assets classified as non-current assets (or disposal groups) held for sale.

Plan to sell the controlling interest in a controlled municipal entity:

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- the Standard of GRAP has been amended to clarify that a municipality that is committed to a sales plan involving loss of control in a controlled municipal entity shall classify all the assets and liabilities of that controlled municipal entity as held for sale when the required criteria are met; and
- the Standard of GRAP has been amended to clarify that a municipality that is committed to a sales plan involving loss of control of a controlled municipality entity shall disclose the information required when the controlled municipal entity is a disposal group that meets the definition of a discontinued operation.

Examples included in Appendix:

An additional example has been included regarding sale expected to be completed within one year.

The effective date of the amendment is for years beginning on or after 01 April 2011.

The municipality has adopted the amendment for the first time in the 2012 financial statements.

The impact of the amendment is not material.

35.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2012 or later periods:

GRAP 23: Revenue from Non-exchange Transactions

Revenue from non-exchange transactions arises when a municipality receives value from another entity without directly giving approximately equal value in exchange. An asset acquired through a non-exchange transaction shall initially be measured at its fair value as at the date of acquisition.

This revenue will be measured at the amount of increase in net assets recognised by the municipality.

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An inflow of resources from a non-exchange transaction recognised as an asset shall be recognised as revenue, except to the extent that a liability is recognised for the same inflow. As a municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it will reduce the carrying amount of the liability recognised and recognise an amount equal to that reduction as revenue.

The effective date of the standard is for years beginning on or after 01 April 2012.

The municipality expects to adopt the standard for the first time in the 2013 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

GRAP 24: Presentation of Budget Information in the Financial Statements

Subject to the requirements of paragraph .19, a municipality shall present a comparison of the budget amounts for which it is held publicly accountable and actual amounts either as a separate additional financial statement or as additional budget columns in the financial statements currently presented in accordance with Standards of GRAP. The comparison of budget and actual amounts shall present separately for each level of legislative oversight:

- the approved and final budget amounts;
- the actual amounts on a comparable basis; and
- by way of note disclosure, an explanation of material differences between the budget for which the municipality is held publicly accountable and actual amounts, unless such explanation is included in other public documents issued in conjunction with the financial statements, and a cross reference to those documents is made in the notes.

Where a municipality prepares its budget and financial statements on a comparable basis, it includes the comparison as an additional column in the primary financial statements. Where the budget and financial statements are not prepared on a comparable basis, a separate statement is prepared called the 'Statement of Comparison of Budget and Actual Amounts'. This statement compares the budget amounts with the amounts in the financial statements adjusted to be comparable to the budget.

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A comparable basis means that the budget and financial statements:

- are prepared using the same basis of accounting i.e. either cash or accrual;
- include the same activities and entities;
- use the same classification system; and
- are prepared for the same period.

The effective date of the standard is for years beginning on or after 01 April 2012.

The municipality expects to adopt the standard for the first time in the 2013 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements, but will result in more disclosure than would have previously been provided in the financial statements.

GRAP 21: Impairment of Non-cash-generating Assets

Non-cash-generating assets are assets other than cash-generating assets.

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

A municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, a municipality estimates the recoverable service amount of the asset.

The present value of the remaining service potential of a non-cash-generating asset is determined using one of the following approaches:

- depreciated replacement cost approach;
- restoration cost approach; or

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- service units approach.

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss. An impairment loss is recognised immediately in surplus or deficit. Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, a municipality estimates the recoverable service amount of that asset.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit. Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

The effective date of the standard is for years beginning on or after 01 April 2012.

The municipality expects to adopt the standard for the first time in the 2013 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

GRAP 26: Impairment of Cash-generating Assets

Cash-generating assets are those assets held by a municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

A municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, a municipality estimates the recoverable amount of the asset. When estimating the value in use of an asset, a municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and a municipality applies the appropriate discount rate to those future cash flows.

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If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss. An impairment loss is recognised immediately in surplus or deficit. Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, a municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, an entity use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, a municipality estimates the recoverable amount of that asset.

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A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit. Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

The effective date of the standard is for years beginning on or after 01 April 2012.

The municipality expects to adopt the standard for the first time in the 2013 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

GRAP 25: Employee Benefits

The objective of GRAP 25 is to prescribe the accounting and disclosure for employee benefits. The Standard of GRAP requires a municipality to recognise:

- a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and
- an expense when a municipality consumes the economic benefits or service potential arising from service provided by an employee in exchange for employee benefits.

The Standard of GRAP states the recognition, measurement and disclosure requirements of:

- short-term
- all employee short-term benefits;
- short-term compensated employee benefits;
- bonus, incentive and performance related payments; absences;
- post-employment benefits;
- other long-term employee benefits; and

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- termination benefits.

The major difference between this Standard of GRAP and IAS 19 is with regards to the treatment of actuarial gains and losses and past service costs. This Standard of GRAP requires a municipality to recognise all actuarial gains and losses and past service costs immediately in the statement of financial performance once occurred.

The effective date of the standard is for years beginning on or after 01 April 2012.

The municipality expects to adopt the standard for the first time in the 2013 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

GRAP 103: Heritage Assets

GRAP 103 defines heritage assets as assets which have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

A heritage asset should be recognised as an asset only if:

- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the cost of fair value of the asset can be measured reliably.

The Standard of GRAP requires judgment in applying the initial recognition criteria to the specific circumstances surrounding the municipality and the assets.

GRAP 103 states that a heritage asset should be measured at its cost unless it is acquired through a non-exchange transaction which should then be measured at its fair value as at the date of acquisition.

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In terms of the Standard of GRAP, a municipality has a choice between the cost and revaluation model as accounting policy for subsequent recognition and should apply the chosen policy to an entire class of heritage assets.

The cost model requires a class of heritage assets to be carried at its cost less any accumulated impairment losses.

The revaluation model required a class of heritage assets to be carried at its fair value at the date of the revaluation less any subsequent impairment losses. The Standard of GRAP also states that a restriction on the disposal of a heritage asset does not preclude the municipality from determining the fair value.

If a heritage asset's carrying amount is increased as a result of a revaluation, the increase should be credited directly to a revaluation surplus. However, the increase should be recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same heritage asset previously recognised in surplus or deficit. If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease should be recognised in surplus or deficit. However, the decrease should be debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

GRAP 103 states that a heritage asset should not be depreciated but a municipality should assess at each reporting date whether there is an indication that it may be impaired.

The carrying amount of a heritage asset should be derecognised:

- on disposal, or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset should be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

The effective date of the standard is for years beginning on or after 01 April 2012.

The municipality expects to adopt the standard for the first time in the 2013 financial statements.

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It is unlikely that the standard will have a material impact on the municipality's financial statements.

GRAP 104: Financial Instruments

The Standard of GRAP prescribes recognition, measurement, presentation and disclosure requirements for financial instruments. Financial instruments are defined as those contracts that results in a financial asset in one municipality and a financial liability or residual interest in another municipality. A key distinguishing factor between financial assets and financial liabilities and other assets and liabilities, is that they are settled in cash or by exchanging financial instruments rather than through the provision of goods or services.

In determining whether a financial instrument is a financial asset, financial liability or a residual interest, a municipality considers the substance of the contract and not just the legal form.

Financial assets and financial liabilities are initially recognised at fair value. Where a municipality subsequently measures financial assets and financial liabilities at amortised cost or cost, transactions costs are included in the cost of the asset or liability.

The transaction price usually equals the fair value at initial recognition, except in certain circumstances, for example, where interest free credit is granted or where credit is granted at a below market rate of interest.

Short-term receivables and payables are not discounted where the initial credit period granted or received is consistent with terms used in the public sector, either through established practices or legislation.

Concessionary loans are loans either received by or granted to another municipality on concessionary terms, e.g. at low interest rates and flexible repayment terms. On initial recognition, the fair value of a concessionary loan is the present value of the agreed contractual cash flows, discounted using a market related rate of interest for a similar transaction. The difference between the proceeds either received or paid and the present value of the contractual cash flows is accounted for as non-exchange revenue by the recipient of a concessionary loan in accordance with Standard of GRAP on Revenue from Non-exchange Revenue Transactions (Taxes and Transfers), and using the Framework for the Preparation and Presentation of Financial Statements (usually as an expense) by the grantor of the loan.

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Financial assets and financial liabilities are subsequently measured either at fair value or, amortised cost or cost. A municipality measures a financial instrument at fair value if it is:

- a derivative;
- a combined instrument designated at fair value, i.e. an instrument that includes a derivative and a non-derivative host contract;
- held-for-trading;
- a non-derivative instrument with fixed or determinable payments that is designated at initial recognition to be measured at fair value;
- an investment in a residual interest for which fair value can be measured reliably; and
- other instruments that do not meet the definition of financial instruments at amortised cost or cost.
- Where the host contract is not a financial instrument within the scope of this Standard, the host contract and embedded derivative are accounted for separately using GRAP 104 and the relevant Standard of GRAP.

Financial assets and financial liabilities that are non-derivative instruments with fixed or determinable payments, for example deposits with banks, receivables and payables, are measured at amortised cost. At initial recognition, a municipality can however designate such an instrument to be measured at fair value.

A municipality can only measure investments in residual interests at cost where the fair value of the interest cannot be determined reliably.

Once a municipality has classified a financial asset or a financial liability either at fair value or amortised cost or cost, it is only allowed to reclassify such instruments in limited instances.

A municipality derecognises a financial asset, or the specifically identified cash flows of an asset, when:

- the cash flows from the asset expire, are settled or waived;

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- significant risks and rewards are transferred to another party; or
- despite having retained significant risks and rewards, a municipality has transferred control of the asset to another municipality.

A municipality derecognises a financial liability when the obligation is extinguished. Exchanges of debt instruments between a borrower and a lender are treated as the extinguishment of an existing liability and the recognition of a new financial liability. Where a municipality modifies the term of an existing financial liability, it is also treated as the extinguishment of an existing liability and the recognition of a new liability.

A municipality cannot offset financial assets and financial liabilities in the statement of financial position unless a legal right of set-off exists, and the parties intend to settle on a net basis.

GRAP 104 requires extensive disclosures on the significance of financial instruments for a municipality's statement of financial position and statement of financial performance, as well as the nature and extent of the risks that a municipality is exposed to as a result of its financial statements. Some disclosures, for example the disclosure of fair values for instruments measured at amortised cost or cost and the preparation of a sensitivity analysis, are encouraged rather than required.

The effective date of the amendment is for years beginning on or after 01 April 2012.

The municipality expects to adopt the amendment for the first time in the 2013 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements, but will result in less disclosure than would have previously been provided in the financial statements.

GRAP 27: Agriculture

This Standard of GRAP replaces the previous Standard of GRAP on Agriculture (GRAP 101) due to the IPSASB that has issued an IPSAS on Agriculture (IPSAS 27).

The effective date of the standard is for years beginning on or after 01 April 2013.

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The municipality has early adopted the standard for the first time in the 2012 financial statements.

There is no impact of the standard on adoption.

GRAP 31: Intangible Assets

This Standard of GRAP replaces the previous Standard of GRAP on Intangible Assets (GRAP 102) due to the IPSASB that has issued an IPSAS on Intangible Assets (IPSAS 31).

The effective date of the standard is for years beginning on or after 01 April 2013.

The municipality has early adopted the standard for the first time in the 2012 financial statements.

There is no impact of the standard on adoption.

GRAP 105: Transfers of Functions Between Entities Under Common Control

The objective of this Standard of GRAP is to establish accounting principles for the acquirer and transferor in a transfer of functions between municipalities under common control.

A transfer of functions between municipalities under common control is a reorganisation and/or reallocation of functions between municipalities that are ultimately controlled by the same entity before and after a transfer of functions.

In the event of a transfer of functions between municipalities under common control, the assets and liabilities should be recognised (by the acquirer) at their carrying amounts and should be derecognised (by the transferor) at their carrying amounts.

The difference between amount of consideration paid or received, if any, and the carrying amounts of assets and liabilities should be recognised in accumulated surplus / (deficit).

Specific disclosures are required when there is a transfer of functions between municipalities under common control.

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No effective date has yet been determined by the Minister of Finance.

The municipality expects to adopt the standard for the first time once it becomes effective.

The impact of this standard is currently being assessed.

GRAP 106: Transfers of Functions Between Entities not Under Common Control

The objective of this Standard of GRAP is to establish accounting principles for the acquirer in a transfer of functions between municipalities not under common control.

A transfer of functions between municipalities not under common control is a reorganisation and/or reallocation of functions between municipalities that are not ultimately controlled by the same entity before and after a transfer of functions.

In the event of a transfer of functions between municipalities not under common control, the assets and liabilities should be recognised (by the acquirer) at their acquisition-date fair values and should be derecognised (by the acquiree) at their carrying amounts.

The difference between amount of consideration paid or received, if any, and the fair value of assets acquired and liabilities assumed or carrying amounts of assets transferred and liabilities relinquished should be recognised in surplus / (deficit).

For transfer of functions between municipalities not under common control there are some specific recognition and measurement principles and exceptions to the recognition and measurement principles.

Specific disclosures are required when there is a transfer of functions between municipalities not under common control.

No effective date has yet been determined by the Minister of Finance.

The municipality expects to adopt the standard once it becomes effective.

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The impact of this amendment is currently being assessed.

GRAP 107: Mergers

The objective of this Standard of GRAP is to establish accounting principles for the combined municipality and combining municipalities in a merger.

A merger is where a new combined municipality is started, no acquirer can be identified and the combining municipalities do not have any control over the municipality.

In the event of a merger, the assets and liabilities should be recognised (by the combined municipality) at their carrying amounts and should be derecognised (by the combining municipalities) at their carrying amounts.

The difference between the carrying amounts of assets and liabilities should be recognised in accumulated surplus / (deficit).

Specific disclosures are required when there is a merger.

No effective date has yet been determined by the Minister of Finance.

The municipality expects to adopt the standard once it becomes effective.

The impact of this standard is currently being assessed.

GRAP 20: Related Party Disclosures

The objective of this Standard of GRAP is to ensure that a municipality's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

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This Standard of GRAP requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of the municipality in accordance with the Standard of GRAP on Consolidated and Separate Financial Statements. This Standard of GRAP also applies to individual financial statements.

This Standard of GRAP requires that only transactions with related parties where the transactions are not concluded within normal operating procedures or on terms that are not no more or no less favourable than the terms it would use to conclude transactions with another municipality, entity or person are disclosed.

The Standard of GRAP sets out the requirements, inter alia, for the disclosure of:

- control;
- related party transactions; and
- remuneration of management

No effective date has yet been determined by the Minister of Finance.

The municipality expects to adopt the standard for the first time once it becomes effective.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

IGRAP 16: Intangible Assets - Website Costs

The Interpretation deals with the treatment of a municipality's own website. The guidance on website costs was previously included in the Standard of GRAP on Intangible Assets.

It concludes that a municipality's own website that arises from development and is for internal or external access is an internally generated intangible asset that is subject to the requirements of the Standard of GRAP on Intangible Assets.

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A website arising from development will be recognised as an intangible asset if, and only if, in addition to complying with the general requirements described in the Standard of GRAP on Intangible Assets for recognition and initial measurement, a municipality can satisfy the requirements in paragraph .54 in the Standard of GRAP on Intangible Assets, which in particular requires a municipality to be able to demonstrate how its website will generate probable future economic benefits or service potential.

If a municipality is not able to demonstrate how a website developed solely or primarily for providing information about its own products and services will generate probable future economic benefits or service potential, all expenditure on developing such a website will be recognised as an expense when incurred.

A website that is recognised as an intangible asset under this Interpretation will be measured after initial recognition by applying the requirements in the Standard of GRAP on Intangible Assets.

The effective date of the interpretation is for years beginning on or after 01 April 2013.

The municipality expects to adopt the interpretation for the first time in the 2014 financial statements.

It is unlikely that the interpretation will have a material impact on the municipality's financial statements.

Improvements to Standards of GRAP

The following Standards of GRAP have been amended as part of the ASB's Improvements Project for 2011:

- GRAP 1;
- GRAP 3;
- GRAP 7;
- GRAP 9;

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- GRAP 12;
- GRAP 13;
- GRAP 16; and
- GRAP 17.

The changes made will have no significant impact, except for the following:

A change to the cost model when a reliable measure of fair value is no longer available (or vice versa) for an asset that a Standard of GRAP would otherwise require or permit to be measured at fair value are no longer considered to be a change in an accounting policy in terms of the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors (as revised in 2010).

A requirement to include transaction costs on initial recognition of an investment in an associate under the equity method, has been included in the Standard of GRAP Investments in Associates.

Changes were made to the Standard of GRAP on Investment Property (as revised in 2010) to ensure the consistent application of the principle where assets are acquired in exchange for non-monetary assets when the exchange transaction lacks commercial substance. Furthermore the assessment of significant use of an investment property has been clarified.

Changes were made to the Standard of GRAP on Property, Plant and Equipment (as revised in 2010) to ensure the consistent application of the principle where assets are acquired in exchange for non-monetary assets when the exchange transaction lacks commercial substance. Furthermore the requirement to disclose property, plant and equipment that were temporarily idle, has been clarified.

The effective date of the amendment is for years beginning on or after 01 April 2013.

The municipality expects to adopt the amendment for the first time in the 2014 financial statements.

It is unlikely that the amendment will have a material impact on the municipality's financial statements.

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35.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2012 or later periods but are not relevant to its operations:

GRAP 18: Segment Reporting

Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by the municipality. The major classifications of activities identified in budget documentation will usually reflect the segments for which a municipality reports information to management.

Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of a municipality that provides specific outputs or achieves particular operating objectives that are in line with the municipality's overall mission. Geographical segments relate to specific outputs generated, or particular objectives achieved, by a municipality within a particular region.

No effective date has not yet been determined by the Minister of Finance.

The municipality expects to adopt the standard once it becomes effective.

The adoption of this standard is not expected to impact on the results of the municipality, but may result in more disclosure than is currently provided in the financial statements.

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APPENDIX C
NKANGALA DISTRICT MUNICIPALITY: SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT 30 JUNE 2012

	Cost				Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Executive & Council	79,130,143	673,824		79,803,967	24,382,684	4,198,702		28,581,386	51,222,581
Finance & Admin	4,151,511	193,733		4,345,244	2,701,514	492,312		3,193,826	1,151,418
Planning & Development	10,355,411	151,496		10,506,907	4,136,234	982,658		5,118,892	5,388,015
Community & Social Services	20,427,213	5,780,904		26,208,117	1,358,331	1,883,200		3,241,531	22,966,586
Work in progress	4,846,263	219,771		5,066,034	-			-	5,066,034
TOTAL	118,910,542	7,019,729	-	125,930,269	32,578,763	7,556,871	-	40,135,634	85,794,635

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APPENDIX E(1)
NKANGALA DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE)
FOR THE PERIOD ENDED 30 JUNE 2012

	2012	2012	2012	2012	<u>Explanation of Significant Variances</u>
REVENUE	Actual YTD (R)	Budget (R)	Variance	Variance (%)	
Rental of facilities and equipment	256,152	-	256,152	-	greater than 10% versus Budget
Interest earned - external investments	30,256,521	22,125,000	8,131,521	36.75	RSC Levy Replacement Grant is received in three installments and surplus cash is then invested until it is needed.
Interest earned - outstanding debtors	20,878	103,000	(82,122)	(79.73)	Less interest was collected as estimated due to better debt collection
Income for agency services	226,864	226,864	-	-	
Government grants and subsidies	294,684,832	301,055,832	(6,371,000)	(2.12)	
Other income	4,707,485	2,384,000	2,323,485	97.46	The income from selling of tender documents and discount received was more than what was estimated
Surplus cash			-	-	
Total Revenue	330,152,730	325,894,696	4,258,035	1.31	
			-	-	
EXPENDITURE			-	-	
Executive & Council	29,160,453	37,939,849	8,779,396	23.14	Under-expenditure is mainly as a result of vacancies not filled
Finance & Admin	18,655,605	24,568,254	5,912,649	24.07	Under-expenditure is mainly as a result of vacancies not filled due to scarce skills whereby in some instances advertisement were done more than once.
Planning & Development	253,476,098	486,548,483	233,072,385	47.90	Under expenditure mainly due to vacancies not filled and project expenditure that is not 100% completed is disclosed as Work in progress
Community & Social Services	14,199,285	17,051,887	2,852,602	16.73	An allocation was made in anticipation of the transfer of Municipal Health Services function and unfortunately the transfer did not take place.
Primary Functions	16,752,659	59,856,736	43,104,077	72.01	Underspending is as a result of the clarification of responsibilities with regard to powers and functions between Thembisile Hani LM and Nkangala DM and project expenditure that is not 100% completed is disclosed as Work in progress
Total Expenditure	332,244,100	625,965,209	293,721,108	46.92	
NET SURPLUS/(DEFICIT) FOR THE YEAR	(2,091,370)	(300,070,513)	(297,979,143)	99	

(0)

APPENDICES

APPENDIX E(2)

NKANGALA DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE PERIOD ENDED 30 JUNE 2012

	<u>2012</u> <u>Actual</u>	<u>2012</u> <u>Under</u>	<u>2012</u> <u>Total</u>	<u>2012</u> <u>Budget</u>	<u>2012</u> <u>Variance</u>	<u>2012</u> <u>Variance</u>	<u>Explanation of Significant Variances</u> <u>greater than 5% versus Budget</u>
	<u>Construction</u>	<u>Under</u>	<u>Additions</u>				
	R	R	R	R	R	%	<i>(Explanations to be recorded)</i>
Executive & Council	673,824	-	673,824	752,120	78,296	10	
Finance & Admin	193,733	-	193,733	423,500	229,767	54	
Planning & Development	151,496	-	151,496	259,950	108,454	42	
Community & Social Serv	62,323	-	62,323	144,824	82,501	57	
Primary Function	5,718,581		5,718,581	23,810,494	18,091,913	76	
Work in progress		219,771	219,771				
TOTAL	6,799,958	219,771	7,019,729	25,390,888	18,590,931	73	

APPENDICES

APPENDIX F (1)

NKANGALA DISTRICT MUNICIPALITY: DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003 AS AT 30 JUNE 2012

Grant and Subsidies Received

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts					Quarterly Expenditure				
		Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12
		MSIG	National Gov			1,000,000			65,340		447,660
FMG	National Gov			1,250,000			668,004	396,581	186,486	221,813	445,120
EPWP INCENTIVE GRANT	National Gov	90,000					90,000				
		90,000	-	2,250,000	-	-	823,344	396,581	634,146	221,813	1,083,171

APPENDICES

APPENDIX F (2)

NKANGALA DISTRICT MUNICIPALITY: DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF

Name of Grants	Name of organ of state or municipal entity	Grants and Subsidies delayed / withheld					Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		Jun-11	Sep-11	Dec-11	Mar-12	Jun-12			
MSIG	National Gov	-	-	-	-	-	NA	Yes	NA
FMG	National Gov	-	-	-	-	-	NA	Yes	NA
EPWP INCENTIVE GRANT	National Gov						NA	Yes	NA

APPENDICES

APPENDIX G (1)

NKANGALA DISTRICT MUNICIPALITY: SCHEDULE OF INVESTMENTS AS AT 30 JUNE 2012

Bank	Call	30 Days	60 Days	90+ Days	Long Term	Total
ABSA	16,448	15,000,000	25,000,000	20,000,000		60,016,448
Nedbank	5,017,808	30,000,000	7,000,000	-		42,017,808
FNB	36,602,633	20,000,000	20,000,000	-		76,602,633
Standard Bank	93,430,047	28,000,000	10,000,000	-		131,430,047
Sanlam	64,992,852					64,992,852
Investec	16,717,834	20,000,000	17,000,000	6,609,360	-	60,327,195
Investec LT					38,854,626	38,854,626
Accrued interest	1,678,102	-	-	-		1,678,102
Total	218,455,724	113,000,000	79,000,000	26,609,360	38,854,626	475,919,710

APPENDICES

APPENDIX G (2)
NKANGALA DISTRICT MUNICIPALITY: SCHEDULE OF INVESTMENTS AS AT 30 JUNE 2012

Bank	Opening Balance	Investments made	Withdrawn	Total
ABSA	73 095 381	35 016 448	48 095 381	60 016 448
Nedbank	33 274 796	27 017 808	18 274 796	42 017 808
FNB	75 834 801	43 088 225	42 320 393	76 602 633
Standard Bank	119 304 206	48 173 880	36 048 039	131 430 047
Sanlam	61 467 023	3 525 828	-	64 992 852
Investec	89 200 499	50 568 048	79 441 353	60 327 195
Investec LT	35 463 986	3 390 640		38 854 626
Accrued interest	1 150 523	527 579		1 678 102
Total	488 791 215	211 308 456	224 179 962	475 919 710

APPENDICES

Annexure H BUDGET INFORMATION TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD 30 JUNE 2012

Description	2011/12									
	Original Budget	Budget	Virement	Final Budget	Actual outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual outcome as % of Original Budget	
		Adjustment		(1+2+3)			(5-4)	(5/4*100)	(5/1*100)	
	1	2	3	4	5	6	7	8	9	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Investment revenue	22,228,000	-	-	22,228,000	30,277,398	-	8,049,398	136.21	136.21	
Transfer recognised	300,595,000	226,864	460,832	301,282,696	294,911,696	-	(6,371,000)	97.89	98.11	
Other own revenue	2,384,000	-	-	2,384,000	4,963,637	-	2,579,637	208.21	208.21	
Total Revenue	325,207,000	226,864	460,832	325,894,696	330,152,730	-	4,258,035	101.31	101.52	
Employee cost	70,011,177	(23,751,846)	(64,000)	46,195,331	38,231,320	-	(7,964,011)	82.76	54.61	
Remuneration to councillors	12,164,008	(1,900,000)	-	10,264,008	10,254,697	-	(9,311)	99.91	84.30	
Debt impairment	127,000	(100,000)	-	27,000	17,710	-	(9,290)	65.59	13.94	
Depreciation and asset impairment	6,130,000	527,000	1,196,000	7,853,000	7,556,871	-	(296,129)	96.23	123.28	
Finance charges	3,000,000	(400,000)	4,122,000	6,722,000	5,973,380	-	(748,620)	88.86	199.11	
Transfer & grants	438,125,631	35,043,464	11,652,077	484,821,172	248,856,578	-	(235,964,594)	51.33	56.80	
Other expenditure	82,903,500	(3,011,754)	(9,809,048)	70,082,698	21,353,544	-	(48,729,154)	30.47	25.76	
Total Expenditure	612,461,316	6,406,864	7,097,029	625,965,209	332,244,100	-	(293,721,108)	53.08	54.25	
Surplus / (Defecit)	(287,254,316)	(6,180,000)	(6,636,197)	(300,070,513)	(2,091,370)	-	297,979,143	0.70	0.73	
Capital Expenditure & Funds sources										
Capital Expenditure										
Transfers										
Public contributions & donations	-	-	-	-	-	-	-	-	-	
Borrowing	-	-	-	-	-	-	-	-	-	
Internally generated funds	36,007,082	(6,180,000)	(4,436,194)	25,390,888	7,019,729	-	(18,371,160)	27.65	19.50	
Total sources of capital expenditure	36,007,082	(6,180,000)	(4,436,194)	25,390,888	7,019,729	-	(18,371,160)	28	19	
Cash flows										
Cash/ cash equivalents at the beginning of the year	543,910,475	-	-	543,910,475	466,152,274	-	(77,758,201)	85.70	85.70	
Nett cash flow from operating	(281,352,318)	(6,180,000)	-	(287,532,318)	(1,882,324)	-	285,649,994	0.65	0.67	
Nett cash flow from investing	(36,007,082)	6,180,000	-	(29,827,082)	(10,410,368)	-	19,416,714	34.90	28.91	
Nett cash flow from financing	(2,200,000)	-	-	(2,200,000)	(5,811,374)	-	(3,611,374)	264.15	264.15	
Nett cash outflow	(319,559,400)	(0)	-	(319,559,400)	(18,104,066)	-	301,455,334	5.67	5.67	
Cash/ cash equivalents at the year end	224,351,075	(0)	-	224,351,075	448,048,208	-	213,474	199.71	199.71	

APPENDICES

APPENDIX I						
NKANGALA DISTRICT MUNICIPALITY: MINOR DEVIATION FROM THE SUPPLY CHAIN POLICY FOR THE YEAR ENDING 30 JUNE 2012						
DATE	DEPARTMENT	CONTACT PERSON	DESCRIPTION	SUPPLIER	AMOUNT	COMMENTS
2011/07/06	CORPORATE SERVICES	LUNGILE SIMELANE	SUBSCRIPTION FEES	SABINET	R 18,582.00	OTHER COMPANIES DO NOT SUPPLY THE REQUIRED SUBSCRIPTIONS
2011/07/05	CORPORATE SERVICES	LUNGILE SIMELANE	LIBRARY BOOKS	ALUTA BOOKS	R 6,656.70	OTHER COMPANIES REQUESTED DO NOT KEEP THE BOOKS REQUESTED.
2011/07/07	CORPORATE SERVICES	SUSAN V BUUREN	PHOTOS & VIDEO RECORDING	PRO-VIDEO & SOUND	R 10,908.20	URGENT REQUEST
2011/07/22	FINANCE	ELOISE PRINSLOO	STRIP & FILL FRIDGE WITH GAS	HJ VAN TONDER T/A HIGHVELD	R 513.00	STRIP AND QUOTE ARRANGEMENT
2011/07/22	CORPORATE SERVICES	NASREEN MODAN	INSTALLATION OF NEW LATCH CYLINDERS ON STOREROOM DOORS	KRABO LOCKSMITH	R 620.00	URGENT REQUEST
2011/07/22	CORPORATE SERVICES	NASREEN MODAN	REPLACE STRONG ROOM LOCK	KRABO LOCKSMITH	R 490.00	URGENT REQUEST
2011/07/29	CORPORATE SERVICES	SUSAN V BUUREN	ACCOMMODATION	FOREVER RESORT AVENTURA LOSKOP	R 1,100.00	SALGA PEC WILL BE HELD AT THE SAME VENUE
2011/07/15	CORPORATE SERVICES	NASREEN MODAN	INSTALL CABLE AT PARLOUR	SHELLARD MEDIA	R 4,759.50	REGISTERED SERVICE PROVIDER
2011/07/28	CORPORATE SERVICES	SUSAN SILINDA	ACCOMMODATION FOR COUNCILORS	VISIT VAKASHA TOWN LODGE	R 17,430.03	URGENT REQUEST
2011/07/18	CORPORATE SERVICES	NASREEN MODAN	BINDING OC COUNCILORS AGENDAS & MINUTES	ZENDUBIND	R 2,529.00	UNIFORMED BINDING REQUIRED FOR ALL COUNCIL DOCUMENTS
2011/08/02	FINANCE	BUSI KHOZA	4 x ADVERTS PLACED IN JULY	PR COMMUNICATION	R 11,730.60	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/08/02	FINANCE	THANDI MAZWI	ADVERTISEMENT	PR COMMUNICATION	R 5,027.40	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/08/02	FINANCE	BUSI KHOZA	3 x ADVERTS PLACED IN JULY	PR COMMUNICATION	R 17,763.48	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/08/02	CORPORATE SERVICES	LERATO NXUMALO	ADVERTISEMENT	PR COMMUNICATION	R 90,580.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/08/03	CORPORATE SERVICES	LUNGILE SIMELANE	ACCOMMODATION	PREMIER HOTEL REGENT	R 7,280.00	CONFERENCE IS ON THE SAME VENUE
2011/08/03	LED	NHLANHLA NDZISHE	CATERING	DE OUDE WERF	R 852.50	URGENT REQUEST
2011/08/05	CORPORATE SERVICES	NASREEN MODAN	ADVERTISEMENT	PR COMMUNICATION	R 3,345.76	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/08/12	FINANCE	THANDI MAZWI	ADVERTISEMENT	PR COMMUNICATION	R 5,697.72	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/08/12	FINANCE	THANDI MAZWI	ADVERTISEMENT	PR COMMUNICATION	R 3,686.76	ONLY SUPPLIER

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2011/09/02	CORPORATE SERVICES	SUSAN VAN BUUREN	ACCOMMODATION FOR THE EXECUTIVE MAYOR	SOUTH AFRICAN NATIONAL PARKS	R 7,500.00	URGENT REQUEST AND NO OTHER ACCOMMODATION WAS AVAILABLE
2011/09/02	CORPORATE SERVICES	SUSAN VAN BUUREN	ACCOMMODATION FOR THE EXECUTIVE MAYOR	EMNOTWENI SUN HOTEL	R 6,070.20	URGENT REQUEST AND NO OTHER ACCOMMODATION WAS AVAILABLE
2011/09/07	CORPORATE SERVICES	LUNGILE SIMELANE	LIASA CONFERENCE	LIASA DYNAMIC LEADERSHIP FOR LIS	R 16,054.00	NO TRANSPORT ARRANGEMENTS MADE FROM HOTELS WITH LOWER RATES
2011/09/16	CORPORATE SERVICES	NASREEN MODAN	ACCOMMODATION MS GUMEDE TO ATTEND A PLENIPOENTIARY LEKGOTLA 12-15 SEP	PESTANA KRUGER LODGE	R 4,085.43	ACCOMMODATION AVAILABLE ON THE VENUE WHERE LEKGOTLA IS HELD.
2011/09/19	IT	TSHIFIWA	BUYING OF PRINTERS	BIG O 936	R 2,321.00	BIG O TRADING 936 IS RECOMMENDED FOR SPEC ADHERENCE
2011/09/20	IT	TSHIFIWA	BUYING OF PRINTERS	BIG O 936	R 2,321.00	BIG O TRADING 936 IS RECOMMENDED FOR SPEC ADHERENCE
2011/09/21	IT	TSHIFIWA	BUYING OF PRINTERS	BIG O 936	R 2,321.00	BIG O TRADING 936 IS RECOMMENDED FOR SPEC ADHERENCE
2011/09/26	CORPORATE SERVICES	NASREEN MODAN	REPAIRS DONE TO THE WATER PIPE NEAR MUNICIPAL MANAGER'S OFFICE	BEZUIDENHOUT PLUMBERS	R 1,754.93	EMERGENCY AS A MATTER OF URGENCY
2011/09/27	CORPORATE SERVICES	SUSAN SILINDA	BEVERAGES FOR COUNCIL MEETING	B MAKWAKWA TRADING ENTERPRISE	R 11,476.00	OTHER SUPPLIERS DO NOT SUPPLY THE REQUIRED SUBSCRIPTIONS
2011/10/05	IT	CHRISELDA NTULI	REPAIRING OF DAMAGED COMPUTER	BIG O TRADING 936	R 4,396.00	IT HAS BEEN ENGAGED ON MANY OCCASIONS BY NDM DUE TO THEIR AVAILABILITY, PROXIMITY, AND MOST EXPERTISE
2011/10/05	IT	CHRISELDA NTULI	NEW HP B500 DESKTOP PC & SOFTWARE FOR CLR MASOMBUKA	SLEEP TIME	R 13,476.62	SPEC ADHERENCE AND LESS PRICE
2011/10/05	CORPORATE SERVICES	NASREEN MODAN	SUPPLY AND INSTALLATION OF CYLINDER IN WOODEN DOOR AND SUPPLY AND CUT IN 2 LOCKS IN FRIDGE CUPBOARD	KRABO LOCKSMITH	R 676.70	SOLE SUPPLIER OF SUPPLYING G & INSTALLING THE KEYS AND HINGES ON OFFICE DOORS
2011/10/13	CORPORATE SERVICES	NASREEN MODAN	PURCHASE OF INSTALLATION OF CABLE FOR THE TRAINING CENTRE	SHELLARD MEDIA	R 3,534.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/10/17	CORPORATE SERVICES	LERATO NXUMALO	COMPUTER TEST FOR DATA CAPTURER CLERK: SCM	DAMELIN COMPUTER SCHOOL	R 6,400.00	ONLY TWO QUOTATIONS WERE RECEIVED FROM SUPPLIERS REGISTERED ON NDM'S DATABASE THAT CAN RENDER SUCH SERVICES
2011/10/17	CORPORATE SERVICES	SUSAN VAN BUUREN	FLIGHT AND CAR HIRE FOR THE EXECUTIVE MAYOR ATTENDING CLIMATE CHANGE CONFERENCE IN DURBAN	FLIGHT SPECIALS	R 4,308.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES

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2011/10/27	FINANCE	MAZWI THANDIWE	ADVERTISEMENT	P R COMMUNICATIONS	R 5,027.40	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/10/28	IT	CHRISELDA NTULI	DESKTOP WITH WINDOW 7, MICROSOFT OFFICE 2010 FOR LERATO GAMBU	SLEEP TIME SOLUTIONS	R 17,022.37	SPEC ADHERENCE
2011/10/28	IT	CHRISELDA NTULI	DESKTOP WITH WINDOW 7, MICROSOFT OFFICE 2010 FOR NTULI CHRISELDA	SLEEP TIME SOLUTIONS	R 2,679.00	SPEC ADHERENCE AND LESS PRICE
2011/10/28	IT	CHRISELDA NTULI	DESKTOP WITH WINDOW 7, MICROSOFT OFFICE 2010 FOR LERATO GAMBU	SLEEP TIME SOLUTIONS	R 17,022.37	SPEC ADHERENCE AND LESS PRICE
2011/11/11	FINANCE	VICTORIA MATSEMELA	ADVERTISEMENTS	P R COMMUNICATIONS	R 9,384.48	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/11/18	CORPORATE SERVICES	ALET SCHOEMAN	STAPLE CARTRIDGES MP11 CSC5000A 5000 STAPLES IN BOX	GESTETNER MPUMALANGA	R 5,340.47	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/11/28	CORPORATE SERVICES	LERATO NXUMALO	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 12,688.20	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/11/25	FINANCE	VICTORIA MATSEMELA	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 4,692.24	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/11/25	FINANCE	VICTORIA MATSEMELA	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 8,714.16	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/11/27	FINANCE	VICTORIA MATSEMELA	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 4,021.92	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/11/03	IT	CHRISELDA NTULI	ANTIVIRUS SOFTWARE AND SUPPORT	AURECON	R 13,750.00	SPEC ADHERENCE
2011/11/29	LED	BHEKI MATIMBA	INTERPRETATION SERVICES	DEAF FEDERATION OF SOUTH AFRICA	R 3,739.20	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/12/02	FINANCE	BUSI JELE	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 5,697.72	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/12/02	FINANCE	BUSI JELE	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 5,362.56	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/12/02	FINANCE	BUSI JELE	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 5,027.40	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/01/13	DPU	BOETIE MATHE	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 1,388.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/01/13	DPU	BOETIE MATHE	PLACEMENT OF AN ADVERT	VUKANI RADIO ADVERTISEMENT	R 10,000.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/01/17	DPU	SBONGILE	LIVE READS & ADVERTS	LIGWALAGWALA FM	R 57,000.00	ONLY SUPPLIER REGISTERED ON NDM'S

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2012/01/17	DPU	SBONGILE	LIVE READS & ADVERTS	NKANGALA COMMUNITY RADIO	R 4,500.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2011/09/06	CORPORATE SERVICES	NAOME	ACCOMMODATION	SABI SABI PRIVATE GAME RESERVE	R 13,050.00	OTHER HOTELS ARE FULLY BOOKED
2012/01/30	DPU	SBONGILE	TRANSPORT	SKHUBES TRANSPORT CC	R 39,850.00	OBTAINED ONLY ONE QUOTATION RECEIVED FROM 3(THREE) DIFFERENT SERVICE PROVIDERS
2012/01/31	CORPORATE SERVICES	NASREEN MODAN	MOTOR SERVICE	MC CARTHY KUNENE WITBANK	R 3,282.25	THE VEHICLE WAS PURCHASED FROM THE SERVICE PROVIDER
2012/02/01	SOCIAL SERVICES	THEMBI	STRIP & REPAIR OF VEHICLE	FIRE RAIDERS	R 4,307.18	THE VEHICLE WAS PURCHASED FROM THE SERVICE PROVIDER
2012/02/02	CORPORATE SERVICES	NAOME	ACCOMMODATION	MERCURE HOTEL	R 1,087.70	OTHER HOTELS ARE FULLY BOOKED
2012/02/02	CORPORATE SERVICES	NASREEN MODAN	COMPUTER LITERACY ASSESSMENT	DAMELIN COMPUTER SCHOOL	R 6,300.00	ONLY TWO QUOTATIONS WERE RECEIVED FROM SUPPLIERS REGISTERED ON NMD'S DATABASE THAT CAN RENDER SUCH SERVICES
2012/02/06	SOCIAL SERVICES	ELMON	STRIP & REPAIR OF VEHICLE	BRONKHORSTSPRUIT MOTORS	R 1,604.50	THE VEHICLE WAS PURCHASED FROM THE SERVICE PROVIDER
2012/02/10	DPU	SBONGILE	ADVERTISEMENT	LOLA MICHELLE	R 12,467.52	THE SUPPLIER HAS THE NECESSARY EQUIPMENT AND CAPACITY TO REACH MASSES OF DISTRICT
2012/02/10	CORPORATE SERVICES	NASREEN MODAN	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 96,772.32	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/02/10	CORPORATE SERVICES	SUSAN VAN BUUREN	ACCOMMODATION	SABI RIVER SUN	R 16,348.82	OTHER HOTELS ARE FULLY BOOKED
2012/02/16	INTERNAL AUDITING	ITUMELENG	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 4,295.52	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/02/21	CORPORATE SERVICES	NASREEN MODAN	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 2,863.68	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/02/22	CORPORATE SERVICES	NASREEN MODAN	ACCOMMODATION	EMNOTWENI SUN HOTEL	R 3,064.20	OTHER HOTELS ARE FULLY BOOKED
2012/02/23	INFORMATION TECHNOLOGY	A T MASEKO	WEB UPDATES	FATCO CORPORATION	R 1,600.00	FACTO DEVELOPED THE NDM'S WEBSITE AND I IT WILL BE IN A GOOD POSITION TO UPDATE THE WEBSITE
2012/02/23	LED	BHEKI MATIMBA	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 4,295.52	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/02/27	CORPORATE SERVICES	NASREEN MODAN	VIDEO-RECORDING SERVICES	LIMPHOS MEDIA	R 59,964.00	QUOTATIONS WERE NOT POSSIBLE TO BE ADVERTISED BECAUSE THE SEVEN DAYS PERIOD WILL EXPIRE TWO DAYS AFTER LEKGOTLA HAD TAKEN PLACE
2012/02/27	CORPORATE SERVICES	BONNY	ACCOMMODATION	SAINT GEORGE HOTEL	R 174,124.00	OTHER HOTELS ARE FULLY

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2012/03/16	LED	BHEKI MATIMBA	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 5,727.36	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/03/20	SOCIAL SERVICES	ELMON	REPAIR OF A NISSAN LDV REG: CYJ456MP	LP MOTORS	R 3,542.44	TWO QUOTATIONS RECEIVED FROM TWO SUPPLIERS REGISTERED ON NDM'S DATABASE
2012/03/20	TECHNICAL SERVICES	NTEKELE	REPAIR AND MAINTENANCE OF THE PEBBLE PAVE FOR THE OFFICE BUILDING	PEBBLE PAVE	R 24,405.75	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/03/27	CORPORATE SERVICES	HLENGIWE	REQUEST FOR ACCOMMODATION FOR COUNCLORS TO ATTEND A MUNICIPAL GOVERNANCE COURSE AT UNIVERSITY OF JOHANNESBURG	GARDEN COURT SOUTHERN SUN MILPARK	R 13,066.79	TWO QUOTATIONS RECEIVED FROM TWO SUPPLIERS AND GARDEN COURT IS NEARER THE UNIVERSITY WHILES THE PROTEA HOTEL IS FAR
2012/03/27	CORPORATE SERVICES	NASREEN MODAN	CHANGING KEYS IN RECORDS DOORS AND CORPORATE SERVICES	KRABO LOCKSMITH	R 760.00	URGENT REQUEST
2012/04/05	CORPORATE SERVICES	LERATO NXUMALO	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 6,720.30	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/12	MAYOR'S OFFICE	SUSAN	STRIP AND QUOTE OF THE FRIDGE IN THE MAYOR'S BAR	G & R APPLIANCES	R 1,607.40	STRIP AND QUOTE ARRANGEMENT
2012/04/12	IT	CHRISELDA NTULI	IT SUPPORT	PG COMPUTER SERVICES	R 13,691.40	URGENT REQUEST
2012/04/13	FINANCE	NQOBILE NKOSI	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 1,374.15	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/16	TECHNICAL SERVICES		PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 3,739.56	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/16	TECHNICAL SERVICES		PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 5,727.36	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/17	DPU	SBONGILE	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 6,386.03	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/18	TECHNICAL SERVICES	NTEKELE	PLACEMENT OF AN ADVERT(Project No: 7904/13)	P R COMMUNICATIONS	R 7,875.12	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/18	TECHNICAL SERVICES	NTEKELE	PLACEMENT OF AN ADVERT(Project No: 6601, 6322, 6711, 7091, 7121)	P R COMMUNICATIONS	R 4,653.48	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/19	DPU	SBONGILE	PLACEMENT OF AN ADVERT(IDP Document)	P R COMMUNICATIONS	R 5,727.36	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/19	TECHNICAL SERVICES	NTEKELE	PLACEMENT OF AN ADVERT(Project No: 6454/12)	P R COMMUNICATIONS	R 5,727.36	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN

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2012/04/24	TECHNICAL SERVICES	NTEKELE	PLACEMENT OF AN ADVERT (Project No: 7910/12)	P R COMMUNICATIONS	R 5,727.36	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/24	CORPORATE SERVICES	R TLHOLOE	PLACEMENT OF AN ADVERT (Project No: 7094/12)	P R COMMUNICATIONS	R 8,949.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/24	CORPORATE SERVICES	LERATO NXUMALO	QUALIFICATION VERIFICATION (26 Tertiary Qualification records)	SAQA	R 780.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/24	CORPORATE SERVICES	LERATO NXUMALO	QUALIFICATION VERIFICATION (13 Matric records)	SAQA	R 390.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/04/26	SOCIAL SERVICES	VUSI MAHLANGU	PLACEMENT OF AN ADVERT (Project No: 7091)	P R COMMUNICATIONS	R 6,801.24	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/03	TECHNICAL SERVICES	NAOME	ACCOMMODATION FOR MR. ZIMBWA	MERCURE HOTEL	R 1,163.45	MERCURE HOTEL IS THE CLOSEST TO THE VENUE
2012/05/07	CORPORATE SERVICES	SUE	ACCOMMODATION (EXECUTIVE MAYOR)	WESTIN GRAND HOTEL	R 23,480.00	ALL THE NEAREST HOTELS TO THE VENUE WERE FULLY BOOKED ONLY WESTIN WAS AVAILABLE
2012/05/07	CORPORATE SERVICES	LEBISI	TOILET MAINTENANCE	MPUMALANGA BEZUIDENHOUT LOODGIETERS	R 547.20	EMERGENCY SITUATION THAT NEEDED URGENT ATTENTION
2012/05/08	CORPORATE SERVICES	LEBISI	TOILET MAINTENANCE	MPUMALANGA BEZUIDENHOUT LOODGIETERS	R 548.20	EMERGENCY SITUATION THAT NEEDED URGENT ATTENTION
2012/05/08	IT	CHRISELDA NTULI	ICT SECURITY SUMMIT WORKSHOP	IT WEB LIMITED	R 7,530.80	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/08	CORPORATE SERVICES	SUE	ACCOMMODATION (EXECUTIVE MAYOR)	EMNOTWENI SUN HOTEL	R 3,584.20	DUE TO TIME CONSTRAINTS AND PAYMENT ARRANGEMENT ONLY ONE QUOTATION WAS OBTAINED
2012/05/08	LED	BHEKI MATIMBA	PLACEMENT OF AN ADVERT(Project No: 7103/12)	P R COMMUNICATIONS	R 4,295.52	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/08	LED	BHEKI MATIMBA	PLACEMENT OF AN ADVERT(Project No: 7101/12)	P R COMMUNICATIONS	R 5,369.40	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/08	TECHNICAL SERVICES	SIPOKAZI	PLACEMENT OF AN ADVERT(Project No: 4343/11)	P R COMMUNICATIONS	R 5,727.36	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/10	DPU	SBONGHLE	PLACEMENT OF AN ADVERT(IDP Document)	P R COMMUNICATIONS	R 6,083.32	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/10	CORPORATE SERVICES	TREVOR SEGOANE	PLACEMENT OF AN ADVERT (7117/13)	P R COMMUNICATIONS	R 5,011.44	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/10	CORPORATE SERVICES	TREVOR SEGOANE	PLACEMENT OF AN ADVERT (7062/13)	P R COMMUNICATIONS	R 5,396.40	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES

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2012/05/17	TECHNICAL SERVICES	NTEKELE	PLACEMENT OF AN ADVERT(Project No: 6316/11)	P R COMMUNICATIONS	R 5,727.36	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/17	FINANCE	TRUDIE	PLACEMENT OF AN ADVERT(Invitation to register on the database)	P R COMMUNICATIONS	R 7,517.16	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/18	CORPORATE SERVICES	LERATO NXUMALO	PLACEMENT OF AN ADVERT(POSTS)	P R COMMUNICATIONS	R 29,837.13	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/23	LED	NONHLANHLA	INTERPRETATION SERVICES	DEAF FEDERATION OF SOUTH AFRICA	R 4,330.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/24	TECHNICAL SERVICES	NTEKELE	PLACEMENT OF AN ADVERT(Project No: 6316/11) CIVIL	P R COMMUNICATIONS	R 5,727.36	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/24	SOCIAL SERVICES	VUSI MAHLANGU	PLACEMENT OF AN ADVERT(Project No: 7014/12)	P R COMMUNICATIONS	R 5,011.44	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/25	CORPORATE SERVICES	LERATO NXUMALO	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 12,106.80	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/05/25	CORPORATE SERVICES	SUSAN VAN BUUREN	ACCOMMODATION FOR THE EXECUTIVE MAYOR	EMNOTWENI SUN HOTEL	R 7,168.00	ONLY HOTEL AVAILABLE TO ACCOMMODATE THE MAYOR AND DRIVER
2012/05/25	IT	MASEKO	WEBSITE UPLOAD	FATCO CORPORATION	R 833.34	ONLY SUPPLIER REGISTERED ON OUR SYSTEM THAT CAN PROVIDE SUCH SERVICES
2012/05/25	CORPORATE SERVICES	LERATO NXUMALO	PLACEMENT OF AN ADVERT	P R COMMUNICATIONS	R 30,048.70	ONLY SUPPLIER REGISTERED ON OUR SYSTEM THAT CAN PROVIDE SUCH SERVICES
2012/06/04	FINANCE	NEELA	MUNSOFT TRAINING	MUNSOFT	R 6,260.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/06/06	MAYOR'S OFFICE	SUSAN VAN BUUREN	ACCOMMODATION FOR THE MAYOR	EMNOTWENI SUN HOTEL	R 1,982.10	URGENT REQUEST
2012/06/06	TECHNICAL SERVICES	KHOLIWE SIMELANE	FLIGHT	FLIGHT SPECIALS	R 3,641.00	ONLY TWO SUPPLIERS REGISTERED ON SYSTEM THAT CAN OFFER SUCH SERVICES
2012/06/07	INTERNAL AUDITING	ITUMELENG	FLIGHT & CAR HIRE	FLIGHT SPECIALS	R 29,062.00	ONLY TWO SUPPLIERS REGISTERED ON SYSTEM THAT CAN OFFER SUCH SERVICES
2012/06/07	IT	MASEKO	PLACEMENT OF AN ADVERT(Extension of Munssoft Contract)	P R COMMUNICATIONS	R 2,863.68	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/06/07	TECHNICAL SERVICES	NTEKELE	PLACEMENT OF AN ADVERT(Routine Road Maintenance - TLM)	P R COMMUNICATIONS	R 5,011.44	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/06/07	SOCIAL SERVICES	EK TSHABALALA	PLACEMENT OF AN ADVERT(Project No: 7801/13)	P R COMMUNICATIONS	R 5,011.44	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/06/08	CORPORATE SERVICES	ALET SCHOEMAN	STAPLE CARTRIDGES MP11 CSC5000A 5000 STAPLES IN BOX	RICOH	R 3,135.00	ONLY SUPPLIER REGISTERED ON NDM'S DATABASE THAT CAN PROVIDE SUCH SERVICES
2012/06/12	IT	MASEKO	REPAIR OF THE ISA SERVER(NDM)	BIG O TRADING 936	R 16,875.00	ONLY SUPPLIER REGISTERED ON NDM'S

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ANNEXURE B: AUDITOR GENERAL 'S REPORT

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REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE NKANGALA DISTRICT MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Nkangala District Municipality set out on pages XX to XX, which comprise the appropriation statement, statement of financial position as at 30 June 2012, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated and separate financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Nkangala District Municipality as at 30 June 2012 and its financial performance and cash flows for the year then ended in accordance with South African Standards of GRAP and the requirements of the MFMA and DoRA.

Additional matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary information

8. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages ... to ... of the annual report.
11. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned development priorities. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury's *Framework for managing programme performance information (FMPPI)*.
12. The reliability of the information in respect of the selected development priorities is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).
13. The material findings are as follows:

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Usefulness of annual performance report

Consistency

14. Section 41(c) of the Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) requires that the actual achievements against all planned indicators and targets must be reported annually. The annual performance report submitted for audit purposes did not include 100% of the planned targets specified in the service delivery and budget implementation plan for the year under review. This was due to a lack of monitoring of the completeness of reporting documents by management.

Measurability

15. The FMPPi requires that performance targets be specific in clearly identifying the nature and required level of performance. A total of 87% of the targets relevant to spatial development as well as water and sanitation were not specific in clearly identifying the nature and the required level of performance. This was due to the fact that management was not aware of the requirements of the FMPPi.
16. The FMPPi requires that indicators should have clear, unambiguous data definitions so that data can be collected consistently and is easy to understand and use. A total of 87% of the indicators relevant to spatial development as well as water and sanitation were not well defined in that clear, unambiguous data definitions were not available to allow for data to be collected consistently. This was due to the fact that management was not aware of the requirements of the FMPPi.

Reliability of the selected development priorities in the annual performance report

Validity

17. The FMPPi requires that processes and systems that produce the indicator should be verifiable. I was unable to obtain all the information and explanations I considered necessary to satisfy myself as to the validity of the actual reported performance relevant to 73% of the spatial development as well as water and sanitation indicators. This was due to the nature of the actual performance reported in the annual performance report being vague and not specific and measurable.

Compliance with laws and regulations

18. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key applicable laws and regulations as set out in the general notice issued in terms of the

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ANNEXURE C: 2011/12 AUDIT ACTION PLAN

2011/12 AUDIT ACTION PLAN				
KEY FINDINGS IN 2011/12 AUDIT REPORT	CAUSES OF FINDING	ACTIVITIES TO BE UNDERTAKEN TO REMEDY THE KEY FINDINGS AND ADDRESS CAUSES	RESPONSIBILITY	DUE DATE FOR EACH ACTIVITY
AUDIT OUTCOME Unqualified with no matters of emphasis, but additional matters on predetermine objectives	IDP, SDBIP and Performance report is not aligned. The performance targets does not comply with the SMART criteria	Review of the Integrated Development Plan(IDP), the SDBIP and performance agreements during the adjustment budget process	MM, DM DPU, PMS Manager, CFO	28 February 2013
AFS				
Clean				

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LEGAL AND REGULATORY REQUIREMENTS					
Fruitless and wasteful expenditure incurred					
Predetermine objectives		IDP, SDBIP and Performance report is not aligned. The performance targets does not comply with the SMART criteria	Review of the Integrated Development Plan(IDP), the SDBIP and performance agreements during the adjustment budget process	MM, DM DPU, PMS Manager, CFO	28 Feburary 2013
Unauthorised expenditure incurred					
Fruitless and wasteful expenditure not reported					
			1. Review IDP at strategic session	MM. DM DPU	20-Jan-13
			2. Mid year assessment	MM, HOD's, CFO and	25-Jan-13

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				PMS Manager	
			3. Review SDBIP	MM and HOD's	31-Jan-13
			4. Review Performance agreements	MM and PMS Manager	08-Feb-13
			5. Adjustment Budget	CFO	28-Feb-13
KEY FINDINGS IN 2011/12 MANAGEMENT LETTER	AUDIT	CAUSES OF FINDING	ACTIVITIES TO BE UNDERTAKEN TO REMEDY THE KEY FINDINGS AND ADDRESS CAUSES	RESPONSIBILITY	DUE DATE FOR EACH ACTIVITY
AFS					
Misstatements in AFS					

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Employee Cost		Mis allocation	Already corrected		
			AFS to be reviewed independently	Accountant Expenditure	31-Jul-13
			CFO To sign off each note individually	CFO and Deputy CFO	
Cash flow statement		Calculation error	Already corrected		
			AFS to be reviewed independently	Assistance Manager Finance	31-Jul-13
			CFO To sign off each note individually	CFO and Deputy CFO	
Provisions for performance bonuses		Mis allocation	AFS to be reviewed independently	Accountant Expenditure	31-Jul-13

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			CFO To sign off each note individually	CFO and Deputy CFO	
WIP		Misstatement	Calculation of WIP to be reviewed by Assistant Manager Finance for correction	Assistance Manager Finance	31-Jul-13
				CFO and Deputy CFO	
PPE note		Naration was accidently not included	Narration was included in final AFS		
			AFS to be reviewed independently	Assistance Manager Finance	31-Jul-13
				CFO and Deputy CFO	

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LEGAL AND REGULATORY REQUIREMENTS					
Predetermine objectives		IDP, SDBIP and Performance report is not aligned. The performance targets does not comply with the SMART criteria	Review of the Integrated Development Plan(IDP), the SDBIP and performance agreements during the adjustment budget process	MM, DM DPU, PMS Manager, CFO	28 Feburary 2013
			1. Review IDP at strategic session	MM. DM DPU	20-Jan-13
			2. Mid year assessment	MM, HOD's, CFO and PMS Manager	25-Jan-13
			3. Review SDBIP	MM and HOD's	31-Jan-13
			4. Review Performance aggreements	MM and PMS Manager	08-Feb-13

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			5. Adjustment Budget	CFO and Deputy CFO	28-Feb-13
Awards to people in service of the state		The municipality does not have a database against which it can verify the declarations made by service providers.	All service was blocked on the system to verify information as indicated in audit finding.	Assistant Manager SCM	Immediately
			Letters will be written to service providers.	Assistant Manager SCM	31-Jan-13
			Engage relevant stakeholders to assist with a database (NT, PT, SALGA, IMFO and AG)	Assistant Manager SCM	28-Feb-13
Format of Mid year Assessment		Mid year assessment does not comply with New budget regulations.	Ensure that Report complies with the new regulations	Assistance Manager Finance	25-Jan-13

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		Performance information is not included in report	Include performance information	PMS Manager	25-Jan-13
Late submission of mid year budget and performance report		No proof could be found that the report was sent to NT and PT due to problems with emails	Checklist will be complied to ensure that the district submit all reports in time to the relevant authorities	Secretary to CFO	31-Jan-13
SCM Policy not reviewed annually		Review process of SCM policy was not finalised before the financial year end.	Reviewed policy to be adopted by council	Assistant Manager SCM	28-Feb-13
VAT not claimed on invoice		Mis allocation of VAT amount	Review VAT Procedures	Deputy CFO	28-Feb-13
			Train staff on VAT procedures and	Deputy CFO	31-Mar-13

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			arrange training by SARS		
			Review of all invoice claimed for VAT	Deputy CFO	On-going
			Monthly reconciliations of VAT claims	Deputy CFO	On-going

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ANNEXURE D: SUPPLY CHAIN APPOINTMENT OF SERVICE PROVIDERS THROUGH BID COMMITTEES

JULY – SEPTEMBER 2011 APPOINTMENTS

PROJ NO:	PROJECT DESCRIPTION	APPOINTED CONTRACTOR	AMOUNT
7044/11	PROJECT 7044/11: MUNICIPALITY SHORT TERM INSURANCE POLICY 2011-2014	ALEXANDER FORBES	R143 926.00
9004/11	PROJECT No. 9004/11: APPOINTMENT OF THE EVALUATORS FOR PROFESSIONAL ENGINEERING SERVICES FOR 2011/2012 CAPITAL PROJECTS.	VWV ENGINEERING	R 436 000.00
7037/11	PROJECT 7037/11: FEASIBILITY STUDY OF IN-SITU UPGRADE IN MACHADODORP (ENKANINI) -EMAKHAZENI LOCAL MUNICIPALITY.	SISONKE DEVELOPMENT PLANNERS	R137 256.00
7006/10	PROFESSIONAL SERVICES: GRAP 17; Dr JS MOROKA LM ; PROFESSIONAL SERVICES: GRAP 17; THEMBISILE HANI LM	AKHILE MANGT CONSULTING	R500 000.00
9004/12	PROJECT 9004/12: THE APPOINTMENT OF CONSULTING ENGINEERS FOR PROFESSIONAL		

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ENGINEERING SERVICES OF VARIOUS CAPITAL PROJECTS FOR 2011/2012 FINANCIAL YEAR.

Project No.	Description	Consultant	Amount
7202/12	Nkangala DM Community Hall Dr. JS Moroka	E-Square	R 339,500.00
6455/12	Emalahleni LM: Master Plan	E-Square	R 147,500.00
2712/12	Emakhazeni LM: Building Community Hall in Siyathuthuka	E-Square	R 166,700.00
1302/12E	Victor Khanye LM Stormwater Motloun	Moedi	R 106,250.00
1303/12E	Victor Khanye LM Stormwater Delpark X2	Moedi	R 106,250.00
1319/12	Victor Khanye LM Construction Roads	Perozz Consult	R 275,553.76
4353/12	Dr JS Moroka LM: Upgrading of Skimming Bus and Taxi route	Perozz Consult	R 190,744.54
4354/12	Dr JS Moroka LM: Upgrading of Senotlelo Bus and Taxi route	Perozz Consult	R 190,744.54
3358/12	Thembisile LM: Completion of Bus Route at Kwaggafontein D	Perozz Consult	R 360,434.48

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2306/12	Emakhazeni LM:	Widening of Bhekumuzi Masango Drive Phase 1	Perozz Consult	R 360,434.48
4107/12E	Dr JS Moroka LM:	Moletji Water Reticulation	Perozz Consult	R 191,372.92
4108/12E	Dr JS Moroka LM:	Nokaneng Bulk Water Supply	Perozz Consult	R 191,372.92
4357/12	Dr JS Moroka LM:	Upgrading of Moletji Bus and Taxi Route	Perozz Consult	R 56,135.50
4106/12E	Dr JS Moroka LM:	Semothlase Water Reticulation	Perozz Consult	R 191,372.92
4356/12	Dr JS Moroka LM:	Upgrading of Ramokgeletsane Bus and Taxi route	Perozz Consult	R190,744.54
4355/12	Dr JS Moroka LM:	Upgrading of Marothobolong Bus and Taxi route	Perozz Consult	R 190,744.54
1320/12	Victor Khanye LM	Rebuild Roads	Perozz Consult	R 275,553.85
3359/12	Thembisile LM:	Completion of Bus Route at Tweefontein B 1	Perozz Consult	R 190,744.54
3411/12	Thembisile LM:	Highmast Light	Pro-Eng Cons	R 300,000.00
6180/11	Steve Tshwete	3ML Reservoir - Steve Tshwete	Scip Eng	R 222,063.48

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		LM:			
6317/12	Emalahleni LM:	Rehabilitation of Kalkspruit Phase 2	HMP Consulting	R 335,125.00	
5119/12	Steve Tshwete LM:	New 10ML Rietfontein Reservoir	Tlou Consult	R 116,875.00	
6114/12E	Emalahleni LM:	Installation of Bulk and Domestic Water meters	Tlou Consult	R 203,437.50	
1104/12E	Victor Khanye LM	Replacements of Asbestos Pipes	Tumber Fourie	R 79,000.00	
6321/12	Emalahleni LM:	Reconstruction of Damaged Streets in Emalahlani	Tumber Fourie	R 233,300.00	
6231/12	Emalahleni LM:	Replacement of Cast Iron Manholes in Emalahleni	Tumber Fourie	R 48,700.00	
5201/11E	Steve Tshwete LM:	Installation of Biological Toilets - Steve Tshwete	Tumber Fourie	R 111,200.00	
3101/12	Thembisile LM:	Replacements of Asbestos Pipes 48km	Tumber Fourie	R 163,600.00	
2405/12	Emakhazeni LM:	Upgrading of Electrical Medium Network in Belfast	Utility Eng	R 32,355.56	
4105/12E	Dr JS Moroka LM:	Marapynane Water Reticulation	ZMC Consult	R 150,821.55	

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	4220/12E	Dr JS Moroka LM:	Construction of VIP Toilets at Mthambothini	ZMC Consult	R 55,547.71
	4221/12E	Dr JS Moroka LM:	Construction of VIP Toilets as Meetsemadiba	ZMC Consult	R 55,547.71
	4222/12E	Dr JS Moroka LM:	Construction of VIP Toilets at Peterskraal & Skimming	ZMC Consult	R 55,547.71
	4223/12E	Dr JS Moroka LM:	Construction of VIP Toilets as Lefiso	ZMC Consult	R 55,547.71
	4224/12E	Dr JS Moroka LM:	Construction of VIP Toilets at Lefisoane	ZMC Consult	R 55,547.71
	4225/12E	Dr JS Moroka LM:	Construction of VIP Toilets at Mabuyeni	ZMC Consult	R 55,547.71
	2116/11	Emakhazeni LM:	Instalation of Boreholes - Emakhazeni	ZMC Consult	R 140,766.78
	3360/12	Thembisile LM:	Completion of Bus Route at Tweefontein J	ZMC Consult	R 116,710.28
5118/11	PROJECT 5118/11: STEVE TSHWETE LOCAL MUNICIPALITY: BULK WATER SUPPLY LINE AND ELEVATED STORAGE RESERVOIR			MMAKOTO BUSINESS ENTERPRISE	R7 763 450.00

APPENDICES

1307/09	VICTOR KHANYE LOCAL MUNICIPALITY : CONSTRUCTION OF ROADS AND STORMWATER IN NEW DEVELOPMENTS: BOTLENG EXT 25	ASAKHENI GENERAL CONSTRUCTION	R1 390 415.77
2305/10	PROJECT 2305/10: EMAKHAZENI LOCAL MUNICIPALITY: WIDENING OF BHEKUMUZI MASANGO DRIVE FROM THE N4 TO BELFAST CBD	KAMO BUSINESS ENTERPRISE	R2 821157.50
5325/09	PROJECT 5325/09: STEVE TSHWETE LOCAL MUNICIPALITY: TOKOLOGO ROADS AND STORMWATER	HARD TARGET NO.5	R 569 658.43
7066/12	PROJECT:7066/12: APPOINTMENT OF SERVICE PROVIDERS FOR THE SUPPLY, DELIVERY AND REGISTRATION OF PLANT AND EQUIPMENTS FOR NKANGALA DISTRICT MUNICIPALITY. – FRONT END LOADER	BARLOWORLD EQUIPMENT	R1 099 000.00
	SUPPLY, REGISTRATION & DELIVERY OF GRADER 140H	BELL EQUIPMENT	R1 709 000.00
	SUPPLY, DELIVERY AND REGISTRATION OF VARIOUS EMERGENCY SERVICES VEHICLES, EQUIPMENTS AND	FIRE & EMERGENC	R2 952

APPENDICES

7066/12	CONSTRUCTION PLANT FOR NKANGALA DISTRICT MUNICIPALITY – EMERGENCY VEHICLES - SUPPLY, DELIVERY & REGISTRATION OF TWO (2) 10000L WATER TANKERS	Y VEHICLES	600.00
	SUPPLY, DELIVERY & REGISTRATION OF ONE SMALL FIRE ENGINE	FIRE RAIDERS	R1 513 888.17
	SUPPLY, REGISTRATION & DELIVERY OF FORU (4) OFF-ROAD VEHICLES	MARCE FIRE FIGHTING TECHNOLOGIES	R2 157 974.40
	SUPPLY, REGISTRATION & DELIVERY OF ONE RAPID INTERVENTION VEHICLE	FIRE & EMERGENCY VEHICLES PTY LTD	R666 340.60
	SUPPLY, REGISTRATION & DELIVERY OF ONE (1) SET OF RESCUE TOOLS	FIRE RAIDERS	R271 000.32
	SUPPLY, REGISTRATION & DELIVERY OF ONE (1) MEDIUM	MARCE FIRE	R2 181

APPENDICES

	PUMPER FIRE ENGINE	FIGHTING TECHNOLOGIES	570.75
7074/12	EPWP LEANERSHIPSELECTION PSYCHOMETRIC ASSESSMENT	LEMC PRODUCTIONS & PROJECTS	R406 200.00

APPENDICES

OCTOBER – DECEMBER 2011 APPOINTMENTS

PROJECT DESCRIPTION	APPOINTED CONTRACTOR	AMOUNT
PROJECT 3343/10 :THEMBISILE HANI LOCAL MUNICIPALITY: COMPLETION OF BUS ROUTE IN VERENA A/B	SIPHO M CONSTRUCTION AND CIVIL ENGINEERING	R2 380 345.78
PROJECT NO. 7074/12: EPWP LEARNERSHIP SELECTION PSYCHOMETRIC ASSESSMENT.	LEMC PRODUCTIONS AND PROJECTS	R 406 200.00
PROJECT 7073/12: DEVELOPMENT OF MASTER SYSTEM PLAN FOR NKANGALA DISTRICT MUNICIPALITY	PRICE WATERHOUSE COOPERS (PWC)	R 539 075.52
PROJECT 2071/10: THEMBISILE HANI LOCAL MUNICIPALITY ROUTINE MAINTENANCE	BUZAPHI CONSTRUCTION	R3, 113, 774.86
PROJECT NUMBER; 7072/12 : APPOINTMENT OF THE SERVICE PROVIDER: DEVELOPMENT OF THE NKANGALA DISTRICT MUNICIPALITY (NDM) CLIMATE CHANGE MITIGATION AND RESPONSE STRATEGY FOR THE NKANGALA DISTRICT MUNICIPALITY	CARBON ASSET MANAGEMENT COMPANY (PTY) LTD	R 641 705.00
PROJECT 3901/09 :THEMBISILE HANI LOCAL MUNICIPALITY: UPGRADING OF SOLOMON MAHLANGU STADIUM: SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF 300KVA STAND-BY GENERATOR	LABOR ENGINEERING CC	R897 853.00
PROJECT 6316/11: APPOINTMENT OF PROFESSIONAL LANDSCAPING SERVICES FOR THE PROJECT UPGRADING OF CHURCH STREET, TWALA AVENUE AND HECTOR WAY AND ADJACENT AMENITIES IN LYNVILLE EMALAHLENI	RED LANDSCAPE ARCHITECTS (PTY) LTD	R 332,569. 68
PROJECT 6316/11: APPOINTMENT OF ELECTRICAL ENGINEERS FOR PROFESSIONAL ELECTRICAL ENGINEERING SERVICES OF PROJECT UPGRADING OF CHURCH STREET, TWALA AVENUE AND HECTOR WAY AND	UTILITY CONSULTING ENGINEERING SERVICES	R 269,435.69

APPENDICES

2012 APPOINTMENTS

PROJECT NO	DESCRIPTION	APPOINTED CONTRACTOR	APPOINTMENT DATE	AMOUNT
1017/12	APPOINTMENT OF A SERVICE PROFESSIONAL SERVICE PROVIDER FOR PROVISION OF CO-SOURCED INTERNAL AUDIT SERVICES	PRICEWATERHOUSECO OPERS	23/03/12	R327 500.00
1302/12	PROJECT NO 1302/12: VICOT KHANYE LOCAL MUNICIPALITY: STORMWATER MOTLOUNG	GIKHA CONSTR	08/03/12	R 687 493.40
1303/12	PROJECT NO: 1303/12: VICTOR KHANYE LOCAL MUNICIPALITY: STORMWATER DELPARK	GIKHA CONSTR	09/02/12	R715 847.00

APPENDICES

	EXTENSION 2			
1312/11	CONSTRUCTION OF ROADS AND STORMWATER VICTOR KHANYE LOCAL MUNICIPALITY	EASY WAY TARMAC PAVE & PROJECTS	08/03/12	R 1 974 528.16
1319/12	PROJECT NO: 1319/12: VICTOR KHANYE LOCAL MUNICIPALITY: CONSTRUCTION OF ROADS	RAMOTILA CONSTR	01/02/12	R2 510 712.60
1320/12	PROJECT NO: 1320/12: VICTOR KHANYE LOCAL MUNICIPALITY: REBUILD OF ROADS	NAGEMBE-SHWINGS JV	01/02/12	2 495 423.26
1710/12	PROJECT 1710/12: APPOINTMENT OF SERVICE PROVIDERS FOR THE SUPPLY, DELIVERY	REPUBLIC BUS & TRUCK	16/02/12	R501 000.00

APPENDICES

	AND REGISTRATION OF 6M ³ TIPPER TRUCK FOR NKANGALA DISTRICT MUNICIPALITY.				
2116/11	PROJECT 2116/11: EMAKHAZENI LOCAL MUNICIPALITY: INSTALLATION OF BOREHOLES IN RURAL AREAS	ELEZULU CONSTR	10/02/12	R1 730 783.80	
2207/11ME	EMAKHAZENI LOCAL MUNICIPALITY: UPGRADING OF WASTE WATER TREATMENT PLANT (CIVIL WORKS)	GEOMAB CONSTR	02/03/12	R4 756 657.95	
2405/12	PROJECT 2405/12: EMAKHAZENI LOCAL MUNICIPALITY: UPGRADING OF	ASIAM TRADING	08/02/12	R521 724.78	

APPENDICES

	ELECTRICAL MEDIUM VOLTAGE NETWORK IN BELFAST			
2706/07	PROJECT 2706/07: EMAKHAZENI LOCAL MUNICIPALITY: CONSTRUCTION OF FIRE HOUSE IN WATERVAL BOVEN EMAKHAZENI LOCAL MUNICIPALITY: DEMOLISHING, SALVAGING OF USABLE MATERIAL AND RE-CONSTRUCTION OF THE FIRE HOUSE AT EMGWENYA IN WATERVAL BOVEN.	HARD TAGET NO.5	15/02/12	R 490 585.70
2712/12	PROJECT 2712/12: EMAKHAZENI LOCAL MUNICIPALITY:	MGUGWANA INVESTMENT	19/03/12	R5 011 418.46

APPENDICES

	BUILDING OF SIYATHUTHUKA COMMUNITY HALL			
3101/12	PROJECT NO: 3101/12: THEMBISILE LOCAL MUNICIPALITY: FLOW CONTROL VALVES FROM THEMBALETHU TO KWANHLANGA.	ASIAM TRADING	03/01/12	R704 617.10
3352/12	PROJECT 3352/11: CONSTRUCTION OF BUS ROUTE AT TWEEFONTEIN "G"	NAGEMBE CONSTR	10/02/12	R1 090 210.00
3358/12	THEMBISILE HANI LOCAL MUNICIPALITY: PROJECT 3358/12: UPGRADING OF KWAGGAFONTEIN D BUS	RAMOTILA CONSTR	01/02/12	R3 396 459.00

APPENDICES

	AND TAXI ROUTE			
3359/12	PROJECT NO: 3359/12: THEMBISILE LOCAL MUNICIPALITY: UPGRADING OF THE TWEEFONTEIN B1 BUS AND TAXI ROUTE	NAGEMBE/SHWINGS JV	23/03/12	R1 735 856.10
3360/12	PROJECT 3360/12 :THEMBISILE HANI LOCAL MUNICIPALITY: COMPLETION OF BUS ROUTE IN TWEEFONTEIN J	ZAMAGOBHOLI TRADING	09/12/2011	R1 731 246.00
3362/12	PROJECT 3362/12 : THEMBISILE HANI LOCAL MUNICIPALITY: PEDESTRIAN BRIDGE MOUNTAINVIEW PHOLA PARK	SIPHO M CONSTRUCTION	19/03/12	R1 511 827.05

APPENDICES

3363/12	PROJECT 3363/12 :THEMBISILE HANI: COMPLETION OF BUS ROUTE IN BUHLEBUZILE	SIPHO M CONSTRUCTION	15/02/12	1 687 884.00
4353/12	PROJECT NO: 4353/12: DR JS MOROKA LOCAL MUNICIPALITY: UPGRADING OF THE SKIMMING BUS AND TAXI ROUTE	NAGEMBE SHWINGS JV	07/02/12	R1 626 377.28
4354/12	PROJECT NO: 4354/12: DR JS MOROKA LOCAL MUNICIPALITY: UPGRADING OF SENOTLELO BUS AND TAXI ROUTE	ELEZULU CONSTR	15/03/12	R1 623 159.34
4355/12	PROJECT NO: 4355/12: DR JS MOROKA LOCAL	RAMOTILA CONSTR	07/02/12	R1 600 594.56

APPENDICES

	MUNICIPALITY: UPGRADING OF THE MOROTHOBOLONG BUS AND TAXI ROUTE			
4356/12	Dr. J.S. MOROKA LOCAL MUNICIPALITY: PROJECT 4356/12: UPGRADING OF RAMOKGELETSANE BUS AND TAXI ROUTE	MOTHAKGE PHADIMA CONSTR	07/02/12	R1 653 301.49
4357/12	PROJECT 4357/12: DR JS MOROKA LOCAL MUNICIPALITY: UPGRADING OF MOLETJI BUS AND TAXI ROUTE	NTIANTIA PA CONSTR	07/02/12	R1 643 358.00
5116/10	STEVE TSHWETE LM: CONSTRUCTION OF BULK WATER LINES TO THE RESERVOIRS AND TO ROCKDALE TOWNSHIP	MNGUSKHO TRADING ENTERPRISE	02/03/12	R1 574 677.50
6114/12	EMALAHLENI LOCAL MUNICIPALITY:	FAITH JIYANE CONSTR	02/03/12	R2 652 520.00

APPENDICES

	INSTALLATION OF BULK AND DOMESTIC WATER METERS			
6169/10	DIRECTIONAL DRILLING THROUGH OR TAMBO, BETHAL AND LYNDEN STREET	TRENCHLESS TECHNOLOGIES	02/03/12	R1 645 864.00
6318/12	PEDESTRIAN BRIDGES IN KLARINET X4 & X5 MNT	SIPHOM CONSTR	0903/12	R1 981 032.11
6321/12	PROJECT NO: 6321/12: EMALAHLENI LOCAL MUNICIPALITY: RECONSTRUCTION OF DAMAGED STREETS IN EMALAHLENI	FAITH JIYANE CONSTR	09/12/2011	R4 537 561.70
7034/11	PROJECT 7034/11: DEVELOPMENT OF TRANSPORT STRATEGY ON HAZARDOUS	ARCUS GIBB (PTY) LTD	23/02/12	R868 400.00

APPENDICES

	MATERIAL			
7078/12	PROJECT 7078/12: REVIEW OF PHYSICAL PLANNING FUNCTION STRATEGY- (SHARED SERVICES)	TSHIDI GUDLUZA PLANNERS	17/02/12	R294 120.00
7078/12	PROJECT 7078/12 REVIEW OF PHYSICAL PLANNING FUNCTION STRATEGY (SHARED SERVE=ICES)	TSHIDI GUDHLUZA PLANNERS AND ASSOC.	17/02/12	R294 120.00
7079/11	PROJECT 7079/11: PROPOSAL FOR LAND USE MANAGEMENT SYSTEMS FOR NKANGALA DISTRICT MUNICIPALITY.	SISONKE DEVELOPMENT PLANNERS	22/02/12	R1 499 100.00
7080/12	PROJECT 7080/12: PROJECT NO: 7080/12: FEASIBILITY	INDALO DEVELOPMENT	01/02/12	R 719 298.25

APPENDICES

	STUDY ON LOCAL MUNICIPAL CEMETERIES	CONSULTANTS		
7082/12	PROJECT 7082/12: VICTOR KHANYE LAND USE MANAGEMENT SCHEME	SISONKE DEVELOPMENT PLANNERS	22/02/12	R 572 063.40
7083/12	PROJECT 7083/12: THE APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR RIETFONTEIN AND GELUK TOWNSHIP ESTABLISHMENT EMAKHAZENI LOCAL MUNICIPALITY.	PLAN ASSOCIATES	22/12/11	R 516 490.20
7084/12	PROJECT 7084/12: THE APPOINTMENT OF PROFESSIONAL SERVICE	SISONKE DEVELOPMENT PLANNERS	22/02/12	R 672 554.40

APPENDICES

	PROVIDER FOR MORIPE GARDEN TOWNSHIP ESTABLISHMENT- DR JS MOROKA MUNICIPALITY			
7085/12	PROJECT 7085/12: THE APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR LIBANGENI EXTENSION TOWNSHIP ESTABLISHMENT- DR JS MOROKA MUNICIPALITY	TSHIONGOLWE DEVELOPMENT CONSULTANTS	03/04/12	R472 620.93
7086/12	PROJECT 7086/12: THE APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR LUTHULI MAHLABATHINI TOWNSHIP ESTABLISHMENT- THEMBISILE HANI MUNICIPALITY	PLAN ASSOCIATES	07/12/11	R 804 714.04

APPENDICES

7087/12	PROJECT 7087/12: THE APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR DENNESIG NORTH EXTENSION 1 TOWNSHIP ESTABLISHMENT STEVE TSHWETE LOCAL MUNICIPALITY	SISONKE DEVELOPMENT PLANNERS	22/02/12	R1 499 100.00
7096/12	THE APPOINTMENT OF PROFESSIONAL CONSULTANT FOR COMMUNITY ACCESSIBILITY STUDY BY MEANS OF NON-MOTORISED TRANSPORT.	HMP AFRICA	09/03/12	R506 500.00
7100/12	APPOINTMENT OF FORENSIC AUDIT	SIZWENTSALUBAGOBO	02/03/12	R 489 466.00

APPENDICES

	SERVICE PROVIDER	DO INC		
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APPOINTED CONTRACTORS – APRIL TO JUNE 2012

PROJECT NO	DESCRIPTION	APPOINTED CONTRACTOR	APPOINTMENT DATE	AMOUNT
SUPPLY, DELIVERY AND REGISTRATION OF PLANT AND	PROJECT 3708 SUPPLY, REGISTRATION AND DELIVERY OF 3 BACKHOE LOADERS (TLBS) AS PER SPECIFICATION.	BELL EQUIPMENT SALES SA LTD	2105/12	R 1 581 000.00

APPENDICES

EQUIPMENTS FOR NKANGAL A DISTRICT MUNICIPALITY.	6232/12: UPGRADING OF KLARINET EXT 2 & 3 AND PINE RIDGE SEWER PUMP STATIONS	SCIP ENGINEERING	25/05/12	R 226 586.18
	6456/12: INSTALLATION OF ELECTRICAL AND WATER METERS	PRO-ENG CONS	25/05/12	R 300 000.00
7094/12:	APPOINTMENT OF TRAINING PROVIDER TO IMPLEMENT LEARNERSHIP TRAINING AS APPROVED BY LGSETA.	BELGARIA INSTITUTE OF MANAGEMENT	31/05/12	R 360 140.00
		KHULA NONKE TRAINING & DEVELOPMENT	31/05/12	R 548 743.92
		ALTIMAX TRAINING ACADEMY	31/05/12	R 585 000.00
2306/12	PROJECT 2306/12: EMAKHAZENI LOCAL MUNICIPALITY: WIDDENING OF BHEKUMUZI MASANGO	BAAGISHANI PROJECTS	02/05/12	R3 388 640.20

APPENDICES

	DRIVE PHASE 2			
3363/12	PROJECT 3363/12 :THEMBISILE HANI: COMPLETION OF BUS ROUTE IN BUHLEBUZILE	BONANG CONSTRUCTION	02/05/12	R4 068 432.05
3411/12	PROJECT 3411/12: HIGH MAST LIGHTS FOR THEMBISILE HANI LOCAL MUNICIPALITY	CONSTRUCTABILITY 10 CC	08/03/12	R3 037 160.00
6180/11	PROJECT 6180/11: EMALAHLENI LOCAL MUNICIPALITY: PILING/ FOUNDATIONS FOR THE NEW HIGH ELEVATED RESERVOIR IN KWA- GUQA EXT 2.	STEFANUTTI STOCKS GEOTECHNICAL	21/05/12	R 338 918.00

APPENDICES

6180/11	PROJECT EMALAHLENI MUNICIPALITY: THE NEW HIGH RESERVOIR IN GUQA EXT 2.	6180/11: LOCAL ELEVATED KWA –	NKAMBULE CONSTRUCTION	21/05/12	R 937,041.08
6231/12	EMALAHLENI MUNICIPALITY: REPLACEMENT OF CAST IRON MANHOLE COVERS IN EMALAHLENI	LOCAL	GEOMAB CONSTRUCTION	06/12/2011	R 834 536.00
6317/12	PROJECT EMALAHLENI MUNICIPALITY: ENVIRONMENTAL IMPACT ASSESSMENT INVESTIGATION FOR THE REHABILITATION	6317/12: LOCAL OF	NEMAI CONSULTING	05/06/2012	EMA

APPENDICES

	KALKSPRUIT PHASE 2.			
6455/12	APPOINTMENT OF CONSULTING ENGINEERS FOR PROFESSIONAL ELECTRICAL ENGINEERS OF VARIOUS CAPITAL PROJECTS	PRO-ENG CONSULTING ENINGEERS	02/12/2011	R1 950 000.00
7039/11	PROJECT 7039/11: NKANGALA DISTRICT ERADICATION OF INFORMAL SETTLEMENT STRATEGY PROJECT.	SANDORO PROJECTS	22-DEC-2012	R558 828.00
7075/12	PROJECT 7075/12 DEVELOPMENT OF FIRE PREVENTION AND RESPONSE STRATEGY FOR NKANGALA DISTRICT MUNICIPALITY	RURAL EMERGENCY MANAGEMENT SERVICES	25/05/12	R 869 695.00

APPENDICES

7075/12	PROJECT 7075/12 DEVELOPMENT OF FIRE PREVENTION AND RESPONSE STRATEGY FOR NKANGALA DISTRICT MUNICIPALITY	RURAL METRO EMERGENCY MANAGEMENT SERVICES	11/06/2012	R 869 695.00
7085/12	PROJECT 7085/12:THE APPOINTMENT OF PROFESSIONAL SERVICE PROVIDER FOR LIBANGENI EXTENSION TOWNSHIP ESTABLISHMENT- DR JS MOROKA MUNICIPALITY	TSHIONGOLWE DEVELOPMENT CONSULTANTS	03/04/2012	R472 620.93
7091/12	PROJECT 7091/12 DEVELOPMENT OF HUMAN SETTLEMENT STRATEGY FOR NKANGALA DISTRICT	URBAN DYNAMICS	28-MAR-2012	R 978 978.00

APPENDICES

	MUNICIPALITY			
APPOINTMENT OF CONSULTING ENGINEERS FOR PROFESSIONAL ENGINEERING SERVICES FOR WATER AND ELECTRICITY REVENUE ENHANCEMENT PROJECTS.	2405/12 : EMAKHAZENI LOCAL MUNICIPALITY – INSTALLATION OF ELECTRICAL METERS	PRO-ENG CONS	25/05/12	R 250 000.00

APPENDICES