

NXUBA LOCAL MUNICIPALITY



DRAFT ANNUAL REPORT 2013/2014

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

The Mayor/Speaker, **Cllr Louisa Leonora Bruintjies**, is charged with the overall responsibility of providing political leadership to the Nxuba Local Municipality. Section 46 of the Local Government’s Municipality Systems Act No.32 of 2000 and Section 121 of the Local Government’s Municipal Finance Management Act No 56 of 2003 requires the council to prepare an Annual Report for each financial year and the Mayor to table it within seven months after the end of each financial year.

The key priorities of Nxuba Municipality include but not limited to; high mast lights and disaster management centre. The IDP, therefore, clearly states priorities for this term of the financial year by prioritizing building of the multi-purpose centre for the benefit of the community of Nxuba. For each financial year projects are identified and prioritized in the integrated development plan (IDP) and these are;

1. Drivers’ Testing Ground in Adelaide
2. Paving of Red Township access road in Adelaide
3. Goodwin Park Community Hall in Bedford
4. Paving of Bedford Town Streets
5. Fencing of Adelaide and Bedford Cemeteries

The municipality has a huge financial constraint that impacted negatively to the growth and prospering of the municipality and as a rural municipality we are faced with the following challenges;

- Predominantly dominated by indigents
- Grant dependent due low revenue collection and grant dependency
- Aging infrastructure which impedes efforts to tackle electricity challenges
- Inability to service huge ESKOM debt

Despite all these challenges Council took a firm decision that a disclaimer was not acceptable the Municipality managed to work very hard to get a Qualified Audit report. The Infrastructure of the Municipality has been improved in the financial year 2013/2014.

Particular significance during the year under review is the completion of the Paving in Adelaide and Bedford, Goodwin Park Community Hall, Adelaide and Bedford Cemeteries and Human Settlement Houses. The projects that are still in progress are the 172 Zinc Houses, drivers testing ground.

Nxuba Municipality is committed to supporting the dream of sustainable development and a better life for all its citizens. As Nxuba Local Municipality, we will continue to be receptive to constructive criticism and suggestions as well as to remain accountable to the communities. It is a humbling experience that on behalf of the people of Nxuba Municipality, I endorse the 2013/2014 Annual Report.



Councillor Louisa Leonora Bruintjies

MAYOR/SPEAKER

COMPONENT B: EXECUTIVE SUMMARY

During the 2013 / 2014 financial year Nxuba Local Municipality has to a large extent despite its budget constraints attempted to provide services in line with the objects of Local Government as enshrined in the Constitution, Act 108 Of 1996, Section 152. The Municipality has also reviewed its delegation of powers and is finalizing the reviewed rules of orders. The Integrated Development Plan (IDP) 2014/2015, Budget and Service delivery budget implementation plan (SDBIP) 2014/2015 were adopted on the 16 May 2014. The participation by the sector departments during IDP / Budget preparation has improved and sector departments plans are included in the Nxuba IDP. The provision of fire services however remains a challenge for the Municipality hence Amathole District Municipality (ADM) has been approached to partner with Nxuba Local Municipality in the provision of fire services.

The 2012 / 2013 Audit Opinion showed an improvement from Disclaimer to a Qualified Audit Opinion. The Municipality has adopted a turnaround plan to ensure in the next financial year, it progressed to an Unqualified Audit Opinion. The financial health of the Municipality is still a challenge and this result in non-payment of Creditors. However, the Municipality is embarking on robust enhancement strategies and is disconnecting electricity for non-payers. The Municipality relies heavily on grants and is unable to collect its own revenue and has enlisted service provider to assist with debt collection.

Risk assessment has been completed and quarterly risk register is updated and reviewed by both internal audit and audit committee. It could also be stated that the risk register is still showing high risk rate because mitigating some risk require funding and due to budget constraints, Municipality has not been able to deal with risk challenges properly.

Lastly, the Section 56 Managers have been appointed during 2013 / 2014 financial year, namely, Director Corporate Services, Director Technical Services, Chief Financial Officer, and Director Community Services post will be filled in 2014 / 2015 financial year.

MUNICIPAL MANAGER'S OVERVIEW

Nxuba Municipality has taken giant steps to ensure that it implements the Integrated Development Plan (IDP) during 2013 / 2014 financial year. The IDP had various developmental projects that were implemented. Chiefly amongst the projects were the constructions of drivers testing ground in Adelaide, paving of access roads in Adelaide's Red Town, construction of Goodwin Park Community Hall in Bedford, paving of Bedford Town Streets and fencing of cemeteries in both Adelaide and Bedford. Furthermore, the organisational performance can also be measured in the following five (5) Key Performance Areas (KPA's) namely:

KPA 1: Municipal Transformation and Institutional Development

The organisational structure of the municipality was reviewed in order to align it to the Integrated Development Plan (IDP). The reviewed organogram was adopted on 22 May 2013. The following were also identified as key areas that needed more focus: Human Resources, Skills Development, Records Management, Information Technology, Council Support and Security Services.

Various training sessions were provided to municipal councillors, staff and ward committees in order to capacitate them, thereby enhancing their skills in order to perform their duties effectively. The Municipality also revised and adopted new policies and plans for the institution in order to carry out its mandate, including the Workplace Skills Plan. The Policies adopted are mainly: Human Resources and Finance Policies. Also the internal audit function was co-sourced in the year under review and achievements in this field were noted as the Municipality has been without this function for a considerable period of time. Amathole District Municipality is also providing support in this regard.

It is worth mentioning that despite the achievements mentioned above, the Municipality experienced terminations

in the following key positions during the year under review: Electrician – Adelaide, Housing Officer, IDP/PMS Officer, Senior Clerk Finance, Procurement Clerk. These terminations had a detrimental effect on the implementation of the Integrated Development Plan and Council intends to fill them in due course.

KPA 2: Basic Service Delivery and Infrastructure Development.

In 2013/14 Nxuba Municipality had the following projects which are MIG funded and were completed: Bedford Town Streets, Red Township Access Roads, Goodwin Park Hall and Traffic Testing Centre. The following projects have been completed in the 2012/2013: Goodwin Park Access Road, Council Chamber & Municipal Offices, Fencing Of Adelaide Cemeteries and Fencing of Bedford Cemeteries.

The existing Waste Management Plan is currently being reviewed by Hatch Goba. Hatch Goba is also reviewing Nxuba Municipality Electrical Problems. It is estimated that about 98% of all households in Nxuba have access to electricity.

The housing sector plan has been developed. In the year under review, two housing projects were being unblocked and construction is taking place. The municipality was involved in discussions with the Department of Human Settlements and the matter of blocked projects is resolved.

The Municipality has experiencing intermittent lapses in the collection of refuse due to aged plant and equipment. The Municipality has not been able to address the huge backlogs in terms of service delivery due to financial constraints and limited funding from other spheres of government.

KPA 3: Local Economic Development

The Municipality has managed to develop and promote its enterprise development by providing business skills training to its SMME's. Focus in the 2013/2014 financial year was on agriculture and tourism. The Municipality, together with other Government Sectors, provided communities with food gardens and seeds with the aim to improve their livelihood. Funding for LED projects remains a great challenge in this Municipality. Nxuba has now developed its Local Economic Development Strategy.

KPA 4: Municipal Financial Viability and Management

The Municipality has been experiencing a number of challenges in its effort to be financially viable. In order to address these challenges the following has been done: Revenue Enhancement Strategy has been developed by the Municipality to improve its liquidity, Budget Reforms have been implemented and Financial, Asset and Supply Chain Management processes are all being reviewed.

The municipality has not been able to service its debt timeously with Auditor General and also experienced cash flow problems in paying its outstanding creditors as a result of long outstanding debtors. The Credit Control Policy has been reviewed and is being implemented.

KPA 5: Good Governance and Public Participation

The outsourced Internal Audit function managed to prepare the Internal Audit Charter, Risk Assessment Register, Risk Management Policy and Audit Committee Charter. The audits of the performance information and the traffic section were undertaken. A 3-year internal audit plan was compiled. This improved the functioning of the audit committee. The audit committee could adequately perform its oversight function as a result thereof.

The performance management framework was reviewed but it remains a challenge. Public participation programs have been conducted through the IDP/Budget Road Shows, Ward meetings and Mayoral outreach programmes and IDP / Budget representative forums.

S CAGA

MUNICIPAL MANAGER

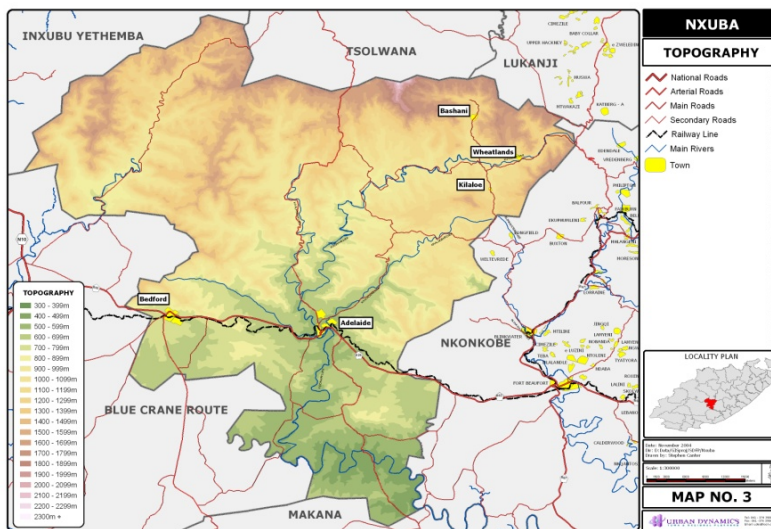
1.1. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

An environmental analysis includes a demographic, socio economic, spatial and biophysical environmental analysis:

Nxuba Local Municipality is situated in the Winterberg region of the Eastern Cape, under the jurisdiction of Amathole District Municipality. It is made up of the towns Adelaide, Bedford and Post Retief. The towns are imbedded with a variety of architecture and steeped in history. The Municipality has a rich historical background dating back to the 19th century with many places of interest and heritage sites that need to be preserved.

The following map represents the geographic location of Nxuba Municipality.



The Nxuba Local Municipality covers an area of 2,749.45km² and constitutes 11.66% of the Amathole District. The physical area is characterised by three distinctive settlement and land use patterns, consisting of its two main urban centres and the rural hinterland, comprising of privately owned farms (including the Winterberg, Mankazana, Cowie Valley, Baviaans River and Smaldeel) where most of the farming activities take place and high lying hinterland which is mainly characterized by mountainous terrain and hills.

The Nxuba Municipal area is abutted by the boundaries of Nkonkobe (East), Lukhanji (North East), Tsolwana (North), Inxuba Yethemba (North West), Blue Crane Route (West) and Makana (South) Municipal areas.

Demographic trends:

The population of Nxuba is 24 264. The population density is low with an average population density of 8.41 people per Km². The population is predominantly female (51.9%) and predominantly African (75%). The largest portion (61.9%) of the population is young and under the age of 35 years, 29.6% are still dependent (1-14), 61.7% are potentially economically active (15-65) and 8.7% are elderly (65+). The high number of dependent children implies a higher burden on the economically active population and organs of state that are providing social assistance services. 7.6% of the population has some form of disability with more men than women being afflicted. Most of the disabilities are physical.

Socio economic trends:

The area is characterised by poor socio economic conditions. Poverty levels are high with 75.9% of the population earning less than R800 per month and technically falling under the poverty line. This is exacerbated by high levels of unemployment and a high number of potentially economically active people not being economically active (60.8%). Low income levels imply a high dependence on social grants and 32.8% of the population is dependent on social grants. Old age pension and child support grants constitute the majority of grants. Agriculture is the dominant economic activity, followed by community and public sector services with manufacturing and the wholesale and retail trade trailing slightly. The community and public sector services have limited capacity for expansion.

The employment sector is dominated by elementary occupations and occupations requiring low qualification levels. The Municipal area is characterised by relatively low education and literacy levels and 6.3% of the population over 20 years of age have no education while 36.9% have only some form of primary school education. Only 16% of the population has attained Grade 12, in addition only 7.2% have received a tertiary qualification. There are approximately 13 schools in the urban area of the municipality of which just over 17% are Senior Secondary Schools. There are no tertiary education facilities within the municipal area. Fortunately the University of Fort Hare (Alice Campus) is only 60 km from Adelaide.

Primary Health care is provided by the Provincial Department of Health. There are two hospitals and six clinics in the urban area of Nxuba. One Mobile clinic serves the rural area of Adelaide. There is no mobile clinic in the Bedford area. Community Access to Health Services include: mobile clinic, emergency medical service, HIV/AIDS programme, nutrition programme, psychiatry hospital and TB hospital and they are rendered with assistance from and Nkonkobe Local Services Authority and Amathole District Municipality

HIV and Aids and Tuberculosis (TB) is a significant contributing factor to the demographic changes taking place in Nxuba and the Amathole DM IDP predicts that a high drop in the rate of births from a current average of 3.2 to 1.5 births per woman in the year 2020.

Population Details

Population '000

Age	2011			2012			2013			
	Male	Female	Total	Male	Female	Total	Age	Male	Female	Total
0 – 14			6357			6357	0 - 4	1333	1363	2695
15-34			6951			6951	5 - 9	1224	1187	2411
35-64			6302			6302	10 - 14	1112	1063	2175
65+			1866			1866	15 - 19	1215	1169	2385
							20 - 24	958	914	1872
							25 - 29	899	868	1767
							30 - 34	728	750	1478
							35 - 39	732	738	1470
							40 - 44	621	750	1371
							45 - 49	635	794	1429
							50 - 54	545	671	1216
							55 - 59	527	627	1154
							60 - 64	350	446	796
							65 - 69	307	376	683
							70 - 74	240	379	619
							75 - 79	121	232	353
							80 - 84	72	129	201
							85 +	59	130	189

Source: Community Survey 2007 & Census 2011

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2010/11	2011/12	2012/13
Demographics						
Population		24 224	21 467	21 467	21 467	24 264
Unemployment		4 690		4 690	4 690	4 690

Number of households in municipal area				6 277	6 277	6 691
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SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

Basic services including the electricity, refuse and roads are mainly provided by the Municipality. These are mainly funded from the equitable share which also provides for free basic services to the indigents. The Municipality is also currently updating its indigent register and has embarked on data cleansing. The municipality acquired the services of Inquest to help in the collection of revenue and the electrification of the new area in Bezuidenhoutville, the project will also assist on increasing revenue by decreasing tampering.

Other poverty alleviation programmes that are currently implemented include the Expanded Public Works Programme (EPWP) and Community Works Programme (CWP). The Municipality has completed the cemetery fencing project and is busy with other infrastructure projects like roads and community halls.

FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The annual budget for 2013/14 had a deficit as expenditure budget amounted to R 60.1 million (excluding capital budget) and income R71.7 million; this was due to budgeting for non cash items (depreciation and bad debts). Budgeted revenue from grants amounted to R39 million, service charges and other revenue R 32.7. The adjusted budget for revenues was R69.8 million and R 59.6million was received; 85% of the budgeted revenue was received. The adjusted expenditure budget was R 56 million and R64 million was spent; variance amounts to R 8 million.

Financial Overview: 2013/14			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	39222400	39222400	37994400
Taxes, Levies and tariffs	25796447	25796447	17189824
Other	6702621	4802621	4488173
Sub Total	71721468	69821468	59672397
Less: Expenditure	-60196868	-56218895	-64349120
Net Total*	11524600	13602573	-4676723
* Note: surplus/(defecit)			T 1.4.2

OPERATING RATIOS

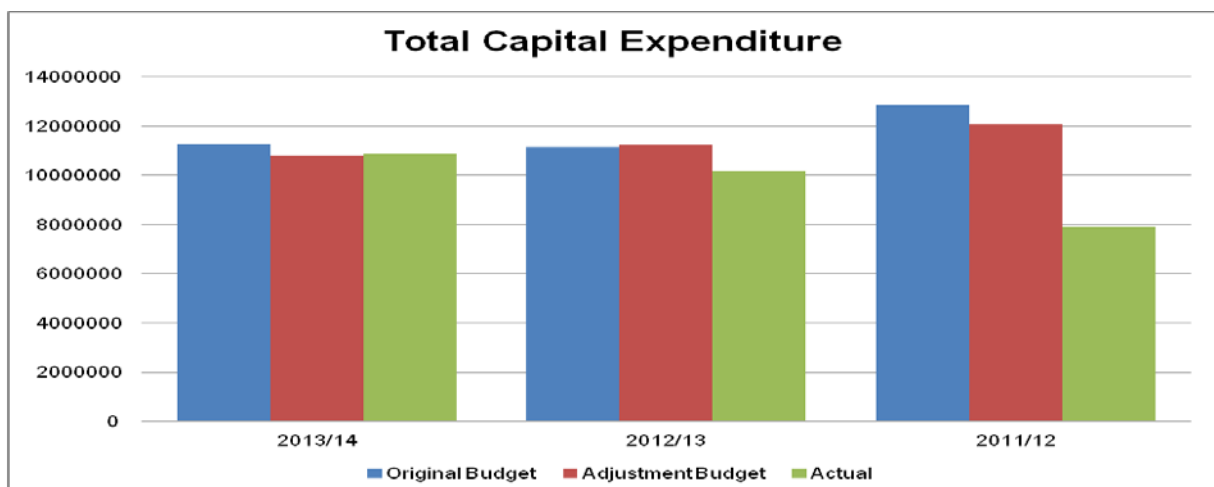
Operating Ratios	
Detail	%
Employee Cost	37%
Repairs & Maintenance	4%
Finance Charges & Impairment	0%
	<i>T 1.4.3</i>

Employee costs constitute 37% (including councillor's remuneration) of the operating budget, Repairs and maintenance 4 %.

CAPITAL EXPENDITURE

Total Capital Expenditure: 2011/12-2013/14			
R'000			
Detail	2013/14	2012/13	2011/12
Original Budget	11254200	11142550	12854250
Adjustment Budget	10804200	11221050	12056158
Actual	10852704	10183803	7878186
			<i>T 1.4.4</i>

For the 2013/14 financial year; capital budget amounted to R11 254 200, adjustment budget was R 10 804 200 and actual spend for the period was R10 852 704 which is R48 504 more than the budgeted amount.



ORGANIZATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The overall annual performance for Nxuba Local Municipality for the period July 2013 to June 2014 is summarised below. This below information is extracted from the municipal service delivery budget and implementation plan, which depicts strategies, indicators, projects and targets set for the reporting period.

Department	Annual Targets 2013/14 Financial Year		
	Total No of Targets (a)	Total Targets Met (b)	% Met (b/a)
Budget & Treasury	61	58	95,08%
Corporate Services	55	26	47,27
Technical Department	29	13	44,82%
Municipal Manager	25	23	92%
Community Services	34	17	50%
Overall Municipal Performance	204	137	67,15%

ANALYSIS OF PERFORMANCE ASSESSMENT RESULTS

The overall performance of Nxuba local municipality for the 2013/14 financial year is **67, 15%**. This may be caused by a variety of issues ranging from leadership instability in some departments, inadequate filing of documents to support achievements, etc.

The main challenges that the municipality need to grapple with are the inadequate system of filing of the portfolio of evidence, this has manifested to be the downfall of the municipality as in most cases targets were met but evidence could not be located, and the instability in key leadership positions, i.e. Head of department positions

AUDITOR GENERAL REPORT

(The report of the Auditor General to be attached as annexure)

COMMENT ON THE ANNUAL REPORT PROCESS:

[...comment with the final]

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Nxuba Municipality is a Category B Municipality (local municipality) as defined under section 3 of the Local Government: Municipal Structures Act No. 117 of 1998.

The Municipal Council has eight Councillors, four of which individually directly represent a specific ward and the remainder represents parties proportionally in the council. After the Local Government elections in 2011, one councillor was proportionally elected to serve on the Amathole District Council to represent Nxuba municipality. The Mayor/Speaker is a full time public office bearer. The Municipality has a Plenary System combined with a ward participatory system. All Councillors are part of the three standing committees due to the size of the Municipality.

Champions to drive key areas were elected among councillors and also the representatives to the Public Bodies. Municipal Public Accounts Committee (MPAC) was established and five Councillors are members of this committee. Ordinary Council and Committee Meetings are held bi-monthly instead of quarterly due to the size of the Municipality. Standing Rules of Orders and also Delegation of Powers were presented to newly-elected councillors in workshops and adopted by them; however the Standing Rules of Order need to be reviewed.

A schedule for Council Meetings was adopted by the Council and meetings are held accordingly and agendas are circulated seven days before the meeting. After the Council Committees have concluded, officials are expected to implement the resolutions agreed to in that meeting and to submit their reports at the next Council meeting.

The Accounting Officer (Municipal Manager) and section 56 managers attend Council and Standing Committees to represent the municipality's administration and to account in the form of the IDP, budget, strategic and operational plans / Service Delivery and Budget Implementation Plan (SDBIP).

POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

As a plenary municipality Nxuba has a full time Mayor/Speaker. However staff supporting the Mayor/Speaker report to Municipal Manager for purposes of supervision and control and also because of the fact that the Mayor/Speaker has other political commitments which results in her not to be in the office all the time.

The Mayor/Speaker is elected to provide political leadership and be the custodian of the vision of the municipality. The Municipality has eight Councillors, four of which individually directly represent a specific ward and the remainder to represent parties proportionally in the council. After the Local Government elections in 2011, one councillor was proportionally elected to serve on the Amathole District Council to represent Nxuba municipality. The Municipality has a Plenary System combined with a ward participatory system.

There are four portfolio committees that have been established in terms of Section 79 of the Local Government Municipal Structures Act, (Act 117 of 1998) to serve the following portfolios;

1. Finance (Budget & Treasury) Committee

2. Corporate Service Committee
3. Technical Services &
4. Community Services Committee

All Councillors are part of the four standing committees due to the size of the Municipality. Champions to drive key areas were elected among councillors and also the representatives to the Public Bodies. Municipal Public Accounts Committee (MPAC) was established and five Councillors are members of this committee. Ordinary Council and Committee Meetings are held bi-monthly instead of quarterly due to the size of the Municipality. Standing Rules of Orders and also Delegation of Powers were workshopped and adopted by the newly- elected councillors for their term in office. These however will be reviewed in the next financial year. Schedule for Council Meetings was adopted by the Council and meetings are held accordingly and agendas are circulated seven days before the meeting. After the Council Committees have concluded, officials are expected to implement the resolutions agreed to in that meeting and to submit progress reports on the implementation of council resolutions at the next Council meeting. The Accounting Officer (Municipal Manager) and section 56 managers attend Council and Standing Committees to represent the municipality's administration and to account in the form of the IDP, budget, strategic and operational plans / Service Delivery and Budget Implementation Plan (SDBIP).

The Municipality has functional governance structures like Municipal Public Accounts Committee (MPAC) and Audit Committee. These Governance structures meet frequently to discuss. Matters pertaining to their scope of work and terms of reference

MUNICIPAL COUNCIL

Mrs Louisa Leonora (Dolly) Bruintjies	ANC	Mayor /Speaker
Mr Qondile Patrick Maloni	ANC	(PR) Whip
Mr Pasika Jack	ANC	
Ms Bulelwa Pamela Mentoor	ANC	
Mr Sizakele Aubrey Ndyambo	ANC	
Mrs Cecilia Anne Auld	DA	(PR)
Mr Ernst Lombard	DA	(PR)
Mrs Lydia Josephina Douglas		NCO

POLITICAL DECISION-TAKING

The Nxuba Local Municipality is a plenary type municipality. It has four (4) standing committees namely; Finance (Budget & Treasury) Committee, Corporate Services Committee, Community Services and Technical Services. Each standing committee has a chairperson assigned to it and meetings are convened on a monthly basis. Recommendations from standing committees are referred to council meetings for resolution and adoption. Ordinary council meetings are held on a bi-monthly basis and once resolutions are taken they are circulated to all Directorates for implementation. Report on progress of council resolution is reported to subsequent council meeting through a council resolution tracking system (job/action card). During the financial year under review all council resolutions were implemented.

POLITICAL STRUCTURE

MAYOR/ SPEAKER

Cllr L.L Brintjies



CHIEF WHIP

Cllr Q Maloni.



COUNCILLORS

The Municipality has functional governance structures like Municipal Public Accounts Committee (MPAC) and Audit Committee. These Governance structures meet frequently to discuss. Matters pertaining to their scope of work and terms of reference

ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Nxuba Municipality has experienced severe institutional challenges over the past few months, including financial constraints and the loss of key personnel. A recovery plan was implemented in the Finance Department and additional assistance rendered by ESKOM to improve systems. These initiatives contributed to the stabilization of the administration and go a long way in restoring the confidence of the community in the institution.

The Constitution indicates that the objectives of local government are:

- ✚ To promote democratic and accountable government for local communities
- ✚ To ensure the provision of services to communities in a sustainable manner
- ✚ To promote social and economic development
- ✚ To promote a safe and healthy environment and
- ✚ To encourage the involvement of communities and community organisations in the matters of local government

Nxuba Municipality has the functions and powers assigned to it in terms of sections 156 and 229 of the Constitution. The following are the key functions of Nxuba municipality:

FUNCTIONS OF THE MUNICIPALITY

- Building regulations
- Electricity reticulation
- Local Tourism
- Municipal Planning
- Municipal Roads & Storm water
- Trading Regulations
- Amusement facilities
- Billboards and the display of adverts in public places
- Cemeteries, Crematoria and funeral parlours
- Cleansing
- Control of public nuisances
- Control of undertakings that sell liquor to the public
- Facilities for the accommodation, care and burial of animals
- Fencing and fences
- Local amenities
- Local sport facilities
- Markets
- Municipal abattoirs
- Municipal parks and recreation
- Noise pollution
- Pounds

- Public places
- Refuse removal, refuse dumps and solid waste disposal
- Street trading
- Street lighting
- Traffic and parking

By the legislative powers vested in the Nxuba Municipal council, the following By-laws have been promulgated:-

- Advertising Signs
- Cemeteries & Crematorium
- Community Fire Safety
- Credit Control & Debt Collection
- Delegation of Powers
- Impounding of Stray Animals
- Keeping of Dogs and Other Animals
- Liquor Trading
- Neglected Buildings and Premises
- Prevention of Nuisances
- Public Open Spaces
- Solid Waste Disposal
- Standing Rules for Council
- Street Trading
- Use and Hire of Municipal Buildings
- Ward Committees

INSTITUTIONAL ARRANGEMENT

OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager is composed of the staff who provide support and assist with the strategic and operation issues in the office. The office of the Municipal Manager has the following duties assigned to it;

-Internal audit,-Legal services, Intergovernmental relations, Customer care and Integrated Development Plan & Organizational Performance Management.

KEY PERFORMANCE AREAS:

1. Local Economic Development
2. Municipal Transformation and Organizational Development
3. Good Governance and Public Participation
4. Service Delivery and Infrastructure Development
5. Municipal Financial Viability

CORPORATE SERVICES DEPARTMENT

The Manager for Corporate Services is responsible for; Administration (Surveys and Reports),Community Participation, Communication, Human Resource Management, Registry and Archives, Executive and Council Support, Labour Relations, Planning and Development, LED, Typing pool & switchboard and Public Participation

KEY PERFORMANCE AREAS:

1. Local Economic Development
2. Municipal Transformation and Organizational Development
3. Good Governance and Public Participation

COMMUNITY SERVICES DEPARTMENT

The Manager for the Community Development Department is responsible for the development and maintenance of community facilities and amenities (gardens, sport fields and pavements), cleansing and street Sweeping, Solid Waste Management and refuse removal (including waste disposal sites), Firefighting, Security Guards, Library services and Traffic control including pounds.

KEY PERFORMANCE AREAS:

Service Delivery and Infrastructure Development

TECHNICAL SERVICES DEPARTMENT

The Manager for Technical Services Department is responsible for; Electricity and reticulation, Roads and Storm water, Building maintenance and Inspectorate, Town Planning (Land use, land sales and subdivisions/rezoning) and Housing Administration

KEY PERFORMANCE AREAS:

Service Delivery and Infrastructure development

BUDGET AND TREASURY DEPARTMENT

The Chief Financial Officer is responsible for the Budget and Treasury office; which includes the management of Municipal assets & risks, revenue, debt collection, meter reading, IT, SCM, cashiers, expenditure, salaries and wages, payment of creditors, insurance and valuations.

KEY PERFORMANCE AREAS:

Municipal financial Viability

TOP ADMINISTRATIVE STRUCTURE

MUNICIPAL MANAGER

Mr Siphiso Caga



DIRECTORS :

Director Corporate Services

Mr Mzwabantu Msakatya

Director Chief Financial Officer

Mrs Nonkululeko Marambana

Director Technical Services

Mr Mncedi Kashe

Director Community Services (Acting)

Mr Nkululeko James

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The Municipality participates in District IGR structures. These structures are composed of the Technical Task Group and District Mayors Forum. The local IGR structure is mainly utilized to solve problems affecting service delivery as well as shared priorities for development. This process is hampered by the inconsistency of member department's representation to the structures and the attendance of officials who do not have decision making capacity and impact on budgeting processes. This negatively affects integration and the municipality has called upon OTP and DLGTA to address the issue of defaulting Departments.

PROVINCIAL INTERGOVERNMENTAL RELATIONS

Nxuba Local Municipality has recognized the potential of strategic partnerships to develop its capacity. The Municipality entered into a Memorandum of Understanding with Nelson Mandela Metropolitan Municipality and other stakeholders such as Public works and others. Nxuba Municipality also works closely with the Amathole District Municipality through the office of the municipal support unit and other departments within the district.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Nxuba has a draft Public Participation Strategy to improve public participation in the affairs of the municipality and needs to re-establish the Local Communication Forum. A wide range of communication tools are used and these include;

Winterberg News, EP Herald

Imbizo's / Road shows,

Loud hailing,

Library;

Memorandum

Notice boards and

Nxuba Municipal Website.

Strategic Objectives of the Strategy

- Enable municipality to effectively and efficiently implement public participation programmes.
- Develop coherent and coordinated public participation programmes that are understood by the municipal constituency.
- Ensure that there is genuine two-way public participation between the municipality and its stakeholders.
- Helps municipality to respond adequately and appropriately to prevailing conditions within its environment.

The Public Participation Strategy shall define amongst other things its audience within the context of the White paper on Local Government, which defines municipal residents:

- As voters.
- As consumers.
- As partners in resource mobilization for development via business, NGOs, etc,
- As participants in policymaking.

Residents in terms of the strategy will further be viewed as:

- Partners in the municipality
- Issue-framers and independent-outcome-trackers.

Ward Committees have been established in all 4 wards. Each Ward Committee is chaired by a Ward Councillor. Ward Committees are established for purposes of enhancing participatory democracy in local government and to make recommendations on any matter affecting their wards through the Ward Councillor. The Ward Committees sit 4 times a year, which means once per quarter and the issues raised during these meetings are tabled to the Council for consideration. During the financial year under review 2013/2014, the ward committees were trained on module 3 of Public Participation and on Module 4 of Roles and Responsibilities of ward committee in order to strengthen their capacity and they are also provided a stipend every month.

The Department of Local Government and Traditional Affairs has also deployed three Community Development Workers, one CDW per ward, in order to bring government closer to the people.

Nxuba Local Municipality has also developed a website, the purpose is to widen public participation as prescribed by Section 21B (1) of the Municipal Systems Act. The following structures are not functioning within the Nxuba Municipality. SPU post was not budgeted for in the last financial year and the position was done ad hock basis. The SPU position has been budget for 2014/15 financial year and has been advertised in July 2014.

- ✚ Nxuba Youth Council
- ✚ Nxuba Disabled Council
- ✚ Nxuba Women forum
- ✚ Nxuba Elderly Person Forum
- ✚ Nxuba HIV/AIDS Council
- ✚ Nxuba Sport Council
- ✚ Nxuba Local Communicators Forum

Municipal procurement and job creating projects are geared not only toward poverty alleviation but also to draw special groups into the economy.

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
IDP WORKSHOP WARD COMMITTEES MEETING	29/08/2013			11	YES	
IDP/BUDGET REP FORUM	12/12/2013			8	YES	
STANDING RULES AND ORDERS WORKSHOP	15/10/2013	2		26	YES	
WARD 1 COMMITTEE MEETING	4/10/2013	1		5	YES	
WARD 1 MEETING	18/12/2013	1		42	YES	
WARD 2 COMMITTEE MEETING	11/10/2013	1	1	6	YES	
WARD 3 COMMITTEE MEETING	4/10/2013	1	1	5	YES	
WARD 4 COMMITTEE MEETING	28/11/2013	1		5	YES	
WARD COMMITTEE MEETING	30/06/2014	2	4	14	YES	
IGR MEETING	26/10/2013		3	49	YES	
	11/6/2014	6	5	33	YES	

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

[...to be updated with 2013/14 information]

Section 16 (1) of the Municipal Systems Acts requires the municipality to develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose encourage, and create conditions for, the local community to participate in the affairs of the municipality, including the preparation, implementation and review of its integrated development plan in terms of Chapter 5;

Informed by the above legislation, Nxuba Local Municipality conducted the IDP/Budget Public hearings in order to get the comments of the community regarding the review of the IDP 2014/15. The issues raised by the community informed the review process of 2015/16 IDP.

IDP PARTICIPATION AND ALIGNMENT

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 KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

COMPONENT D: CORPORATE GOVERNANCE

RISK MANAGEMENT

Nxuba Local Municipality is mandated by Section 62 (1) (c) of the MFMA which requires a municipality to have and maintain an effective, efficient and transparent system of risk management. Nxuba LM Risk Management committee was established on the 18 June 2012. It could not function well due to lack of understanding the responsibilities and duties of the committee, some of the members and chairperson of the committee were appointed in February 2013. The Risk Management Policy was developed and approved by the Council on the 22 May 2013. The Policy is stating all the duties and responsibilities of the committee and the committee has set down to review and get to familiarize themselves with policy. The municipality has

requested training from the District Municipality (ADM) for all the members appointed and also to assist with risk Assessment, unfortunately the ADM could not be able to conduct the training during the financial year 13/14 because of non-availability of the facilitator. The ADM has organized the Anti-Corruption Training for Practitioners to be conducted in the next financial year; risk assessment was conducted during 2013/14 financial year.

The five risk areas:

- Inability to collect long outstanding debt
- No IT framework in place
- Inability to adequately respond to fires and natural disasters
- Ineffective document management system
- Operating an illegal waste site

ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The Municipality drafted the Fraud Prevention Policy with the assistance of the Department of Local Government. The staff and councillors attended a workshop regarding the policy which was adopted by Council on the 22 May 2013. The risk Management Committee was part of the reviewer of the Fraud Prevention Policy. The Municipality has established the draft Fraud prevention Plan which was submitted to the Audit Committee. The ADM has organized the Anti-Corruption Training for Practitioners which to be conducted in the next financial year. Draft prevention was submitted to council on 26/06/2014 and was adopted and approved as a fraud prevention plan.

SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

Nxuba Municipality has established a Supply Chain Management Unit in linked with the internal Supply Chain Management Policy. The Nxuba SCM policy has been designed to be fair, equitable, transparent, competitive and cost effective. The policy does comply with the prescribed regulatory framework for municipal supply chain. In the Supply Chain Management policy there are processes which include tenders, quotations, disposals and deviations. The policy does specify which process must be followed for each range of commodities. There are mechanisms and procedures in place to each type of procurement process that is required to be followed. There is flexibility in the process in case of emergency and if the contract is below the prescribed thresholds.

BY-LAWS

COMMENT ON BY-LAWS:

By the legislative powers vested in the Nxuba Municipal council, the following By-laws have been promulgated:-

- Advertising Signs
- Cemeteries & Crematorium
- Community Fire Safety
- Credit Control & Debt Collection
- Delegation of Powers
- Impounding of Stray Animals
- Keeping of Dogs and Other Animals
- Liquor Trading
- Neglected Buildings and Premises
- Prevention of Nuisances
- Public Open Spaces
- Solid Waste Disposal
- Standing Rules for Council
- Street Trading
- Use and Hire of Municipal Buildings
- Ward Committees

No by-laws were developed, reviewed and gazetted during the financial year under review.

WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	yes	
All current budget-related policies	yes	
The previous annual report (Year -1)	yes	
The annual report (Year 0) published/to be published	no	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	no	
All service delivery agreements (Year 0)	n/a	
All long-term borrowing contracts (Year 0)	n/a	
All supply chain management contracts above a prescribed value (give value) for Year 0	no	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	no	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	no	
Public-private partnership agreements referred to in section 120 made in Year 0	no	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	no	
<p><i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i></p>		

T 2.10.1

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The Directorate will during the current financial year work closely with the relevant user departments in ensuring that all the information is placed in the website. The website will be updated with the information on a regular basis.

PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The Municipality has low protest actions and generally has fairly presented its case to its residents. Public participation sessions are held mainly during the IDP / Budget process, Mayoral Outreach and through Ward meetings.

Municipality has cash flow problems that affect service delivery but through the Equitable Grant and MIG is able to provide services though not at adequate levels.

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

This part of the analysis provides an overview of infrastructural services which are:

- Roads & Storm water
- Electricity & Energy
- Water & Sanitation
- Planning & Development
- Housing Services

⇒ *Water and sanitation*

- The Amathole District Municipality is the Water Services Authority (WSA) and the Water Services Provider for the entire Nxuba area.
- Water reticulation is provided by the WSP in the urban areas.
- Adelaide has got insufficient bulk water and ADM has started with a groundwater exploration study in Nxuba to look at alternative options.
- Bucket system is still used in Lingelethu and in some areas of Nyarha. These toilets were upgraded to waterborne facilities although not connected to the system due to the persistent drought and insufficient capacity of the sewerage treatment plants. Most of the areas that are still using the bucket system must first be formalized.

⇒ *Roads and storm water*

- The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport, the Amathole District Municipality and the Local Municipality.
- The most important transportation distributor is the R63, linking King Williams Town to the N10 and Cradock. The stretch that transverses Nxuba from the direction of Fort Beaufort to the N10 is in a good state of repair. The R63 forms axes with the R67 which is also used as an alternative route to Queenstown via Whittlesea. The R63 road connecting Bedford to Cookhouse has been partially fixed and is in very good condition; however half of this road is in very bad condition. These roads are particularly important for the development of agriculture and tourism in the area.
- The general condition of internal gravel roads within Nxuba is in very poor condition, but most of the have been paved and storm water systems either need to be developed or extensively upgraded. The process of maintaining and upgrading roads is hampered by budget constraints.

⇒ *Electricity and energy*

ESKOM is the licensed distributor of electricity in the rural area and Nxuba Municipality renders this service in the urban areas of Adelaide and Bedford. Efforts should be intensified to increase the notified maximum demand and faulty meters should be replaced. Electrical network urgently requires servicing and maintaining of which the municipality will put aside an allocation for electrical infrastructure in the next financial year. Audit of electrical connections need to be conducted. The electricians are currently busy with removing all faulty meters and replacing these meters with new ones.

COMPONENT A: BASIC SERVICES

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

INTRODUCTION TO BASIC SERVICES

Almost all the residents of Nxuba have access to basic electricity in formal structures; some of the residents in informal structure enjoy access to electricity. The only challenge experience in the delivery of electricity is the link between the unblocking of housing projects and the funding from the Department of Energy. The state & age of the electrical infrastructure ensures that there are sometimes interruptions in the electrical services.

The majority of the residents in the towns of Bedford and Adelaide (in formal structures) have access to Water and Sanitation. In almost all the new structures, the sewer system is waterborne but there are still residents (mostly in informal dwellings) who use VIP latrine toilets. Waste collection services are available to most of the residents in formal structures.

WATER PROVISION

INTRODUCTION TO WATER PROVISION

The Amathole District Municipality is the Water Services Authority (WSA) and the Water Service Provider for the Nxuba Local Municipality area of jurisdiction and therefore responsible for the planning and provision of water and sanitation services.

COMMENT ON WATER USE BY SECTOR:

Most of the water in the area is used for domestic consumption; industry is the second consumer of water in urban areas. Agriculture and forestry consumes a sizeable amount of water in the rural areas and a there is a lot of waterlosses that are not accounted for.

Water Service Delivery Levels				
Description	Households			
	Year -3 Actual No.	Year -2 Actual No.	Year -1 Actual No.	Year 0 Actual No.
Water: (above min level)				
Piped water inside dwelling	857	546	655	846
Piped water inside yard (but not in dwelling)	647	865	456	486
Using public tap (within 200m from dwelling)	486	486	465	546
Other water supply (within 200m)				
<i>Minimum Service Level and Above sub-total</i>	1,990	1,898	1,576	1,879
<i>Minimum Service Level and Above Percentage</i>	80%	80%	76%	79%
Water: (below min level)				
Using public tap (more than 200m from dwelling)				
Other water supply (more than 200m from dwelling)	486	486	486	486
No water supply				
<i>Below Minimum Service Level sub-total</i>	486	486	486	486
<i>Below Minimum Service Level Percentage</i>	20%	20%	24%	21%
Total number of households*	2,476	2,384	2,062	2,365
<i>* - To include informal settlements</i>				<i>T 3.1.3</i>

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

The supply of water in the Nxuba municipal area has improved, with the water retention in our reservoirs having increased. The canals in Adelaide are being refurbished and the pipework in Bedford is being replaced. A new reservoir is currently under construction in the Bezuidenhoutville area to supply water to the growing township of Bezuidenhoutville.

WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Sanitation like water is the competence of the Amathole District Municipality therefore is responsible for the provision of sanitation services within the Nxuba municipal area.

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The sanitation constraints are mostly being experienced in Lingelethu (100% bucket system) and Nyarha (30% waterborne and 70% bucket system). It should, however be noted that the inadequate sanitation system has been upgraded but not connected to the waterborne sewerage system due to the severe shortage of water and limited capacity of the sewerage treatment plants. No formal sanitation service is offered for rural hinterlands, as these are privately owned farms.

ELECTRICITY

INTRODUCTION TO ELECTRICITY

Electricity remains a matter of concern in the municipality, it is supposed to be the key revenue generator for the municipality but the municipality continues to make losses due to the age of the municipality and also because of illegal connections.

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

There has been only one capital project dealing with the supply of electricity in the municipal area. It is the electrification of 450 houses in Bezuidenhoutville township. The connection of electricity has been completed but all these houses will need to have compliance certificates for the projects to be fully complete.

WASTE MANAGEMENT

INTRODUCTION TO WASTE MANAGEMENT

Waste Management which includes the street sweeping, collection, transportation and disposal of solid waste. The municipality has a Local Integrated Waste Management Plan 2010, with detailed operational management plans.

The Nxuba Local Municipality collects household refuse from the urban areas on a weekly basis. This service is not provided in rural areas. According to the Statistics South Africa Community Survey 2007, 75.3% of households in Nxuba have access to a weekly refuse removal service. More than 20% of households are not provided with this service and are disposing waste on site by either burying or burning. The sparse settlement density and per capital waste generated are normally low therefore the environmental impact should not be significant, especially if managed appropriately.

- Refuse is collected once weekly in all of the urban areas in both towns.

- Refuse is collected twice a week from businesses.

There is one waste disposal site in Adelaide & Bedford respectively. Bedford landfill site is permitted but it is not strictly managed according to the legislation and permit conditions. The permit conditions pertain to the design, construction, monitoring and closure of a waste disposal site. In addition the site is not zoned for waste disposal. The municipality needs to develop Waste by-laws.

The unit is under-staffed and the waste infrastructure is inadequate. The municipality has one refuse compactor truck, one medium truck and a tractor.

HOUSING

INTRODUCTION TO HOUSING

The majority of Nxuba's population resides in formal dwellings (83.6%) such as a house or flat in a town house cluster. This is confirmed by the Community Survey 2007 data stating that there are 5 246 households living in formal houses. Close on 9% of the population live in informal backyard and squatter community dwellings and a further 6% have traditional dwellings made of traditional materials.

The provision of formal housing for low and middle income residents is a core function of provincial and national government, with local municipalities being implementing agents. Nxuba Municipality adopted a Housing Sector Plan 2008 to 2012 and it's currently under review. The need for subsidized housing generates the only real demand for urban space, the bulk of which is primarily for upgrading and to address the existing backlogs.

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

There is over 2000 people on the housing waiting list, currently there is one project that has been unblocked in the current financial year, the 52 Zinc house in Bedford. The municipality has also had the general layout plan for Winterberg drive approved by the Suveryor-General. This has been done with the assistance of the Department of Local Government and Traditional Affairs. This is for the establishment of a middle income housing township in the Adelaide town and the municipality is currently putting together a plan to source funds for the service infrastructure for the township.

The table hereunder reflects the status quo with regard to the blocked projects.

Funding	Status quo	Location
R26 000000.00 Provisional	624 Houses Unblocked	Adelaide Ph 2
	481 Unblocked	Adelaide Ph 1
	172 Assessment report submitted	Zink Structures
	200 Assessment report submitted	Goodwin Park
	161 Busy with assessment	Nyarha

HOUSING BACKLOGS

Approximately 1673 potential beneficiaries appear on the housing waiting list. The total area needed to accommodate the existing demand is 56 hectares, based on the density calculated at 30 units per hectare. An approved layout plan is available and the housing application is being prepared by Amathole DM for a further 250 housing units in Worteldrift Agri-Village and has therefore not been included as part of the backlog hereunder.

FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Nxuba local municipality provides free electricity (50kwh) per month to each registered indigent household. All the indigent are approved by the indigent support committee.

Free Basic Services To Low Income Households									
	Number of households								
	Total	Households earning less than R1,100 per month							
		Free Basic Electricity			Free Basic Refuse				
	Total	Access	%	Access	%				
Year -2	1,985	1,985	1,985	100%	0	0%			
Year -1	2,286	2,286	2,286	100%	0	0%			
Year 0	2,563	2,563	2,563	100%	0	0%			

Financial Performance Year 0: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year -1	Year 0			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Electricity	556101	13068970	18734561	19241735	32%
Total	556101	13068970	18734561	19241735	32%
					<i>T 3.6.4</i>

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

Nxuba local municipality provides free basic electricity (50kwh) per month to each registered indigent household. All the indigent are approved by the indigent support committee.

COMPONENT B: ROAD TRANSPORT

ROADS

INTRODUCTION TO ROADS

The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport, the District Municipality and Nxuba Local Municipality. Nxuba Municipality is guided by the district-wide Amathole Integrated Transport Plan. The Department of Roads and Transport establishes and maintains National and Provincial roads. The construction and maintenance of access roads and local municipal streets is performed by Nxuba Municipality, who are also responsible for ensuring that storm water is effectively managed.

The Department of Local Government and Traditional Affairs allocated R 11,142 000 grant funding for municipal infrastructure, which includes construction and maintenance of roads for the 2013/14 financial year.

The Department of Roads and Transport has contributed to economic upliftment of the area through EPWP Programmes and has funded the municipality with an amount of R 1 000 000. Work opportunities for approximately 500 people have been provided through the EPWP Programme. This initiative employs community members to carry out routine road maintenance for a period of 6 month, at R 1 500 per month.

The Local Roads & Transport Forum is functional and meets quarterly.

The roads in the Nxuba area are generally in a very poor condition as reflected in table 25 below. Roads and Stormwater is a priority issue and the road section has 25 employees to improve and maintain the road network. MIG funding has been utilized to complete approximately 6km paving of access roads, and streets in the towns are receiving patchwork (potholes) which is done with cold premix using in-house funds. Sabunga is however in short supply.

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The municipality has had two roads projects, one in Adelaide township (Red location) and the other in Bedford. Both roads were paved with concrete paving blocks. The sealing of potholes and maintenance of gravel roads continues with the use of EPWP workers. Through working with the organs of state as well as their contractors based in the Nxuba area, a number of roads were refurbished by the contractors at no cost to the municipality.

WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The drainage system in both Adelaide and Bedford remains in a bad state, the roads that have been paved or constructed have been done without any stormwater management arrangements. The municipality is currently engaging the services of the ADM municipal support unit as well as the Municipal Infrastructure Support Agency in trying to establish a plan for proper maintenance of the stormwater drains in both towns.

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

The only drainage system that has been constructed has been done by the EPWP with the limited skills and equipment at their disposal. Most of these were a response to the flooding in some of the townships. Most of these drains are done on gravel roads and therefore there is danger that they can be wash out by rains in the future. The municipality is currently working with Amathole District municipality in ensuring that these drainage systems in the townships are formalised.

COMPONENT C: PLANNING AND DEVELOPMENT:

THIS COMPONEBT INCLUDES: PLANNING AND LOCAL AND ECONOMIC DEVELOPMENT

INTRODUCTION TO PLANNING

The nodes in the Amathole District Municipality were identified as Primary Urban Nodes, Administrative Nodes, Secondary Urban Nodes and Urban Service Centers. Adelaide is the Urban Service Centre in Nxuba Municipality. This is seen as a town that provides a higher order level of services to their surrounding hinterland areas. It is also recognized that these towns exhibit trends of population influx and require investment in order to accommodate this pressure. As per Housing Sector Plan, IDP and SDF of the municipality clearly indicate the social and economic analysis of the municipality; in fact it states that almost 7.2% of the population has not received any form of formal education. Further 35.6% only received partial primary education and about 42.3% had secondary education, and only 7.9% completed their secondary education. Tertiary

qualification was attained by merely 7% of the total population, of which some of the people with qualifications have migrated to other towns, such as East London and Port Elizabeth.

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The General Plan for Winterberg drive was done by the municipality with the assistance from the Department of Local Government and Traditional Affairs. A total of 100 sites were identified for development and the General Plan was approved by the Surveyor-General. Winteberg Drive is planned for the development of middle-income housing. The municipality has also gone ahead and surveyed the Drivers testing Centre and the Goodwin Park Hall.

ROADS

INTRODUCTION TO ROADS & STORWATER

The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport, the District Municipality and Nxuba Local Municipality. Nxuba Municipality is guided by the district-wide Amathole Integrated Transport Plan. The Department of Roads and Transport establishes and maintains National and Provincial roads. The construction and maintenance of access roads and local municipal streets is performed by Nxuba Municipality, who are also responsible for ensuring that storm water is effectively managed.

The Department of Local Government and Traditional Affairs allocated R 11,142 000 grant funding for municipal infrastructure, which includes construction and maintenance of roads for the 2012/13 financial year.

The Department of Roads and Transport has contributed to economic upliftment of the area through EPWP Programmes and has funded the municipality with an amount of R 1 000 000. Work opportunities for approximately 220 people have been provided through the EPWP Programme. This initiative employs community members to carry out routine road maintenance for a period of 6 month, at R 1 500 per month.

The Local Roads & Transport Forum is functional and meets quarterly.

The roads in the Nxuba area are generally in a very poor condition as reflected in table 25 below. Roads and Stormwater is a priority issue and the road section has 25 employees to improve and maintain the road network. MIG funding has been utilized to complete approximately 6km paving of access roads, and streets in the towns are receiving patchwork (potholes) which is done with cold premix using in-house funds. Sabunga is however in short supply.

Status of municipal roads and storm water

AREA	STATUS OF MUNICIPAL ROADS
Adelaide Town	Tarred roads are in poor to very poor condition
Bezuidenhoutville	Gravel roads are in a very poor condition. The storm water system needs a lot of upgrading.
Bedford Town	The main road is tarred and not in a bad condition. The rest of the town's gravel roads are in a very poor condition. The storm water system needs upgrading.
Goodwin Park	Most streets are gravel roads and in very poor to dangerous condition. There is no proper storm water infrastructure.
Nyarha	The access road is tarred and in good condition. All other roads are gravel in poor to very poor condition. There is no proper storm water infrastructure.

The Municipality does not have a storm water /pavement management system nor sufficient roads infrastructure. Maintenance is carried out as and when required. Preliminary investigations estimate that in the regions of R200, 000.00 will be needed to purchase the software programme to manage a Storm water/Pavement Management System.

An additional problem is that in some areas the water infrastructure is very near to the surface and this hampers grading and routine maintenance. A co-ordinated approach will be embarked upon by Nxuba in conjunction with Amathole DM to overcome this constraint.

Areas of prioritized intervention

- Develop a storm water / pavement management system; Negotiate with ADM/DR&T for funding to develop a Pavement Management System.
- Develop a road maintenance plan; NLM/ADM/DR&T
- Source funding for the resurfacing of streets including plant ; and
- Facilitate the improvement of road infrastructure. (Integrated Infrastructure Investment Plan)

PLANNING AND DEVELOPMENT

INTRODUCTION TO PLANNING AND DEVELOPMENT

The nodes in the Amathole District Municipality were identified as Primary Urban Nodes, Administrative Nodes, Secondary Urban Nodes and Urban Service Centers. Adelaide is the Urban Service Centre in Nxuba Municipality. This is seen as a town that provides a higher order level of services to their surrounding hinterland areas. It is also recognized that these towns exhibit trends of population influx and require investment in order to accommodate this pressure. As per Housing Sector Plan, IDP and SDF of the municipality clearly indicate the social and economic analysis of the municipality; in fact it states that almost 7.2% of the population has not received any form of formal education. Further 35.6% only received partial primary education and about 42.3% had secondary education, and only 7.9% completed their secondary education. Tertiary qualification was attained by merely 7% of the total population, of which some of the people with qualifications have migrated to other towns, such as East London and Port Elizabeth.

In terms of addressing the Economic Development challenges the municipality has developed an LED Strategy and was adopted by council. This strategy seeks to address the inequalities in the municipality and to build on the RDP (Reconstruction and Development Program), by focusing on issues of the geographical spread of activity, integration, black economic empowerment, knowledge-led growth, skills development and state responsiveness.

PLANNING

INTRODUCTION TO PLANNING

Land-use planning and development control serve as measurable tools for LED. The assignment of property rights in land and third party enforcement are essential for the efficient operation of markets. Public intervention ensures the separation of incompatible land-uses, integrated planning and development of synergistic land uses, and the 'public goods' aspect of necessary public facilities, open space and infrastructure investment, Land use planning and development control are essential for the existence and operation of land and property markets For instance, the assignment of and control over land uses will generally reduce transaction costs and can create or enlarge markets.

LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

BRIEF SUMMARY ON LOCAL ECONOMIC DEVELOPMENT

Our LED Strategy at Nxuba Municipality is to promote economic development and job creation. The Municipality aims to address unemployment, inequality and poverty by assisting communities that are doing agricultural projects, SMME's and Cooperatives. We have facilitated training programs for five cooperatives in Financial Management at Fort Cox Agricultural College in Middledrift.

The LED Unit comprises of two officials; LED Office and LED Assistant however there are 4 additional interns/Learners that are deployed by the ADM to capacitate the Nxuba LED and Tourism Unit. The LED Unit is though not fully capacitated, there are three more vacant positions according to the approved organogram.

LED Officer	- one(1)
LED Assistant	- one(1)
VIC Admin Clerks	- two(2)
LED Learnership	- two(2)

The ADM is also providing support through training 2 Learners on Learnership programme, the Department of Rural Development and Agrarian Reform trained 163 people in Fencing and Landcare projects.

SEDA, DEDEAT and ADM are playing a great role in supporting the Municipality through training programs, registering of companies and financial support as the Municipality is still having a huge challenge to support SMME's and Cooperatives in Financial support.

During the 2013/14 Financial Year Nxuba Municipality embarked on the process of the development of Local Economic Development (LED) Strategy. Amathole District Municipality commissioned the appointment of PSKM Development Solution to undertake the development of the Nxuba LED Strategy provided a blue print to stimulate Local Economic Development and job creation within Nxuba Municipality.

The objective is to provide Economic vision and direction for a strategic decision-making on LED including framework for LED implementation and action plan as well as institutional requirements for implementation. Three workshops were held to discuss the strategy and the implementation plan now the LED Strategy is awaiting to be adopted by Council.

The Department of Local Government continued once again to fund Deployment of Local Economic Development Capacity it is a great pleasure to the Municipality to get such provision support from the Department.

Through CWP Project at least a 1000 job opportunities were created at an amount of R100 000 00. With the stipend they get, each individual is now able to provide and be able to buy basic needs for their families. CWP workers are involved in improvement of community project by ensuring a clean environment through cleaning of public building, school yards etc.

The Municipality has managed to develop and promote enterprise development of SMME's and Cooperatives by facilitating registration of these entities as legal entities with SEDA and CIPRO. More than 20 new Cooperatives have been registered.

These SMME's and Cooperatives are also supported with trainings in Basic Business courses and Financial Management. Regular Quarterly meetings are held quarterly to update SMME's and Cooperatives on challenges, support provided by Municipality and other sector departments & all other LED initiatives. Together with the Department of Rural Development and Agrarian Reform communities were given seeds and tools to work in food gardens, poultry and piggery with this measure people were able to improve livelihood and alleviate poverty. Bedford Commonage Fencing and Landcare Project was undertaken at Bedford and Adelaide participants were given stipends and certificates after training. A total of 163 people were employed.

LED ACHIEVEMENTS 2013/14

OBJCETIVES	ACHIVEMENTS	CHALLENGES
To Train Cooperatives	Five (5) Cooperatives were trained in Financial Management Two Crafters Cooperatives were trained in Leather making	Lack of Land and Financial Support
Fencing of Commonage and Landcare Projects	163 people were employment during the project and they were given certificates obtained on training courses attened.	
To promote Financial Support to Cooperatives	Eight Cooperatives were given R17 850 each for inputs	Land and not having enough livestock
Trained Youth on Animal Production	28 Learner/Youth trained on animal production – DRDAR	

COMMENT ON LOCAL JOB OPPORTUNITIES:

LOCAL JOB OPPORTUNITIES

More people could be employed in completing fencing , removal of alien plants and commonage rehabilitation(plants, grass , install water pipes and scoop earth dams. If the Foxwood Dam can be constructed and more land can be given to black communités/emerging farmers a lot of job opportunites can be created – citrus production , feed, opening of abbattor , maize production and game farming .Also tourism can be promoted i.e development hiking trails and promote cultural activity and development of historical centres battlefield (1850 -1853) . There are lots of street traders who need support i.e financial support and training.

JOB CREATED – LED INITIATIVES

CWP(Community Works Programme)	-	1000
DRDAR(Department of Rural Development and Agrarian Reform	-	180
Recycling	-	20

COMPONENT D: COMMUNITY & SOCIAL SERVICES

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

Community Services Department comprises the following components:

- Libraries
- Community Halls
- Waste Management
- Cemeteries
- Parks, gardens and open spaces

The department has been assisted by the Community Works Programme (CWP) and Expanded Public Works Programme (EPWP) in cleaning and clearing of open spaces as well as litter picking. It also has four parks that were funded by Environmental Affairs under the Nxuba Greening and Beautification Project. These initiatives have assisted the community in poverty alleviation as more than one thousands participants have benefited from these programmes.

PUBLIC, SOCIAL AND RECREATIONAL FACILITIES AND AMENITIES

- The municipality has sport facilities in the urban areas, but these facilities are not of the desired standard. Sport and recreation plays an important role in youth development. The under mentioned sports facilities are available in the Nxuba area. Ownership of the golf course and facilities are vested in Nxuba Municipality and leased out, including the day to day maintenance.
- There are 6 community/town halls in the area which are utilized by the community. The state of these community halls need to be refurbished and two of these community halls will be given priority for refurbishment in the financial year 2014/2015 calendar year.
- The municipality has fenced six Cemeteries which serve the current demand however the municipality should also make provision for land as some cemeteries are almost full. Looking at the death rate they will be full by 2017 and land is a challenge.
- There are three libraries in the Municipal area, one is located in Bedford town and the other in Adelaide town and Bezuidenhoutville respectively of which are managed by the Municipality in terms of a service level agreement with the Province. Another library will be constructed in Bedford during 2014/2015. Nxuba has a low level of crime which is likely to have a positive impact on Local Economic development. Domestic violence and unlawful breaking and entering are the most prevalent crimes.

LIBRARIES; COMMUNITY FACILITIES; OTHER

INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

SERVICE DELIVERY PRIORITIES

Manage the Community Library and provide for the creation, education and information needs of the community.-Facilitate and implement operation plan and activities of library in formation services.

Manage library Assets

Render Library Services

PERFORMANCE MEASURES

- To assist public by registering members
- Implement library rules, layout and guidelines.
- Attend to user's needs
- Compilation of monthly and statistical reports
- Attendance of District meetings
- Attend capacity building of officials.
- Selection of library material
- Receiving of new library material for the District
- Maintaining of stock by means of shelving according to DDC.
- Mending of books
- Weeding of stock
- Assisting with stock taking
- Issue library materials to users
- Conduct information search
- Keeping records of circulation material
- Requisition of professional stationery from the District and alignment of subsidy budget
- Monitoring and control library funds.

ACHIEVEMENTS

- Encouraging users to visit the library regularly which plays a big role in increasing membership.
- Library rules are placed on the notice board and also around the library where users can see them. Some of the users do comply with the rules and those who do not follow the rules are reminded in a friendly manner.
- Monthly Reports are compiled and submitted in a professional manner.
- Library Awareness Programmes and Holiday programmes are conducted.
- Story telling plays part of the ongoing activities in the library to improve children's listening skills.
- Library material is issued out to registered users with specific return date.
- Assist learners on how to search information using encyclopaedias, books and internet.
- Assets are checked every morning when opening the library.

CEMETERIES

COMMENT ON THE PERFORMANCE OF CEMETERIES & CREMATORIUMS OVERALL:

Municipal cemeteries satisfy the existing service demand except for one in Adelaide and one in Bongweni (Bedford) where the current capacity needs to be expanded. Cemeteries also need to be secured in order to ensure preservation of heritage and prevent vandalism of graves and tombstones. This has been done with the MIG funding where the cemeteries were fenced but the community vandalize the fencing as they try to create short cuts through the cemeteries. The breaks in the fencing then results in cattle grazing in th cemeteries and destroying tombstones in the process.

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The municipality does not have such facilities as they are a part of Social Development. The municipality only assists in such programs through Special Programmes Unit (SPU).

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

The Air Quality Act makes it incumbent on local municipalities to monitor ambient air quality within its area of jurisdiction. It is accepted that a permanent air quality officer is required to regularly monitor air pollution and analyze the data in areas with heavy industrial emissions due to high industrial development. However in Nxuba there is almost no industrial economy and the air quality is pure and untainted. This situation does not warrant the appointment of a permanent air quality officer thus the municipality is looking at more sustainable solution like partnering with the DEA to monitor the air quality in Nxuba.

COMPONENT F: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY OFFICES

Nxuba Local Municipality is comprised of two (2) administration units namely; Adelaide and Bedford. The seat of governance is located in Adelaide. During the financial year under review the municipality appointed an administrator in Bedford to oversee service delivery and proper management and administration of the office. The municipality also took under review of its organizational structure which was adopted during June 2014. The municipality also took a review and development of various policies namely; Recruitment and Selection Policy, Fraud Prevention Policy, Whistle Blowing policy, Leave Management Policy, Scarce Skills and Retention Policy, Hall Usage Policy, Induction Policy, Internship Policy, Probation Policy, Credit Control Policy, Fruitless and Wasteful Expenditure Policy, Debt Write-Off Policy etc.

PERFORMANCE OF THE COUNCIL

Nxuba Local Municipality is a plenary type Municipality led by Mayor / Speaker with 7 other Councillors and 4 Wards. The Council meets regularly as per schedule of dates with Council Committees (Standing Committees) also meeting bi-monthly.

There are Rules of Order that guide the operations of the Council.

FINANCIAL SERVICES

Nxuba local municipality provides free basic electricity (50kwh) per month to each registered indigent household. The Nxuba local municipality indigent policy state that the equitable share received annually will be utilized for the benefit of the poor and not subsidise rates and services charges of those who can afford to pay.

**CHAPTER 4
ORGANIZATIONAL DEVELOPMENT PERFORMANCE**

INTRODUCTION: COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	Year -1	Year 0			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	0	0	0	0	
Waste Water (Sanitation)	0	0	0	0	
Electricity		13	5	8	
Waste Management		28	18	10	
Housing		1	0	0	
Waste Water (Storm water Drainage)					
Roads		42	27	15	

Transport		0	0	0	
Planning		2	1	1	
Local Economic Development		3	2	1	
Planning (Strategic & Regulatory)	0	1	0	1	
Local Economic Development		3	2	1	
Community & Social Services		26	14	12	
Environmental Protection	0	0	0	0	
Health	0	0	0	0	
Security and Safety		10	5	5	
Sport and Recreation					
Corporate Policy Offices and Other		21	17	4	
Finance		21	14	7	
Municipal Manager (office)		9	7	2	
Mayors/Speaker (office		4	2	2	
Totals		183	114	69	

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
		7	
		6	
Year 0 13/14	14	22	

COMMENT ON VACANCIES AND TURNOVER:

The organogram has been reviewed and adopted by the council on the 26 June 2014, however some of the positions have been budgeted for and advertised. Twenty one (21) positions have been advertised; Recruitment and Selection processes will be finalized by the end of August .The municipality is fairly staffed, however due to non-comparative salaries the municipality continues to lose staff and is unable to successfully retain employees. The Municipality is going to introduce Retention Strategy for the officials who were trained by the Municipality to at least serve a number of years before terminating the services with the Municipality.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

During the financial under review the municipality developed a human resource plan and strategy which was adopted. The aim of the human resource plan and strategy as adopted by the council is to respond to and forecast on human resources needs and capabilities of Nxuba Municipality. It also seeks to align the human resource strategy to the organizational goals as encapsulated in the five (5) IDP as adopted per council. The following 26 human resources policies were reviewed and adopted by the council. 10 HR policies will be developed by the end of this financial year. Two draft policies are for submission for adoption.

POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action			
2	Attraction and Retention			
3	Code of Conduct for employees	√		
4	Delegations, Authorization & Responsibility		√	
5	Disciplinary Code and Procedures	√		
6	Essential Services			
7	Employee Assistance / Wellness	√		
8	Employment Equity	√		
9	Exit Management			

10	Grievance Procedures	√		
11	HIV/Aids	√		
12	Human Resource and Development	√		
13	Information Technology	draft		
14	Job Evaluation			
15	Leave	√		
16	Occupational Health and Safety			
17	Official Housing	✓		
18	Official Journeys			
19	Official transport to attend Funerals			
20	Official Working Hours and Overtime	√		
21	Organizational Rights			
22	Payroll Deductions			
23	Performance Management and			

	Development			
24	Recruitment, Selection and Appointments	✓	√	
25	Remuneration Scales and Allowances			
26	Resettlement			
27	Sexual Harassment	√		
28	Skills Development	√		
29	Smoking	draft		
30	Special Skills			
31	Work Organization			
32	Uniforms and Protective Clothing			
33	Other:			

INJURIES, SICKNESS AND SUSPENSIONS

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	208	26.92	26	44	21.15	
Skilled (Levels 3-5)						
Highly skilled production (levels 6-8)	233	48	25	39	16.7	
Highly skilled supervision (levels 9-12)	107	56.25	16	20	18.69	
Senior management (Levels 13-15)	10	50	2	3	30	
MM and S57	2		2	4		

COMMENT ON INJURY AND SICK LEAVE:

There were no injuries during the year under review. Taking of sick leave by all employees is monitored and it's implemented according to our policy.

NUMBER AND PERIOD OF SUSPENSIONS			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
Payroll Clerk	<p>Failure to perform tasks and job responsibilities diligently, carefully and to the best of his abilities.</p> <p>Gross failure to obey a lawful and reasonable instruction issued by a person with such authority.</p> <p>Fraud</p> <p>Gross failure to conduct himself with honesty and integrity.</p> <p>The Rand value is R200 000 however the matter is still in further investigation</p>	Disciplinary hearing conducted and concluded 27 September 2013.	Dismissal sanction issued on the 31 October 2013.

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

All the suspensions cases took more than 4 months, however they have been concluded.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

SKILLS DEVELOPMENT AND TRAINING

NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	n
	Male	
Skilled (Levels 3-5)	Female	
	Male	
Highly skilled production (Levels 6-8)	Female	1
	Male	1
Highly skilled supervision (Levels9-12)	Female	2
	Male	3
Senior management (Levels13-16)	Female	2
	Male	1

MM and S 57	Female	N/A
	Male	N/A
Total	10	

Skills Development Expenditure										
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		N	N					10	20
	Male		O	O	1				21	25
Legislators, senior officials and managers	Female		T	T						
	Male									

Professionals	Female		A	A					
	Male		P	P					
Technicians and associate professionals	Female		P	P					
	Male		L	L					
Clerks	Female		I	I					
	Male		C	C					
Service and sales workers	Female		A	A					
	Male		B	B					
Plant and machine operators and assemblers	Female		L	L	0				
	Male		E	E	0				
Elementary occupations	Female				0				
	Male				0				
Sub total	Female				0			10	20
	Male				0			21	25

Total		0	0	0	0	0	0	0	31	45
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.										
										T4.5.3

COMMENT ON WORKFORCE EXPENDITURE:

The personnel expenditure over the past two financial years has exceeded the National Treasury Normal of 35.

EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	Year -1	Year 0			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water		-	-	-	
Waste Water (Sanitation)		-	-	-	
Electricity		11	8	3	K
Waste Management		28	18	10	
Housing		1	1	0	
Waste Water (Storm water Drainage)		5,643	5,530	5,530	
Roads		48		5,530	

			5,530		
Transport		-	-	-	
Planning		8	1,003	1,003	
Local Economic Development		3	1	2	
Planning (Strategic & Regulatory)		2	1	1	
Local Economic Development	1	2	2	2	
Community & Social Services		26	16	10	
Environmental Protection		-	-	-	
Health		-	-	-	
Security and Safety		12	5	7	
Sport and Recreation		-	-	-	
Corporate Policy Offices and Other		22	14	8	
Finance		24	16	8	

Municipal Manager (office)		9	5	4	
Mayors/Speaker (office)		4	2	2	
Totals	0	5,643	12,062	12,062	

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2 10/11		7	36%
Year -1 11/12		6	24%
Year 0 12/13	12	9	20%

COMMENT ON VACANCIES AND TURNOVER:

The municipality is fairly staffed, however due to non-comparative salaries the municipality continues to lose staff and is unable to successfully retain employees.

COMMENT ON VACANCIES AND TURNOVER:

During the financial year under review the following senior management positions were filled namely; Director Corporate Services, Chief Financial Officer and Director Technical Services. It must be noted that post incumbents for the position of Chief Financial Officer and Director Technical Services were on suspension during the entire financial year. The only senior management that remained vacant due to no budget provision is the Director Community Services. However, the post is to be filled during 2014/2015 financial year.

DEBT RECOVERY

R' 000							
Details of the types of account raised and recovered	Year -1		Year 0			Year 1	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	12590	57	R 4,033,730.72	12590	57	10	57
Electricity - B	589	57	R 2,776,278.75	500	57		57
Electricity - C	589	57	R 8,618,774.24	500	57		57
Water - B							
Water - C							
Sanitation							
Refuse	12590	57	R 6,572,407.68	12590	57		57
Other							
<i>B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.</i>							<i>T 3.25.2</i>

HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

HR plan and strategy have been developed and adopted by the council

12 New policies have been developed and work shopped to the relevant stakeholders and adopted by the council.

Human Resource Services Policy Objectives Taken From IDP									
Service Objectives Service Indicators (i)	Outline Service Targets (ii)	2010/11		2011/12- 2012/13			2013/14	2014/15	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective xxx									
<i>To ensure compliance with legislation</i>	Developed ,reviewed and implemented policies			3 policies developed	Developed ,reviewed and implemented policies	3 policies reviewd and 12 policies were developed	Development of policies		
<i>To ensure corporate services department compliese with all policies and legislation regarding provisioning and retaining of staff</i>	Developed and implemented HR strategy			Draft HR Plan and HR Strategy developed	Draft HR Plan and HR Strategy developed approved and workshoped	Draft HR Plan and HR Strategy developed approved and workshoped			
<i>To ensure the compliance of Skills Development Act</i>	Skills audit			Skills audit conducted	Skills audit conducted	Workplace Skills Plan Report	Organizational development exercise		

Employees: Human Resource Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime	Vacancies (as a % of total
	No.	No.	No.	equivalents)	posts)
					%
0 – 3	1	1	1	0	0%
4 – 6	3	3	3	0	0%
7 – 9	6	8	6	2	25%
10 – 12	2	3	2	1	53%
13 – 15	9	15	9	6	40%
16 – 18	11	21	11	10	48%
19 – 20	18	30	18	12	40%
Total	50	81	50	31	38%

Financial Performance Year 0: Human Resource Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	125	100	95	-32%
Expenditure:					
Employees	477733	607962	502453	499308	2%
Repairs and Maintenance	0	0	0	0	2%
Other	136080	1663000	1393000	965339	2%
Total Operational Expenditure	195	732	750	744	2%
Revenue- Expenditure	75	607	650	649	6%

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The Human Resource has achieved most of its objectives during the financial year under review.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

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

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

SERVICE STATISTICS FOR ICT SERVICES

- Network Infrastructure upgrade at Council Chamber
- Internet upgrade to ensure speed and efficient email access
- Installation of an centralized anti-virus so that the computers can be updated automatic by the server

Employees: ICT Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
10 - 12	1	1	1	1	100%
Total	1	1	1	1	100%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.27.4*

COMPONENT G: ORGANIZATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

Attached as Annexure b

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION: COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	Year -1	Year 0			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water		–	–	–	
Waste Water (Sanitation)		–	–	–	
Electricity		11	8	3	
Waste Management		28	18	10	
Housing		1	1	0	
Waste Water (Storm water Drainage)		5,643	5,530	5,530	
Roads		48	5,530	5,530	
Transport		–	–	–	
Planning		8	1,003	1,003	
Local Economic Development		3	1	2	
Planning (Strategic & Regulatory)		2	1	1	
Local Economic Development	1	2	2	2	
Community & Social Services		26	16	10	
Environmental Protection		–	–	–	
Health		–	–	–	

Security and Safety		12	5	7	
Sport and Recreation		-		-	
Corporate Policy Offices and Other		22	14	8	
Finance		24	16	8	
Municipal Manager (office)		9	5	4	
Mayors/Speaker (office)		4	2	2	
Totals	0	5,643	12,062	12,062	

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2 11/12		7	36%
Year -1 12/13		6	24%
Year 0 13/14	12	9	20%

COMMENT ON VACANCIES AND TURNOVER:

The municipality is fairly staffed, however due to non-comparative salaries the municipality continues to lose staff and is unable to successfully retain employees.

COMMENT ON VACANCIES AND TURNOVER:

During the financial year under review the following senior management positions were filled namely; Municipal Manger, Director Corporate Services, Chief Financial Officer and Director Technical Services. It must be noted that post incumbents for the position of Chief Financial Officer and Director Technical Services were on suspension during the entire financial year. The only senior management that remained vacant due to no budget provision is the Director Community Services. However, the post is to be filled during 2013/2014 financial year.

CHAPTER 5

CHAPTER 5 FINANCIAL PERFORMANCE

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

- 1. Component A: Statement of Financial Performance**
- 2. Component B: Spending Against Capital Budget**
- 3. Component C: Other Financial Matters**

The municipality is working towards obtaining not only an unqualified audit opinion but accelerating service delivery. Consultants are used to assist in the preparation of Annual Financial Statements and preparation of a GRAP compliant asset register. The municipality is ensuring that consultants transfer of skill to employees in order to decrease the reliance on consultants. The municipality monitors its performance of the budget versus actual on a monthly basis and reports these to directorates

COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

The financial health of the municipality is in a poor state, as it is unable to meet its commitments. Dependence upon grants is increasing and the municipality is not generating enough revenue to be able to implement the budget to the latter. Unauthorized, fruitless and wasteful expenditure incurred further deteriorate the financial position. With the completion of the drivers testing ground, the revenue generation of the municipality will improve in the next financial year as this project will kick start. Electricity being biggest revenue source of the municipality has become a liability as the municipality is losing instead of generating profit. In the 2013/14 financial year there was no material variances when comparing the adjusted budgeted revenue and actual revenue collected.

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Reconciliation of Table A1 Budget Summary															
Description	2013/14											2012/13			
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting 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	Residual Outcome
R thousands	1	2	3	4	5	6	7	8	9	1000.00%	1100.00%	12	13	14	15
Financial Performance															
Property rates	2,421	-	2,421			2,421	1,820		601	-33.04%	-33.04%				
Service charges	25,545		25,545			25,545	17,141		8,404	-49.03%	-49.03%				
Investment revenue	-		-			-	-		-	0.00%	0.00%				
Transfers recognised - operational	28,106	(20)	28,086			28,086	26,858		1,228	-4.57%	-4.65%				
Other own revenue	4,533		2,633			2,633	6,642		(4,009)	60.36%	31.75%				
Total Revenue (excluding capital transfers and contributions)	60,605	(20)	58,685	-	-	58,685	52,461	-	6,224	-11.86%	-15.52%				
Employee costs	22,420	(533)	21,888			21,888	19,929		1,959	-9.83%	-12.50%				
Remuneration of councillors	2,473	-	2,473			2,473	2,161		312	-14.46%	-14.46%				
Debt impairment	8,740	-	8,740			8,740	-		8,740						
Depreciation & asset impairment	8,452	-	8,452			8,452	-		8,452						
Finance charges	-		-			-	-		-						
Materials and bulk purchases	19,242	(1,300)	17,942			17,942	17,942		0	0.00%	-7.25%				
Transfers and grants	-		-			-	-		-						
Other expenditure	16,062	652	16,714			16,714	14,880		1,834	-12.32%	-7.94%				
Total Expenditure	77,389	(1,181)	76,209	-	-	76,209	54,912	-	21,297	-38.78%	-40.93%				
Surplus/(Deficit)															
Transfers recognised - capital	11,136	-	11,136			11,136	11,136		-	0.00%	0.00%				
Contributions recognised - capital & contributed assets	-		-			-	-		-						
Surplus/(Deficit) after capital transfers & contributions															
Share of surplus/ (deficit) of associate	-		-			-	-		-						
Surplus/(Deficit) for the year															
Capital expenditure & funds sources															
Capital expenditure															
Transfers recognised - capital	11,254	(450)	10,804			10,804	8,834		1,970	-22.30%	-27.39%				
Public contributions & donations	-		-			-	-		-						
Borrowing	-		-			-	-		-						
Internally generated funds	-		-			-	-		-						
Total sources of capital funds															
Cash flows															
Net cash from (used) operating			-			-	-		-						
Net cash from (used) investing			-			-	-		-						
Net cash from (used) financing			-			-	-		-						
Cash/cash equivalents at the year end															

Financial Performance of Operational costs						
Description	2012/13	2013/14			2013/14 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
ACCOMMODATION	676,909	577,475	788,921	532,482	-8.45%	-48.16%
ADVERTISING	203,234	80,000	266,400	265,497	69.87%	-0.34%
AUDIT COMMITTEE	118,288	100,000	100,000	99,481	-0.52%	-0.52%
AUDIT FEES	3,343,608	800,000	650,000	210,415	-280.20%	-208.91%
AWARENESS CAMPAIGN PROGRAM	19,713	40,000	28,000	11,941	-234.97%	-134.48%
BANK COSTS	149,130	170,000	251,000	218,194	22.09%	-15.04%
BEDFORD GARDEN FESTIVAL	249,601	250,000	250,000	250,000	0.00%	0.00%
COMPUTER LICENCE FEES	-78,104	173,800	238,571	220,757	21.27%	-8.07%
CONSULTANTS: GENERAL		220,000	493,500	2,511,873	91.24%	80.35%
FINANCE MANAGEMENT GRANT EXPENSES		1,650,000	1,650,000	1,584,458	-4.14%	-4.14%
FUEL & OIL	559,881	300,000	750,000	701,287	57.22%	-6.95%
IDP REVIEW		90,000	86,200	22,284	-303.88%	-286.83%
INSURANCE: GENERAL EXPENSES	553,238	708,107	513,607	477,378	-48.33%	-7.59%
LEGAL EXPENSES		200,000	770,000	922,343	78.32%	16.52%
LICENSE FEES		20,007	66,901	47,035	57.46%	-42.24%
LOCAL TOURISM ORGANISATION		20,000	20,000	11,067	-80.72%	-80.72%
MAYORS DISCRETIONARY FUND		10,000	14,000	14,000	28.57%	0.00%
MEMBERSHIP FEES	5,212	19,738	6,000	4,000	-393.45%	-50.00%
MUNICIPAL SYSTEMS IMPROVEMENT GRANT EXPENSE		890,000	890,000	889,958	0.00%	0.00%
POSTAGE	271,519	285,632	230,632	177,707	-60.73%	-29.78%
PRINTING & STATIONERY	25,062	180,000	210,000	167,359	-7.55%	-25.48%
PROMOTION-SMALL MEDIUM ENTERPRISES		40,000	40,000	9,500	-321.05%	-321.05%
PROTECTIVE CLOTHING	85,517	107,484	84,483	29,340	-266.33%	-187.94%
PUBLIC PARTICIPATION		20,000	20,000	15,900	-25.79%	-25.79%
REFRESHMENTS		36,000	22,295	16,700	-115.56%	-33.50%
REFUSE BAGS		50,000	10,000	0	0.00%	0.00%
RENTALS: EQUIPMENT		400,000	420,000	441,905	9.48%	4.96%
REPLACEMENT: LOST BOOKS		22,120	22,120	1,433	-1443.61%	-1443.61%
ROAD SIGNS		20,000	5,000	1,281	-1461.65%	-290.41%
SOFTWARE: IT			102,432	100,766	100.00%	-1.65%
SPU S		100,000	50,000	25,140	-297.78%	-98.89%
STORES & MATERIAL		761,053	444,755	49,399	-1440.61%	-800.32%
STREET PAINT		20,000	2,000	560	-3473.73%	-257.37%
SUBSCRIPTION FEES		46,403	5,350	0	0.00%	0.00%
SUBSISTENCE & TRAVELLING		433,740	326,362	206,840	-109.70%	-57.78%
TELEPHONE / FAX / PHOTOCOPING EXPENSES	701,043	350,000	400,000	430,508	18.70%	7.09%
TELKOM: INTERNET		150,000	196,500	190,462	21.24%	-3.17%
TOURISM PROMOTION		50,000	50,000	11,530	-333.65%	-333.65%
TRAINING - STAFF	123,563	200,000	200,000	128,616	-55.50%	-55.50%
VALUATIONS		31,590	31,590	0	0.00%	0.00%
WARD COMMITTEES		480,000	430,000	360,390	-33.19%	-19.32%
WORKSHOPS	101,278	36,855	5,495	5,490	-571.31%	-0.09%
LED FORUM		10,000	10,000	5,000	-100.00%	-100.00%
TOOLS		430,000	570,000	758,353	43.30%	24.84%
EMBLEMS FOR FLEET		5,001	5,001	1,690	-195.92%	-195.92%
POUND EXPENSES		5,000	6,000	4,474	-11.76%	-34.12%
PLANT HIRING:TECHNICAL		100,000	10,000	500	-19900.00%	-1900.00%
MORAL REGENERATION MOVEMENT		15,000	13,000	5,407	-177.44%	-140.44%
IGR FORUMS		15,000	15,000	14,650	-2.39%	-2.39%
EMPLOYEE STUDY ASSISTANCE		40,000	40,000	27,376	-46.11%	-46.11%
FUNCTIONS AND WELLNESS ACTIVITIES		50,000	14,000	14,000	-257.14%	0.00%
MEMBERSHIP FEES - SALGA		949,500	534,500	0	0.00%	0.00%
LEARNERSHIP (UNEMPLOYED GRADUATES)		120,000	70,000	66,500	-80.45%	-5.26%
ZONING SCHEME		60,000	99,700	87,450	31.39%	-14.01%
LAND AUDIT		50,000	50,000	0	0.00%	0.00%
GENERAL PLANS		47,385	7,685	0	0.00%	0.00%
EPWP INCENTIVE GRANT EXPENSES		1,000,000	1,000,000	999,881	-0.01%	-0.01%
INTEGRATED NATIONAL GRANT EXPENSES		300,000	1,600,000	656,948	54.33%	-143.55%
BURSARIES		50,000	50,000	0	0.00%	0.00%
LAND USE PLANNING REVIEW	244,013	10,530	10,530	0	0.00%	0.00%
IT NETWORK	151,932	120,000	135,000	262,281	54.25%	48.53%
Tree felling		50,000	0		0.00%	0.00%
Entertainment	47,543	6,000	0		0.00%	0.00%
Other expenses	3,893,933	0	0	0	0.00%	0.00%
SUB-TOTAL: GEN EXPENSES-OTHER	11,446,113	13,573,420	15,382,530	14,269,784	4.88%	-7.80%

Expenses incurred on items such as advertising, legal expenses, bank costs, fuel and oil is more than 100% of the original budgeted amount. This was caused by unforeseen expenses and re-advertisement of positions. Other items were under spent due to financial constraints.

5.2 GRANTS

Grant Performance Receipts						
						R' 000
Description	2012/13	2013/14			2013/14	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<u>Operating Transfers and Grants</u>						
National Government:	24,270	28,024	28,004	26,219	-7.08%	-5.83%
Equitable share	20,983	22,307	22,307	21,079	-5.83%	-5.83%
Municipal Systems Improvement	797	890	890	890	0.00%	0.00%
Municipal Finance Management	1,500	1,650	1,650	1,650	0.00%	0.00%
Integrated National Electrification	–	1,620	1,600	1,600	-1.25%	0.00%
Expanded Public Works Programme	990	1,000	1,000	1,000	0.00%	0.00%
Municipal Infrastructure Grant (PMU)		557	557	557	0.00%	0.00%
Provincial Government:	522	639	639	639	0.34%	0.34%
Library subsidy	522	522	522	522	0.00%	0.00%
Local Economic Development Capacity	–	117	117	117	0.34%	0.34%
District Municipality:	–	–	–	–		
<i>[insert description]</i>						
Other grant providers:	–	–	–	–		
<i>[insert description]</i>						
Total Operating Transfers and Grants	24,792	28,663	28,643	26,858	-6.73%	-5.48%
<i>Variiances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.</i>						<i>T 5.2.1</i>

During the 2013/14 financial year the municipality received the above mentioned operating grants. A portion of the equitable share amounting to R 1,228 000 was not received due to unspent funds of prior periods.

Grant Performance						
R' 000						
Description	2012/13	2013/14			2013/14	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	24,270	28,024	28,004	25,268	-189.94%	-186.89%
Equitable share	20,983	22,307	22,307	21,079	-5.83%	-5.83%
Municipal Systems Improvement	797	890	890	890	0.00%	0.00%
Municipal Finance Management	1,500	1,650	1,650	1,642	-0.49%	-0.49%
Integrated National Electrification Expanded Public Works Programme	–	1,620	1,600	657	-146.59%	-143.55%
Municipal Infrastructure Grant (PMU)	990	1,000	1,000	1,000	0.00%	0.00%
		557	557	406	-37.02%	-37.02%
Provincial Government:	522	639	639	1,155	54.98%	54.98%
Library subsidy	522	522	522	1,031	49.35%	49.35%
Local Economic Development Capacity	–	117	117	124	5.64%	5.64%
District Municipality:	–	–	–	–		
<i>[insert description]</i>						
Other grant providers:	–	–	–	–		
<i>[insert description]</i>						
Total Operating Transfers and Grants	24,792	28,663	28,643	26,422	-134.96%	-131.91%
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.</i>						
<i>T 5.2.1</i>						

In the 2013/14 financial year the municipality spent 100% of the funds received for Expanded Public Works Programme, Equitable share and MSIG the municipality. For Local economic development and library subsidy the municipality spent more than the allocated funds. The library subsidy covers almost half the expenses of running the libraries in Bedford and Adelaide. In implementing project for electrification of houses in Katanga; unforeseen events occurred which hindered the completion of the project. Plans are in place to address the issues and ensure services are delivered to the community; this resulted in funds being unspent at year end.

The municipality did not receive grants other than those stipulated in the Division of revenue Act.

ASSET MANAGEMENT

Good asset management ensures that the municipality obtains the most out of its assets, assets are safeguarded, maintained and more importantly, that a municipality is able to meet its service delivery obligations. Asset management policy is in place which ensures effective and efficient control, utilization, optimization of usage, safeguarding and management of assets. One of the largest assets obtained in the financial year will generate revenue for the municipality and improve its financial position. Other assets obtained were to address needs of the community and will yield no benefit to the municipality. Some of the projects were acquired through section 32 and the municipality has been struggling to acquire documentations for audit purposes.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2013/14				
Asset 1				
Name	Traffic Dept Testing Station			
Description	Traffic Dept Testing Station			
Asset Type	Community Assets			
Key Staff Involved	Mr. R Duplooy			
Staff Responsibilities	Maintain the Asset			
Asset Value	Year -3	Year -2	Year -1	Year 0
	3,428,114.89			
Capital Implications				
Future Purpose of Asset	Service delivery and enhance revenue			
Describe Key Issues				
Policies in Place to Manage Asset	Yes			
Asset 2				
Name	Bedford Access Road			
Description	Construction of Bedford Access Road			
Asset Type	Infrastructure Assets			
Key Staff Involved	Mr. S Sabani			
Staff Responsibilities	Maintain the Asset			
Asset Value	Year -3	Year -2	Year -1	Year 0
	5,181,202.27			
Capital Implications				
Future Purpose of Asset	Service delivery			
Describe Key Issues				
Policies in Place to Manage Asset	Yes			
Asset 3				
Name	Goodwin Park Community Hall			
Description	Construction of Goodwin Park Community Hall			
Asset Type	Infrastructure Assets			
Key Staff Involved	Community Services Manager			
Staff Responsibilities	Maintain the Asset			

	Year -3	Year -2	Year -1	Year 0
Asset Value	1,211,638.10			
Capital Implications				
Future Purpose of Asset	Service delivery and enhance revenue			
Describe Key Issues	Care Cater			
Policies in Place to Manage Asset	Yes			
				<i>T 5.3.2</i>

Capital projects completed in the financial year were projects of the prior financial year. The traffic department testing ground is a project which is expected to generate gargantuan revenue for the municipality. This could be one of the major revenue generating sources of the municipality.

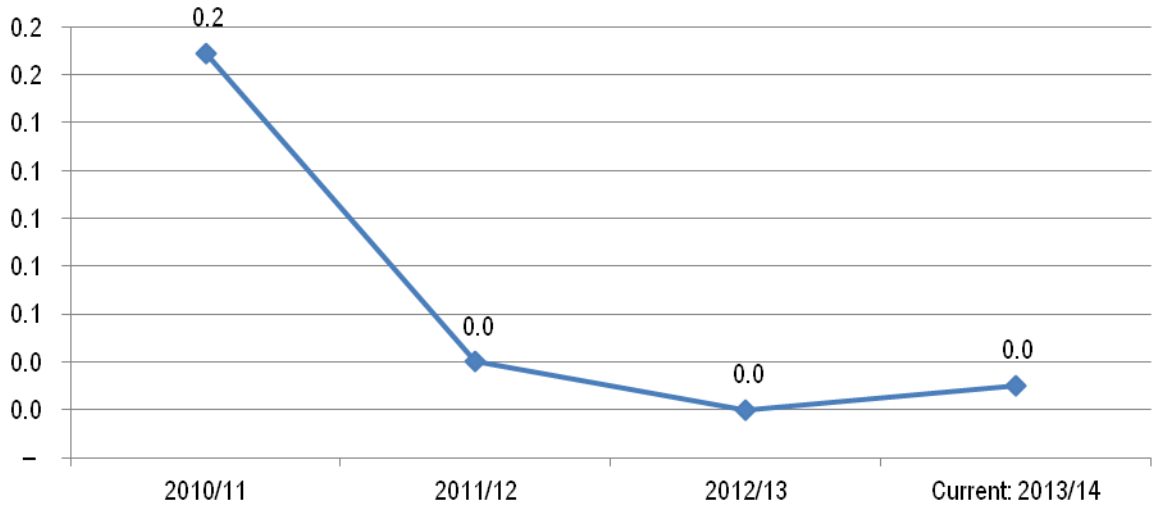
Repair and Maintenance Expenditure: 2013/14				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	2 152 000	1 302 000	63 7526	70%
				<i>T 5.3.4</i>

In assessing the financial state of the municipality and its commitments, the original budget was adjusted downwards. The adjusted budget for repairs and maintenance was R 1.3 million and R637 thousand was spent, variance being R664 thousand. The under spending on repairs is due to the repairs and maintenance plan not being in place.

FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Financial ratios measure the ability of a municipality to meet its short term cash obligations. They measure how much cash you have in order to cover your expenses. In assessing the current ratio of the municipality for the 2011/12 and 2012/13 financial period, it indicates that it will be difficult for the municipality to meet its liabilities as they fall due. This is further evident in the inability to pay its liabilities in the 2013/14 financial year. The financial position of the municipality impacts on the credit rating. From the graph below its evident that the liquidity of the municipality has declined further, as the ratios are below 1 in all the financial years.

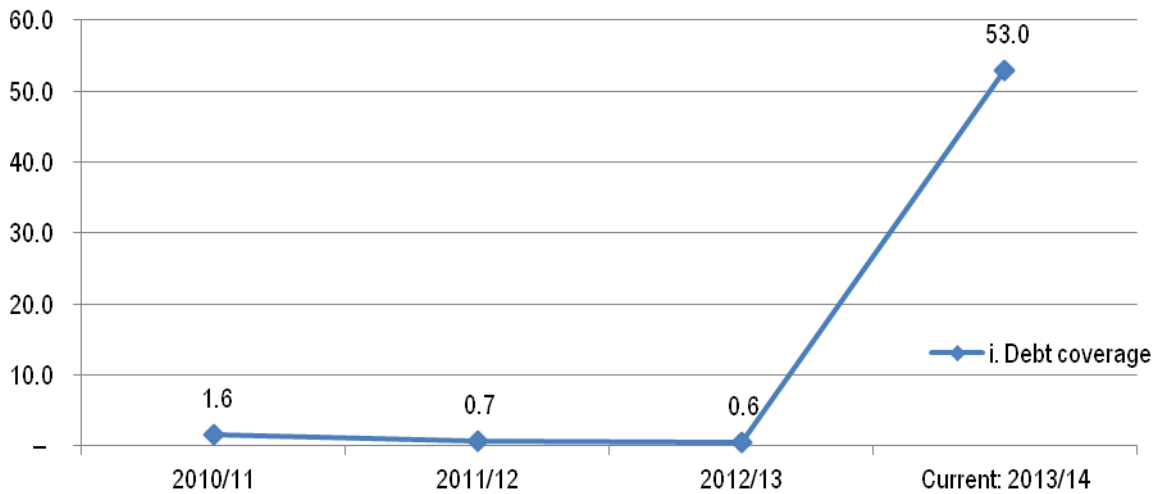
Liquidity Ratio



Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

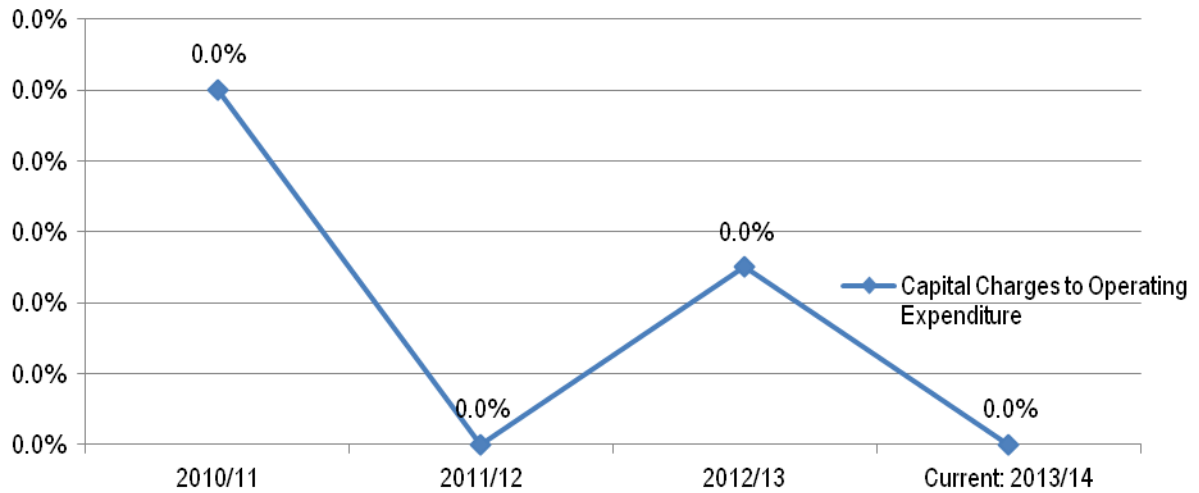
Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants). This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

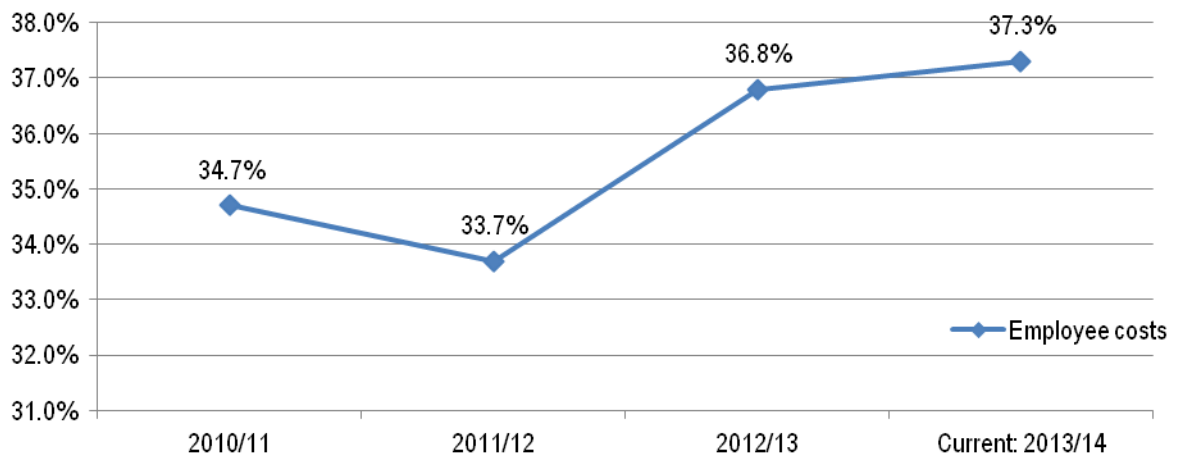
Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

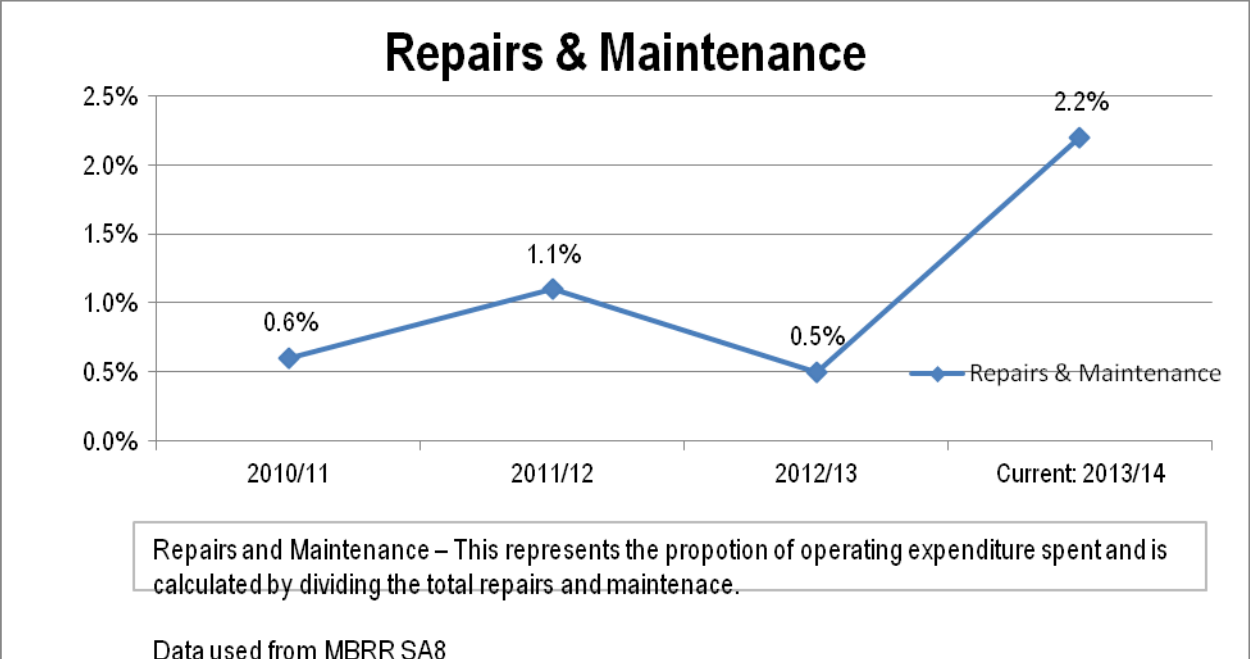
Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

In acquiring staff that will be driving the mission and vision of the municipality, employee costs increased over the years. Some of the key managerial positions in the municipality remained vacant for long periods but have since been filled. Employee costs constitute the largest portion of the annual budget of the municipality throughout the years.

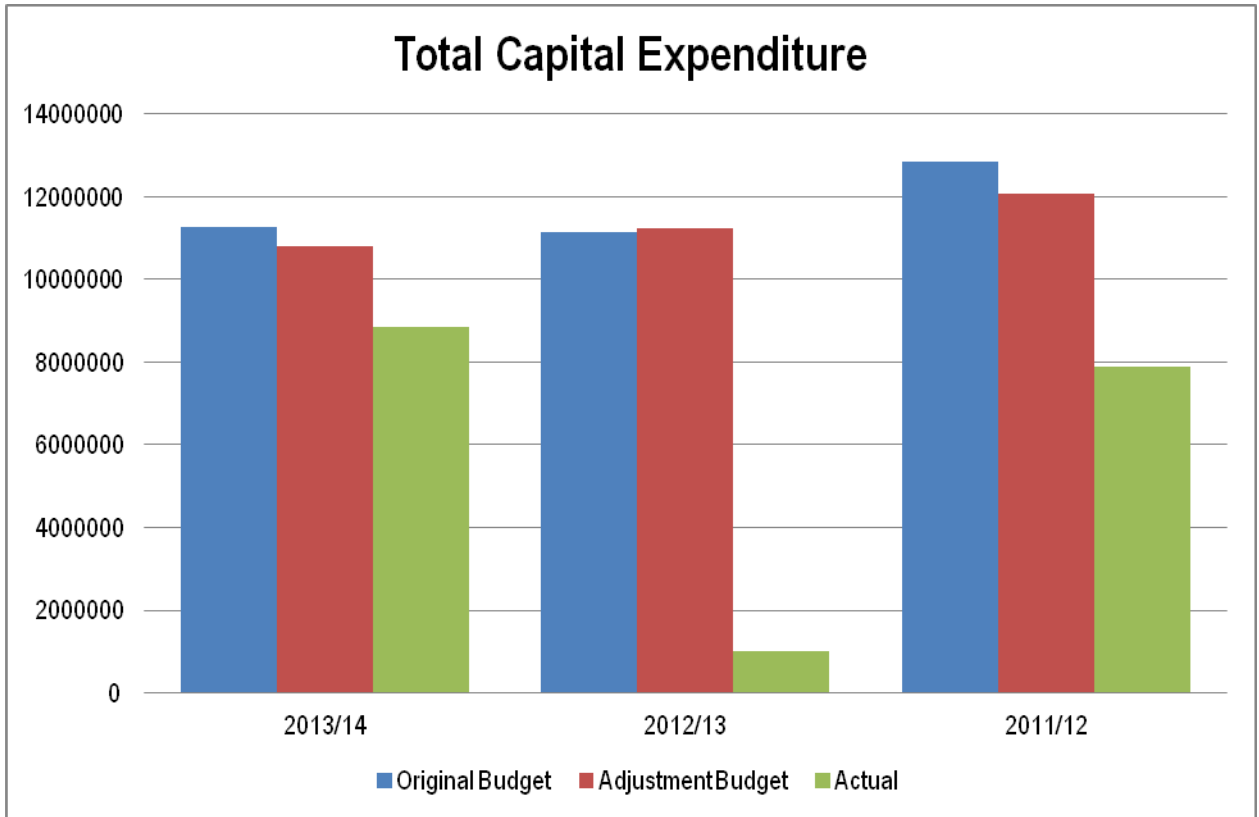


Repairs and maintenance increased drastically in 2013/14 from the prior periods. Financial constraints limit the municipality in terms of maintenance of assets. The municipality is aware that the contribution to repairs is significantly small as it should be a portion of PPE.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

The capital budget of the municipality is funded by transfers; the largest portion is funded by MIG. The municipality had to deviate from the capital budget for the year. Projects budgeted for in the 2013/14 financial year were not implemented due to incompleteness of prior year projects. These projects were put on hold for the 2014/15 financial year. The municipality managed to complete the prior year projects. Financial constraints led to none spending on the other capital expenses such as computers and furniture. The budgeted amount from MIG was R 10 579 200 of that an amount of R10 055 144 was spent, variance being R524 086.00.

CAPITAL EXPENDITURE



The municipality is largely depended upon grants for operational activities and the area has a high indigent rate which limits revenue generation. The capital budget constitutes 12.4% of the total budget of the municipality and 87.5% are operating expenses.

SOURCES OF FINANCE

Capital Expenditure - Funding Sources: 2012/13-2013/14							
R' 000							
Details		2012/13	2013/14				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	Grants and subsidies	10183803	11254200	10804200	8857179	-4.00%	21.30%
Total		10183803	11254200	10804200	8857179	-4.00%	21.30%
<i>Percentage of finance</i>							
	Grants and subsidies	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital expenditure							
	Roads and storm water	10183803	10579200	10579200	8834190	0.00%	16.49%
	Other		675000	225000	22989	-66.67%	96.59%
Total		10183803	11254200	10804200	8857179	-66.67%	113.09%
<i>Percentage of expenditure</i>							
	Roads and storm water	100.0%	94.0%	97.9%	99.7%	0.0%	14.6%
	Other	0.0%	6.0%	2.1%	0.3%	100.0%	85.4%
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>T 5.6.1</i>							

The largest portion is projects funded by MIG and a small portion of other revenue. Poor financial position of the municipality results in the inability to address backlogs with own funds.

CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current:2013/14			Variance: 2013/14	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Goodwin park access road	0	180,000	113,304	-100.00%	-58.86%
Goodwin park hall	0.00	1,188,712	479,906.09	-100.00%	-147.70%
Drivers license testing station	0.00	3,509,856	3,561,105.64	-100.00%	1.44%
Red township access road	0.00	2,324,424	2,142,587.28	-100.00%	-8.49%
Bedford town streets	0.00	3,376,208	3,758,211.34	-100.00%	10.16%
<i>* Projects with the highest capital expenditure in Year 0</i>					
Name of Project - Goodwin Park access road					
Objective of Project			To construct an access road		
Delays			None		
Future Challenges			None		
Anticipated citizen benefits					
Name of Project - Goodwin park hall					
Objective of Project			To construct a community hall		
Delays			Poor quality; payment details		
Future Challenges			None		
Anticipated citizen benefits					
Name of Project - Drivers license testing station					
Objective of Project			To construct a testing ground in Adelaide in order to generate revenue for the municipality		

Delays	Payment delays; disputes between contractor and client
Future Challenges	None
Anticipated citizen benefits	
Name of Project - Red township access road	
Objective of Project	Construction of paved access road Adelaide, Red Township
Delays	Payment delays, poor workmanship
Future Challenges	None
Anticipated citizen benefits	
Name of Project - Bedford town streets	
Objective of Project	Construction of paved access road in Bedford town
Delays	Payment delays, poor workmanship
Future Challenges	Possibility of flooding or ponding of rain water
Anticipated citizen benefits	

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

Cash flow refers to the movement of cash into and out of the municipality. Watching the cash inflows and outflows is one of the most pressing management tasks. Poor cash management is probably the most frequent stumbling block, caused by poor revenue collection. The municipality constantly monitors the cash flow of the municipality and measures are put in place when problems are detected, this ensures that the municipality is able to operate. The poor financial position of the municipality results in the inability to pay creditors. At the end of the 2013/14 financial year the municipality owed R 35 million to creditor.

CASH FLOW

Cash Flow Outcomes				
Description	2012/13	Current: 2013/14		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
R'000				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	31,787	32,499	30,599	25,603
Government - operating	24,792	28,106	28,086	26,858
Government - capital	10,184	11,136	11,136	11,136
Interest				
Dividends				
Payments				
Suppliers and employees	(56,424)	(77,389)	(76,209)	(54,912)
Finance charges				
Transfers and Grants				
NET CASH FROM/(USED) OPERATING ACTIVITIES	10,338	(5,648)	(6,388)	8,685
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets	(10,184)	(11,254)	(10,804)	(8,834)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(10,184)	(11,254)	(10,804)	(8,834)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-
Payments				
Repayment of borrowing				
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	155	(16,902)	(17,192)	(149)
Cash/cash equivalents at the year begin:				-
Cash/cash equivalents at the year end:		(16,902)	(17,192)	(149)
<i>Source: MBRR A7</i>				<i>T 5.9.1</i>

In the 2013/14 the municipality generated R63,5 million and expenses for operating and capital expenses amounted to R54.9 million and R8.8 million (excluding vat) respectively. This resulted in a deficit at year end.

BORROWINGS AND INVESTMENTS

The municipality does not have any borrowings, investment accounts are in place where funds (portion of grants) which will be unused are kept and interest is generated which is used for the municipal operations

COMPONENT D: OTHER FINANCIAL MATTERS

SUPPLY CHAIN MANAGEMENT

The SCM unit has been established and is staffed with a Supply Chain Officer and a Logistics Clerk. A fleet management Clerk has been appointed and is reporting under supply chain.

The Supply Chain policy has been reviewed in the 2013/14 year and is fully compliant with the prescribed regulations.

GRAP COMPLIANCE

The Municipality is currently producing fully GRAP compliant AFS and thus accounting for transactions as per prescribed GRAP standards and is in the process of compiling a GRAP compliant asset register as this was an audit finding in the 2012/2013 financial year.

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR -0

AUDITOR GENERAL REPORTS YEAR -1 (CURRENT YEAR)

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer)..... Dated

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” 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 “what we do”.
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.
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.
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	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
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

GLOSSARY

	Key Result Area.
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.
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: <i>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</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

COUNCILORS ,COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE					
Council Members	Fulltime /Part time (FT/PT)	Committees allocated	Ward and /party representative	Percentage council meetings attendance (%)	Percentage apologies for non-attendance (%)
Cllr LL Bruintjies	FT	Deputy Chairperson of Corporate Services	Ward 2	96%	4%
Cllr Maloni	PT	Chairperson of Corporate Services		98%	2%
Cllr Jack	PT	Chairperson of Finance (Budget & Treasury)	Ward 3	100%	
Cllr Mentoor	PT	Chairperson of Community	Ward 4	94%	6%
Cllr Ndyambo	PT	Chairperson of Technical Services	Ward 2	100%	
Cllr Auld	PT		PR Councilor	97%	3%
Cllr Lombard	PT	Deputy Chairperson of Finance (Budget & Treasury)	PR Councilor	100%	
Cllr Douglas	PT		PR Councilor	100%	

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral/Executive Committee) and Purposes of Committee	
Finance (Budget & Treasury) Committee	To report on all matters relating to finance and make recommendations to council.
Corporate Services Committee	To report on all matters relating to human resources, good governance and public participation and Local and Economic Development and make recommendations to council.
Community Services Committees	Count on matters relating to cemeteries, waste management libraries and social facilities
Technical Services	Count on matters relating to municipal properties, building, electricity and repairs and maintenance

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

THIRD TIER STRUCTURE	
Municipal Manager	Mr S Caga
Corporate Services Director	Mr M. Msakatya
Chief Financial Officer	Ms N. Marambana
Technical Services Director	Mr M. Kashe
Director Community Services (Acting)	Mr N. James

APPENDIX D – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2013/14

MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS		
Date of Committee	Committee Recommendation during Year 0	Recommendation adopted (enter Yes). If not adopted (provide explanation)
28/06/13	Submission of Close-out report by Rakoma	Yes
	Submission of letter to the AGSA from the Mayor	Yes
	The lengthy Venus Chart of Accounts must be addressed	Yes
	Signed commitments section of the Key Control Dashboard must be submitted	Yes
	Progress report in respect of the Action plan	Yes
	Payment level of debtors to be included in the financial reports	Yes
	Update on the completion of the indigent register.	Yes
	Update on irregular, fruitless and wasteful expenditure with assistance from Head of SCM at ADM	Yes
	Update on Rental of Municipal Properties	Yes
	The Municipality must have a separate policy dealing with whistleblowing	Yes
28/08/13	The Municipality must have a plan to address the illegal landfill sites	Yes
	Purchase of speed trapping camera for Traffic Unit	Yes
	Request finances from Local Government to assist the Municipality on Asset Register	Yes
	Altimax must ensure that the bank reconciliations are conducted by the Municipality at least for the next 3 months	Yes
	During external audit process a proper register of documentation submitted to the AGSA must be maintained	Yes
	Disclosure on AFS- MIG used elsewhere though it is a conditional grant	Yes
	ACFO to provide Altimax with all information about the disclosure of irregular expenditure of R11000 a month.	Yes

	Municipality must ensure that the correct performance report and supporting information be properly reviewed and submitted to the AGSA.	Yes
24/10/2013	Municipality could possibly write to the Provincial and National Treasuries regarding the concern in respect of the AG audit fees.	Yes
	Traffic speed trapping camera- discuss with MM shortage of staff to operate camera	Yes
	Progress on the appoint of service provider for assets by Local Government	Yes
	R5 million increases in respect of refuse consumer receivables. This amount is due to RDP houses transferred to consumers. However, amount should be written off as it is not recoverable.	Yes
	Municipality should send a confirmation to Rakoma that fees have been paid in full.	Yes
	The final Performance Report for 2012/2013 was not submitted to the Audit Committee and requested that it be circulated.	Yes
	Risk management must be included in management's performance agreements.	Yes
	Risk management progress report	Yes
	Whistleblowing policy	Yes
27/11/2013	Development of an Action plan for all findings from AG report	Yes
	Assistance by ADM for Audit assignments	Yes
	AC must meet every two months	Yes
31/01/2014	AC meeting venues to rotate.	Yes
	It was recommended that surnames be used instead of initials when writing the minutes.	Yes
	AC requested AG detailed plan with actual and budget fees for 12/13 and 13/14 financial year.	Yes
	Mr Caga and Ms Marambana to engage Local Government for finance of Auditor General Debt.	Yes
	The audit committee requested a detailed report for the traffic revenue that is generated by Traffic department.	Yes
	AC requested that Local Government and Traditional Affairs to start Asset Register by 01 st April 2014.	Yes
	Develop a detailed project plan of Assets (What is expected from the service provider) and forward it to Ms Smith.	Yes
	Risk progress report to be submitted	Yes
	Develop and present document management policy	Yes
	Ms Marambana to compile a progress report, to respond on the template submitted by Dr Plaatjes	Yes
	Ms Marambana to give a report on retention amounts	Yes
	Accruals must be updated on monthly basis (depreciation and provision for bad debts)	Yes

	Ms Marambana to submit a report on electricity loss calculations reflected on the previous AC pack.	Yes
	Altimax and Ms Marambana should prepare reconciliations.	Yes
	Irregular, Fruitless and Wasteful expenditure template to be reviewed so it can be clear and easy to understand.	Yes
	On the IA plan 2013/2014 the asset audit must be swapped with follow up audits of previous years.	Yes
	Human resource audit to include leave management.	Yes
	Ms Marambana to include on managements accounts the estimated legal cost on the pack as contingencies.	Yes
04/04/2014	Ms V Hlehliso to do another follow up on checking the status regarding the appointment of service provider to do the assets.	Yes
	Mr S Caga to communicate with local government in writing instead of verbal and that the whole process need to be documented and submit to AC.	Yes
	The illegal site be reinstated so that there can be provision for rehabilitation.	Yes
	Ms N Marambana to review the useful life of refuse trucks.	Yes
	Irregular fruitless and wasteful expenditure report must form part of each AC meetings.	Yes
	Mr. S Caga to set up a meeting with AG to discuss write off of the AG interest. Mr. H Marsberg to be part of the meeting.	Yes
	Ms N Marambana to prepare a schedule of interest charged by AG to the municipality.	Yes
	The municipality to sign up contract for title deeds search.	Yes
	Altimax to present the roadmap to unqualified opinion presentation on the next AC meeting.	Yes
	AG to present their plan and schedule of dates for 13/14 financial year audit on the 06 June 2014.	Yes
	Mr. S Caga to consolidate a report on the support given by ADM in the IT department.	Yes
	Ms L smith to assist with IT framework	Yes
	Ms S Caga to submit the IT structure and check budget for IT and how is it going to be spent on the next financial year.	Yes
	IT to be a standing item in all AC meetings.	Yes
	Ms A Njomeni to include abbreviations on the charter	Yes
	Performance should remain in AC charter not on separate terms of reference.	Yes
	Ms A Njomeni to forward risk management charter to AC members.	Yes
	Include in the AC charter that MPAC chairperson, Finance committee chairperson and Mayor to be standing invitees to the AC meetings.	Yes
	Any amendments made to the IA Plan must be	Yes

	approved by AC.	
	Include in the AC charter the definition of red flag and Ms L Smith to assist with listing of red flags and definition.	Yes
04/04/2014	It was resolved that there should be no soft copy packs	Yes
	The PAC recommended that the evaluation panel and council should consider conducting the performance evaluations in 2014/15 financial year when all section 56 managers are appointed.	Yes
	AC members to forward all inputs and comments on the performance management framework to Mr. S. Caga and Ms A. Njomeni.	Yes
	The municipality to request Mr. Kwaza from ADM to assist with tables that aligns with the percentages in government gazette on the framework.	Yes
	The Performance Management Framework was noted and it will be reviewed.	Yes
	The municipality must scan all the documents so that when AG arrives information will be easily retrievable.	Yes
	Ms A Njomeni to forward the list of KPIs that are going to be removed from the SDBIP.	Yes
	Ms a Njomeni to draft the agenda for the meeting and submit to AC members for comments.	Yes

APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name(Num ber)	Name of the Ward Councillors and Ward Committee members	Committee establish (Yes /No)	Number of monthly Committee meeting held during the year	Number of monthly report submitted to Speaker Office	Number of quarterly public ward meeting held during year
1.Ward 1	<p>Cllr S.A Ndyambo Ward committee member</p> <ul style="list-style-type: none"> • Mr J.M Prinsloo (Ratepayers) • Sinethemba Mjakuca (Youth) • Gqalisisa Andile (Emerging Farmers) • Jean Lombard (Education) • De Wit Christian (Religious) • Happy-boy Nondo (Sport) • Sajini Mboyiya (Disable) • Nolubabalo Sidebe (Health) • Muir Vivian (Business) • Nosimo Bawana (Women) 	Yes	Standing Committee meetings and ordinary council meeting are held once in every second month respectively.	Ward committee meetings held regularly, since few reports are submitted to the Speaker Office. The mechanism are in place in terms of ensuring our communication strategy strengthen the Ward committees and various structures.	4
2.Ward 2	<p>Cllr L.L.D Bruintjies Ward Committee members</p> <ul style="list-style-type: none"> • Patricia de Lange (CPF) 				

	<ul style="list-style-type: none"> • Rangula Ntombizonke (Women) • Bantu Moyo (Community Safety) • Balangile Lungiswa (NGO) • Lindile Sinqana (Disable) • Mavis Mentoor (Religious) • Somi Solo (Tourism) • Toni Thembisa (CBO) • Frans Christian (Sport) 				
3.Ward 3	<p>Cllr P.Jack Ward Committee member</p> <ul style="list-style-type: none"> • Amilia Jolingana (Elderly) • Ndlela Vuyani (Sport) • Linda Zaku (Church) • Ntomboxolo Thembani (Business) • Zingisa Khonza-Jacobs (CPF) • Ndzube Glen (Disable) • Nawule Siphesihle K (Youth) • Bana Yandiswa (Women) • Baba Monica (NGO) 				
4.Ward 4	<p>Cllr B.Mentoor Ward committee member</p> <ul style="list-style-type: none"> • Nonzwakazi Tyesi (Roads & Transport) • Anna Kuster (Health) • Stella Makana (Housing & Disaster Man.) • Dumisani Ndabambi (Sport Art & Culture) • Nomacirha Mgoqi (Social Development) • Phumeza Mentoor (LED) • Mtwebane N (Waste Management & Churches) • Mentoor Thembisile (Disable) • Mbuyiseli Zono (Youth) 				

APPENDIX F – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

CONTRACT REGISTER FOR THE YEAR 2013-2014 (UPDATED REGISTER)

BID NO.	SERVICE PROVIDER	DESCRIPTION OF SERVICE
Bid No 09/2010	Kabuso Internal Auditors	Internal Audit Service
SCM/10/2010	CAB Holding	Printing & Mailing of Accounts
MBH/TAS/014/2011-2012	Gcida Trading Enterprise	Travelling & Accomodation
SCMU13/2009/2010/1	Sokhani Development & Consulting	Traffic Dept Testing grounds (design)
SCMU16/11/12	Mpumalanga Trust	Traffic Dept Testing grounds (construction)
Section 32	Likotoz	Construction of Bedford Access Road
MIG/EC/186725	MBSA	Design of Bedford Town street
MIG/EC/186725	MBSA	Design & Supervision of Red township Access Road
Section 32	Soyama Construction	Construction of Red township Access Road
CS/EC/7512/11/11	Juniano Construction	Construction of Goodwin Park Community Hall
SCM03/2013	Altimax Training Academy(Pty)Ltd	Preparation of Annual Financial Statement
SCM02/2013	In-Quest Investigation	Debt collection & Recovery Services
SCM04/2013	Mdina Engineers	Connection of Electricity in 450 houses
SCM05/2013	EPWeb ICT Solution	Supply Server&Fibre Installation

APPENDIX G – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

NXUBA LOCAL MUNICIPALITY								
REGISTER OF TENDERS AWARDED DURING 2013/2014								
SERVICE PROVIDER	PROJECT NAME	Project manager	Department / contact person	Amount R	Award/Appoin tment date	Targeted Completion date	Status (In-progress/Completed /Not completed (& Indicate actual completion date)	Comments/Reasons & Corrective Measures
CAB Holding	Printing and Mailing of accounts	Mrs J Malinga	BTO	72,880.92	29 /10/ 2010	31 November 2013	In progress	SCM unit is in a process of advertising the bid for printing and mailing of consumer statements.
Internal Audit Service	Kabusu Internal Auditors	Mr S Caga	MUNICIPAL MANAGERS OFFICE	540 280.00	22/11/ 2011	31 December 2013	Completed in December 2013	Completed
Kilimia JV Superficial Trading 426	Construction of Goodwin Park Access Road	Mr Malingatshoni T	Infrastructure	3,057,516.74	27 /03/2012	21 January 2013	Completed	Completed
Sokhani Development & Consulting Engineers	Traffic Department testing ground (Design)	Mr Malingatshoni T	Infrastructure	499 016.61	10 /09/ 2012	30 August 2013	Completed	Completed
Enroute Trading	Construction of Traffic Department testing ground	Mr Malingatshoni T	Infrastructure	3 299 599.21	12 September 2012	30 June 2013	In progress	Contract was terminated and a new service provider was appointed :Mpumalanga Trust

NXUBA LOCAL MUNICIPALITY								
REGISTER OF TENDERS AWARDED DURING 2013/2014								
SERVICE PROVIDER	PROJECT NAME	Project manager	Department / contact person	Amount R	Award/Appointment date	Targeted Completion date	Status (In-progress/Completed /Not completed (& Indicate actual completion date)	Comments/Reasons & Corrective Measures
								was appointed and is still on site
Gcida Trading Enterprise	Travelling and accommodation	Mrs J Malinga	BTO	Amount is per quote	13 /09/ 2012	30 September 2014	In progress	The contract will be completed in 30 September 2014
Soyama Construction	Design of Adelaide access road	Mr Malingatshoni T	Infrastructure	3,805,366.46	01 November 2012	30 August 2013	Completed	Completed
MBSA	Design of Adelaide access road	Mr Malingatshoni T	Infrastructure	495,373.61	16 November 2012	30 August 2013	Completed	Completed
MBSA	Design of Adelaide access road	Mr Malingatshoni T	Infrastructure	531,401.25	16 November 2012	22 July 2013	Completed	Completed

NXUBA LOCAL MUNICIPALITY								
REGISTER OF TENDERS AWARDED DURING 2013/2014								
SERVICE PROVIDER	PROJECT NAME	Project manager	Department / contact person	Amount R	Award/Appointment date	Targeted Completion date	Status (In-progress/Completed /Not completed (& Indicate actual completion date)	Comments/Reasons & Corrective Measures
Likotoz	Construction of Bedford access road	Mr T Malingatshoni	Infrastructure	4 156 838.83	16 November 2012	30 August 2013	Completed	Completed
Juniano Construction	Construction of Goodwin Park Community Hall	Mr T Malingatshoni	Infrastructure	1,920,443.82	16 November 2012	30 August 2013	In progress	In progress; poor quality of work from contractor and the payment has been with held
Altimax Training Academy (PTY)Ltd	Preparation of Annual Financial Statements, Fixed Asset and Data Cleansing	Mrs J. Malinga	BTO	6 645 208.00	15 April 2013	31 May 2015	In progress	Contract will expire in 2014/2015 Financial Year
In-quest Investigations	Debt Collection & Recovery Services	Mrs J. Malinga	BTO	Based on a 15% Commission	16 May 2013	31 July 2015	In Progress	Contract will expire in 2015/2016 Financial Year
Mdina Engineers	Connection of electricity in 450 Houses	Mr D. Mlenzana	Infrastructure	1 691 801.67	16 May 2013	31 December 2013	Project not completed due to breach of Terms of Reference by the supplier.	Contract was terminated and the municipality is in a process of finishing the project in house.

NXUBA LOCAL MUNICIPALITY								
REGISTER OF TENDERS AWARDED DURING 2013/2014								
SERVICE PROVIDER	PROJECT NAME	Project manager	Department / contact person	Amount R	Award/Appointment date	Targeted Completion date	Status (In-progress/Completed /Not completed (& Indicate actual completion date)	Comments/Reasons & Corrective Measures
EP Web	Installation of Fibre	Mrs J. De Klerk	Corporate Services	266 421.08	23 July 2013	30 August 2013	Completed	Completed

APPENDIX H – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 0 (current year)		
Position	Name	Description of financial interests* (Nil/ or details)
(Executive) Mayor	Leonorad Louisa Bruintjies	Nil
Member of MayCo/ Exco		
Councillor	Sizakele Aubrey Ndyambo	RDP House- Lingelethu
	Cecilia Anne Auld	House – Bedford- R470 000.00
	Qondile Patrick Maloni	Nil
	Bulelwa Pamela Mentoer	RDP House- Bedford
	LJ Douglas	Shares – 60 Ordinary share(R600.00) Welkom Yizani 50 Ordinary shares (R2500.00) Sasol Inzalo computershare House- Adelaide – R480 000.00
	Pasika Jack	RDP House- Bedford-
	Lombard E	Shares- 3800 (R171 000.00) Sanlam 100 (R3 000.00) Old Mutual Dwelling- Adelaide (R470 000.00) House- Jeffry's Bay (R500 000.00)
Municipal Manager	Caga SC	3 bedded House- Alice- R150 000.00
Chief Financial officer	Marambana N	House- Cape town- R700 000.00
Deputy MM and (Executive) Directors		
Other S56 Officials	Kashe MM	Shares- 37shares at Telkom 37 shares at Vodacom House- Gonubie East London (R900 000. 00)
	Msakatya ML	Business- Close corporation- Bedford windmill Distributors- Dormant House- Bedford

APPENDIX I: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

EC128 Nxuba - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		22,561	18,916	18,916	482	21,059	18,916	2,143	11%	18,916
Executive and council		3,472	6,485	6,485	-	2,047	6,485	(4,438)	-68%	6,485
Budget and treasury office		12,733	5,256	5,256	472	14,687	5,256	9,431	179%	5,256
Corporate services		6,356	7,175	7,175	10	4,325	7,175	(2,850)	-40%	7,175
<i>Community and public safety</i>		5,240	6,462	4,562	161	3,346	4,562	(1,216)	-27%	4,562
Community and social services		2,258	2,351	2,351	-	952	2,351	(1,399)	-60%	2,351
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		2,199	3,845	1,945	161	2,224	1,945	279	14%	1,945
Housing		783	266	266	-	170	266	(96)	-36%	266
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		14,690	14,640	14,779	1	13,483	14,779	(1,295)	-9%	14,779
Planning and development		3,516	1,972	2,131	1	1,647	2,131	(484)	-23%	2,131
Road transport		11,174	12,668	12,648	-	11,836	12,648	(812)	-6%	12,648
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		24,272	31,723	31,723	2,087	23,012	31,723	(8,711)	-27%	31,723
Electricity		18,573	29,588	29,588	1,935	19,361	29,588	(10,227)	-35%	29,588
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		5,698	2,135	2,135	152	3,652	2,135	1,516	71%	2,135
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	66,762	71,741	69,980	2,731	60,901	69,980	(9,080)	-13%	69,980
Expenditure - Standard	-									
<i>Governance and administration</i>		15,583	29,488	29,654	1,070	20,555	29,654	(9,098)	-31%	29,654
Executive and council		3,618	6,195	6,445	398	5,686	6,445	(759)	-12%	6,445
Budget and treasury office		3,665	16,867	17,067	341	9,998	17,067	(7,069)	-41%	17,067
Corporate services		8,300	6,425	6,141	330	4,871	6,141	(1,270)	-21%	6,141
<i>Community and public safety</i>		7,967	5,675	5,372	397	5,400	5,372	27	1%	5,372
Community and social services		4,638	2,652	2,323	208	2,244	2,323	(79)	-3%	2,323
Sport and recreation		-	-	-	-	-	-	-		-

Public safety		1,513	2,758	2,795	188	3,032	2,795	237	8%	2,795
Housing		1,816	266	254	-	124	254	(131)	-51%	254
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		10,251	17,533	17,418	473	9,191	17,418	(8,227)	-47%	17,418
Planning and development		6,427	2,182	2,265	79	1,731	2,265	(534)	-24%	2,265
Road transport		3,823	15,350	15,153	394	7,459	15,153	(7,694)	-51%	15,153
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		17,399	24,693	23,765	231	20,750	23,765	(3,015)	-13%	23,765
Electricity		14,603	22,560	21,857	84	19,086	21,857	(2,771)	-13%	21,857
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		2,796	2,133	1,908	146	1,664	1,908	(244)	-13%	1,908
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	51,199	77,389	76,209	2,170	55,895	76,209	(20,314)	-27%	76,209
Surplus/ (Deficit) for the year		15,563	(5,648)	(6,229)	561	5,005	(6,229)	11,234	-180%	(6,229)

APPENDIX J (I): REVENUE COLLECTION PERFORMANCE BY VOTE

EC128 Nxuba - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		3,472	6,485	6,485	-	2,047	6,485	(4,438)	-68.4%	6,485
Vote 2 - Budget and treasury office		12,733	5,256	5,256	472	14,687	5,256	9,431	179.4%	5,256
Vote 3 - Corporate services		8,092	8,495	8,495	10	5,715	8,495	(2,780)	-32.7%	8,495
Vote 4 - Community services		10,155	8,331	6,431	313	6,828	6,431	396	6.2%	6,431
Vote 5 - Technical services		32,310	43,173	43,313	1,936	31,624	43,313	(11,689)	-27.0%	43,313
Total Revenue by Vote	2	66,762	71,741	69,980	2,731	60,901	69,980	(9,080)	-13.0%	69,980
Expenditure by Vote	1									
Vote 1 - Executive and Council		3,618	6,195	6,445	398	5,686	6,445	(759)	-11.8%	6,445
Vote 2 - Budget and treasury office		3,665	16,867	17,067	341	9,998	17,067	(7,069)	-41.4%	17,067
Vote 3 - Corporate services		11,096	7,741	7,486	360	5,849	7,486	(1,638)	-21.9%	7,486
Vote 4 - Community services		8,948	7,543	7,026	543	6,940	7,026	(86)	-1.2%	7,026
Vote 5 - Technical services		23,873	39,042	38,184	527	27,423	38,184	(10,761)	-28.2%	38,184
Total Expenditure by Vote	2	51,199	77,389	76,209	2,170	55,895	76,209	(20,314)	-26.7%	76,209
Surplus/ (Deficit) for the year	2	15,563	(5,648)	(6,229)	561	5,005	(6,229)	11,234	-180.4%	(6,229)

APPENDIX K (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

EC128 Nxuba - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		3,094	2,421	2,421	337	3,087	2,421	666	28%	2,421
Property rates - penalties & collection charges								-		
Service charges - electricity revenue		14,950	23,869	23,869	1,076	14,533	23,869	(9,336)	-39%	23,869
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		3,962	1,676	1,676	591	3,193	1,676	1,517	91%	1,676
Service charges - other								-		
Rental of facilities and equipment		117	88	88	10	59	88	(29)	-33%	88
Interest earned - external investments		2,708				12		12	#DIV/0!	
Interest earned - outstanding debtors					2	76		76	#DIV/0!	
Dividends received								-		
Fines		29	50	50	2	31	50	(20)	-39%	50
Licences and permits		19,533	3,630	1,730	139	2,057	1,730	327	19%	1,730
Agency services		210	115	115	2	30	115	(85)	-74%	115
Transfers recognised - operational		24,792	28,106	28,086	-	26,141	28,086	(1,945)	-7%	28,086
Other revenue		4,974	650	650	268	3,059	650	2,408	370%	650
Gains on disposal of PPE								-		
Total Revenue (excluding capital transfers and contributions)		74,368	60,605	58,685	2,427	52,276	58,685	(6,409)	-11%	58,685
Expenditure By Type										
Employee related costs		20,842	22,420	21,888	1,670	21,642	21,888	(246)	-1%	21,888
Remuneration of councillors		2,032	2,473	2,424	187	2,404	2,424	(19)	-1%	2,424
Debt impairment		88	8,740	8,740			8,740	(8,740)	-100%	8,740
Depreciation & asset impairment		8,366	8,452	8,452			8,452	(8,452)	-100%	8,452
Finance charges								-		
Bulk purchases		19,732	19,242	17,942	-	17,942	17,942	(0)	0%	17,942
Other materials								-		
Contracted services								-		
Transfers and grants		3,018						-		
Other expenditure		12,530	16,062	16,764	307	17,227	16,764	463	3%	16,764
Loss on disposal of PPE								-		
Total Expenditure		66,608	77,389	76,209	2,163	59,215	76,209	(16,994)	-22%	76,209
Surplus/(Deficit)										
Transfers recognised - capital		7,760	(16,784)	(17,524)	263	(6,939)	(17,524)	10,585	(0)	(17,524)
Contributions recognised - capital		10,184	11,136	11,136		11,136	11,136	-		11,136
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		17,944	(5,648)	(6,388)	263	4,197	(6,388)			(6,388)
Taxation								-		
Surplus/(Deficit) after taxation		17,944	(5,648)	(6,388)	263	4,197	(6,388)			(6,388)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		17,944	(5,648)	(6,388)	263	4,197	(6,388)			(6,388)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		17,944	(5,648)	(6,388)	263	4,197	(6,388)			(6,388)

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

EC128 Nxuba - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
-										
Operating Transfers and Grants										
National Government:		24,270	28,024	28,004	-	26,776	28,004	(1,228)	-4.4%	28,004
Local Government Equitable Share		20,983	22,307	22,307		21,079	22,307	(1,228)	-5.5%	22,307
Municipal Systems Improvement Integrated National Electrification Programme		797	890	890		890	890			890
Finance Management		-	1,620	1,600		1,600	1,600			1,600
EPWP Incentive		1,500	1,650	1,650		1,650	1,650			1,650
MIG-PMU		990	1,000	1,000		1,000	1,000			1,000
Provincial Government:		557	557	557	-	557	557	-		557
Sport and Recreation		522	639	639	-	639	639	0	0.1%	639
LED grant		522	522	522	-	522	522	-		522
District Municipality:		-	117	117	-	117	117	0	0.3%	117
[insert description]		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-	
[insert description]	-	-	-	-	-	-	-		-	
Total Operating Transfers and Grants	5	24,792	28,663	28,643	-	27,415	28,643	(1,228)	-4.3%	28,643

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

EC128 Nxuba - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M12 June

Description	Ref	2012/13		Budget Year 2013/14						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges										
Storm water										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation										
Gas										
Other										
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	50	50	-	-	50	50	100.0%	50
General vehicles										
Specialised vehicles										
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment			50	50			50	50	100.0%	50
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other										
Total Capital Expenditure on renewal of existing ass	1	-	50	50	-	-	50	50	100.0%	50

APPENDIX M (II): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

EC128 Nxuba - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M12 June

Description	Ref	Budget Year 2013/14								
		2012/13 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges										
Storm water										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation										
Gas										
Other										
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	50	50	-	-	50	50	100.0%	50
General vehicles										
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment			50	50			50	50	100.0%	50
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other										
Total Capital Expenditure on renewal of existing assets	1	-	50	50	-	-	50	50	100.0%	50

EC128 Nxuba - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M12 June

Description	Ref	Budget Year 2013/14								
		2012/13 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	50	50	-	-	50	50	100.0%	50
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	50	50	-	-	50	50	100.0%	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing ass	1	-	50	50	-	-	50	50	100.0%	50

APPENDIX K – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Nxuba municipality had not made any loans or grants in the 2013/2014 financial year.

CHAPTER 7 – MUNICIPAL KEY PERFORMANCE INDICATORS

7.1 Organizational Transformation and Institutional Development –KPA 1

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	197	88	45,8%	Lack of funds
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	5	5	100%	
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	4	4	100%	
4	Percentage of Managers in Technical Services with a professional qualification	4	4	10%	
5	Percentage of municipalities within the district area that have a fully functional Performance Management System (DM to report)	n/a	n/a	n/a	n/a
6	Level of effectiveness of PMS in the LM (LM to report)	PMS is effective at Nxuba Municipality and the PMS framework was adopted, work shopped to relevant stakeholders and approved by council on 26 June 2014. Performance Reviews are conducted quarterly.			
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	133	133	100%	
8	Percentage of councillors who attended a skill development training within the current 5 year term	8	8	100%	
9	Percentage of staff complement	none	none	none	none

	with disability				
9	Percentage of female employees	109	33	30,20%	
10	Percentage of employees that are aged 35 or younger	109	77	68,8%	

7.2 Basic Service delivery performance highlights (KPA 2)

Annual performance as per key performance indicators in water services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	7100	497	6603		93%
2	Percentage of indigent households with access to free basic potable water					
3	Percentage of clinics with access to potable water	100%				
4	Percentage of schools with access to potable water	100%				
5	Percentage of households in formal settlements using buckets	2461				

Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to electricity services	7100	450	450	302	67.1%
2	Percentage of indigent households with access to basic electricity services	4162	1893	4162	2269	62%
3	Percentage of indigent households with access to free alternative energy sources	n/a	n/a	n/a	n/a	n/a

Annual performance as per key performance indicators in sanitation services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services					
2	Percentage of indigent households with access to free basic sanitation		n/a	n/a	n/a	

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
	services					
3	Percentage of clinics with access to sanitation services	7100HH	n/a	n/a		100%
4	Percentage of schools with access to sanitation services	7100HH	n/a	n/a		

Annual performance as per key performance indicators in road maintenance services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads	7689 HH	530 HH	n/a	n/a	n/a
2	Percentage of road infrastructure requiring upgrade	7689 HH	5766 HH	120HH	120HH	100%
3	Percentage of planned new road infrastructure actually constructed	120 HH	5766 HH	120HH	120HH	100%
4	Percentage of capital budget reserved for road	141 HH	5766 HH	120HH	120HH	72%

upgrading and maintenance effectively used.					
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7.3: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)

Annual performance as per key performance indicators in LED

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	4	2	50%
2	Percentage of LED Budget spent on LED related activities.	R410 000	R288 278	70.31%
3	Existence of LED strategy	Draft Nxuba LED Strategy is of existence and it has been submitted to the Council for noting, the Strategy though is waiting to be adopted/approved by Council so that the strategy and implementation plan can be implemented.		
4	Number of LED stakeholder forum meetings held	4	3	75%
5	Plans to stimulate second economy			
6	Percentage of SMME that have benefited from a SMME support program	35	35	70%
7	Number of job opportunities created through EPWP	80	153	191%
8	Number of job opportunities created through PPP/CWP	1000	1000	100%

7.4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

Annual performance as per key performance indicators in financial viability

	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	12.7%	96%	96%
		Target set for the year (35%) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
2	Salary budget as a percentage of the total operational budget	32.1% 24 893 405.61	29.2% 22 643 748	29.2%
		Target set for the year (20% or less) R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the actual revenue
3	Trade creditors as a percentage of total actual revenue			
		Target set for the year (80% and more) R(000)	Achievement level during the year R(000)	Achievement percentage during the year
4	Total municipal own revenue as a percentage of the total actual budget	32 499 067.00	25 752 557.48	79%
		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
5	Rate of municipal consumer debt reduction			
6	Percentage of MIG budget appropriately spent	11 136 000.00	10 852 703.00	95%
7	Percentage of MSIG budget appropriately spent	890 000.00	889 958.00	99.9%

8	AG Audit opinion			
9	Functionality of the Audit Committee			
10	Submission of AFS after the end of financial year			

7.5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% of ward committees established	100%	35%	95%
2	% of ward committees that are functional	95%	35%	100%
3	Existence of an effective system to monitor CDWs	None		
4	Existence of an IGR strategy	None		
5	Effectiveness of IGR structural meetings	Quarterly meetings are taking place		
6	Existence of an effective communication strategy	We do have		
7	Number of mayoral imbizos conducted	01		
8	Existence of a fraud prevention mechanism			