

2016/2017

ANNUAL REPORT

MNQUMA LOCAL MUNICIPALITY



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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

The 2016/2017 Annual Report represents reaffirmation of Mngquma Local Municipality's Vision “ ***A developmental Municipality that is self-sustainable to empower its Citizens, Socially, economically and legislatively to ensure sustainable livelihood***”

The 2016 Local Government Elections Manifesto by the Ruling Party thrusts a mandate on Mngquma Local municipality to:

- ✓ Build on achievements made in delivering basic services to the people;
- ✓ Improve access to municipal services and reduce outsourcing;
- ✓ Further improve public participation and accountability of councillors;
- ✓ Enhance the capacity of the local state to deliver on its mandate;
- ✓ Develop and strengthen local economies, create jobs and promote job placements, especially for the youth.

The 2016/2017 financial year's emphasis was on building and maintaining the existing infrastructure, believing that all types of infrastructure provided a solid platform for economic transformation and growth.

The following are the key service delivery improvements in the financial year under review:

- ✓ 64 km of roads were constructed and 574.30 km of access roads were maintained
- ✓ Public Works has also maintained 4 130 KM of proclaimed roads
- ✓ Construction of Mpukane Community Hall
- ✓ Construction of Centane Taxi Rank
- ✓ Eskom and the municipality electrified 2483 households
- ✓ Construction of Teko Kona Sports Field was at 85% towards completion

The municipality continues to heed the call set by the National Development Plan to create job opportunities thus the following jobs were created in the year under review:

2499 job opportunities through implementation of the following programmes:

- ✓ 108 job opportunities created through the EPWP
- ✓ 1068 job opportunities created through Community Works Program
- ✓ 1200 jobs opportunities through working for water, that is the removal of Alien Species
- ✓ 28 jobs opportunities through working for the coast; the Coastal Cleaning and Rehabilitation programme.
- ✓ 78 Jobs created through Solid Waste Co-operatives which are funded by Mngquma Local Municipality.
- ✓ 17 Jobs created for Road Rangers.

Beginning from the past half of the preceding financial year (2015/16), our Councillors have been highly visible within their respective communities where I have led Mayoral Imbizos and other public participation programmes.

These programmes have greatly restored and improved the public confidence in the day-to-day functioning of Mngquma Local Municipality.

Beginning from the past half of the preceding financial year (2015/16), our Councillors have been highly visible within their respective communities where I have led Mayoral Imbizos and other public participation programmes. These programmes have greatly restored and improved the public confidence in the day-to-day functioning of Mquma Local Municipality.

Public participation platforms have been established to strengthen participation of citizens in the affairs of the municipality:

- ✓ IDP/PMS and Budget Representative Forums
- ✓ Community Outreach Programs
- ✓ Mayoral Imbizo's
- ✓ IDP/PMS and Budget Roadshows
- ✓ Ward General Meetings chaired by Councillors of respective Wards
- ✓ Ward Committee Meetings.
- ✓ MPAC Roadshows

The council adopted a five year IDP (2017/2022), the strategic planning document outlines council's development agenda with focus on infrastructural and economic development.

To address skills shortage and encourage entrepreneurships, the institution entered into partnerships with institutions of higher learning over the past few years. These include the University of Fort Hare, Nelson Mandela University, Walter Sisulu University, Fort Cox College of Agriculture and King Hintsa TVET College.

The municipality continued to implement memorandum of understanding in order to:

- Promote shared knowledge and understanding;
- To stimulate scientific and business co-operation, strengthen research and capacity building;
- To promote and expand mutual understanding by stimulating and supporting educational and training, professional activities and projects

Through these partnerships, Mquma citizens young and old, have managed to start their own businesses and gathered critical skills in such fields as business management, financial literacy, animal and crop production, including a range of skills which are essential to grow the local economy, address unemployment and ongoing efforts in poverty alleviation.

The municipality obtained an unqualified audit opinion for 2015/2016 financial year.

To better manage our budget allocations, the municipality has adopted austerity measures which have enabled the municipality to make greater savings on non-essential costs. These measures are intended to reduce fruitless and wasteful expenditure.

It is important to acknowledge that the year 2016 did not end on a high note for the municipality, after allegations of financial mishandling on the part of senior officials surfaced, threatening service delivery, political and administrative stability within the institution.

However, due to the zero-tolerance stance approach on corrupt activities adopted by this Council which came into power following the August 2016 Local Government Elections, we have acted swiftly both at a political and administrative level to ensure justice was done and ensured that such practices were a thing of the past.

This Council will act to ensure that there is clean governance in the best interest of the communities and we will never compromise service delivery. To this effect, we are currently rolling out a number of projects relating to service delivery including offering support to local enterprises and electrification of thousands of houses. Indeed,

Another matter of public concern is the appointment of a permanent Municipal Manager to ensure the smooth operation of the administration, which is central if we are to achieve goals of bringing a better life to all. The process of appointing a permanent head of administration is currently underway.

Signed by:

Cllr T Bikitsha
Executive Mayor

1.1. MUNICIPAL MANAGER'S OVERVIEW

Mnquma Local Municipality is a category B municipality with powers and functions as enshrined in the Constitution of the Republic of South Africa, Act 108 of 1996 Schedule 4 Part B and Schedule 5 Part B. It is always the determination of the municipality to take performance to another level of excellence.

It is also our intention to practice and maintain good governance principles which include amongst others responsive government to community needs, efficient and effective government practices and government that follows the rule of law.

We acknowledge that the year under review the municipality has been challenged with inadequate financial resources, and thus we could not meet the some of the strategic objectives as outlined in the Integrated Development Plan. We thus recognize the overall institutional performance of 70%, regressing from the overall institutional performance of the previous financial year 2015/2016. In this regard, drastic measures have been taken to curb expenditure especially on non-core programs and focused mainly on focused on key service delivery programs and projects. Efforts have further been fortified by the data cleansing initiative that aims at resolving under-billing matters, which on their own are a major contributor to the current loss of municipal revenue.

Important to note that despite the challenges of mentioned above the municipality was able to fund its operating costs whilst slowly building reserves for capital replacement, thus sound and stable financial position. Thus during the 2016/2017 financial year the municipality has spent 15% of the total budget on Capital projects and 85% of the total budget on operating expenditure.

In the same period under review the municipality's service delivery obligation to provide basic services to the communities as it was adversely affected by the severity of drought that has plagued the country as a whole. We embraced the unwavering determination by Amathole District Municipality as a Water Services Authority and Water Services Provider and Office of the Primer National Department of Water Affairs to turn around the situation by exploring other alternative sources of water such as boreholes, provision of additional trucks and supply of tanks as immediate relief strategies.

The municipality noted integrated planning and implementation of programs with sector departments, where sector departments such as the Department of Public Works maintained 4 130 KM of proclaimed roads, South African National Defense Force constructed Bailey Bridges in Bawa, in Zazulwana and Mazizini Villages, the Department of Sport Recreation Arts and Culture constructed modern day recreational swimming pool facility, the Department of Environmental Affairs implementing Waste and Environmental Management Programs, Eskom in partnership with the municipality electrified 2483 households. This effort has been recognized through siting of the Inte-governmental Relations Forum that fosters coordination and alignment of the strategic and

performance plans and priorities, objectives and strategies between the Mngquma Local Municipality and stakeholders.

Important to note the performance highlights by the municipality in the year under review as detailed in the report such as:

- Construction of 64 km of Access Roads
- Construction of Mpukane Community hall and Centane Taxi Rank
- Three Local Waste Management Co-operatives rendering services for cleaning and collection of refuse
- Support to Small Medium Micro Enterprises
- Approval of compliance and governance documents such as but not limited to:
 - 2017/2022 Integrated Development Plan
 - 2017/2020 MTREF Budget
 - 2017/2018 Service Delivery and Budget Implementation Plan
 - Policies and By-Laws
 - 2017/2018 Strategic and Operational Risk Registers
 - 2015/2016 Audit Action Plan to address audit queries as raised by AG
 - 2017/2018 Institutional Calendar

Arising from the top five high priority areas identified in the year under review such as:

- Inadequate implementation of Records Management Policy
- Inadequate implementation of the ICT Governance Framework
- Inadequate marketing of investment potential
- Ineffective Internal Audit
- Inadequate implementation of Risk Management Processes, the municipality has prioritized a structured and change management interventions to ensure good governance and performance driven institutions.

Particular attention on change management interventions and implementation of strategic plans monitoring and evaluation of service delivery performance, streamlined performance and financial management processes, zero tolerance to corruption are a focus area for municipality's re-engineering process. A specific focus going forward will be augmentation of Information Communication and Technology and Internal Audit functions. To this end the above has led to the municipality obtaining an unqualified audit opinion on both performance and financial management in 2015/2016 financial year.

Lastly I wish to thank you stakeholders, political leadership, municipal employees that contributed to the municipality's call to improve communities' quality of life. In our attempts to professionalize local government, we commit to implement the municipality's mission and adhere to the values.

K CLOCK
ACTING MUNICIPAL MANAGER

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Mnquma Local Municipality as a local government sphere is entrusted with responsibility of performing functions as determined by the Municipal Demarcation Board. Among these functions, are: Municipal Roads and Storm Water Pipe Network, Street Lighting; Electricity and Gas Reticulation, Land Administration, Land Use Management Human Settlements, Building Regulations, Vehicles and Plant Maintenance, Waste Management, Cemeteries and crematoria, Amenities, Sports Facilities, Municipal Public Transport, Municipal Parks and Recreation. Due to the rural nature of the municipality and the huge backlog on basic services, there are limited resources to address the backlog and ensure that all households have access. The municipality strives to ensure that each ward receives an infrastructure project based on the needs analysis in each financial year.

The municipality is not a water services provider; Amathole District Municipality performs this function thus report on water and sanitation will be detailed in the district annual report.

Mnquma Local Municipality has a total population of approximately 252 390 people, of which 250 833 are black Africans. 487 are comprised of coloured people, 324 are Indians or Asians, 517 white people and 229 is comprised of other races. This is 3.9% of the total population in the province of the Eastern Cape. The highest population concentration is found on the following wards.

Ward Name	Population	% of Municipality Total
25	11,611	4.6
26	10,489	4.2
24	10,199	4.0
22	9,694	3.8
5	9,581	3.8

The population has decreased by 11% from 2001 census to the 2011 census and has been growing at a marginal rate of -0.2 % per annum from 2011 to 2013 according to ECSECC. Population decrease has been caused by various reasons which among others include outward migration to bigger cities.

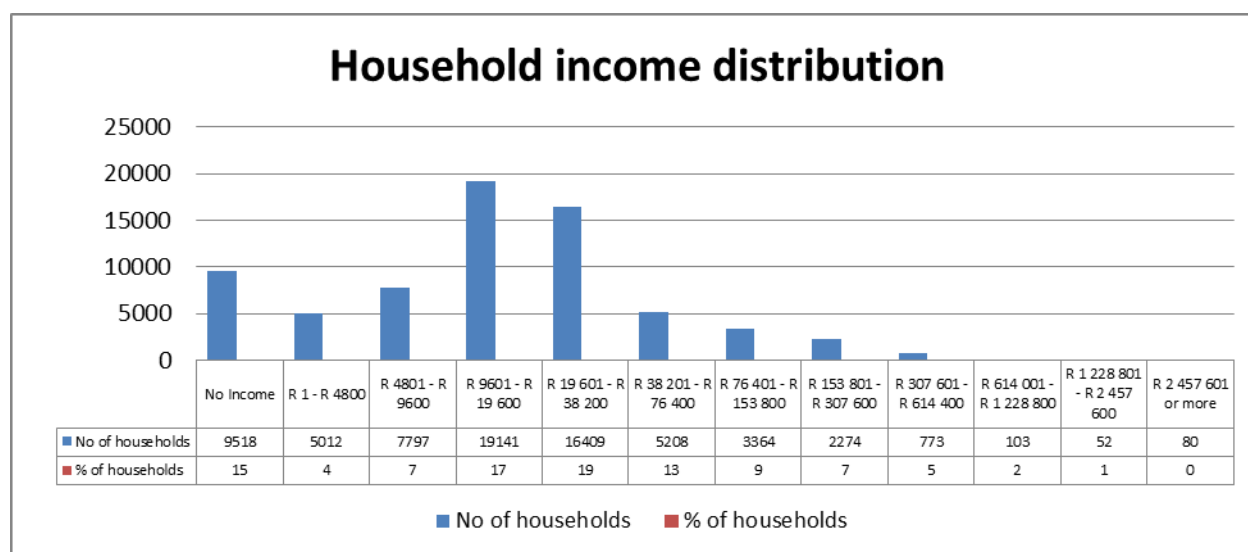
According the census 2011, Mnquma Local Municipality's total number of households is 69 732, there is an increase of just over 3000 households compared to 2001 census which was 66285.

Population Details			
Population '000			
Age	Year 0		
	Male	Female	Total
Age: 0 - 4	14928	14627	29555
Age: 5 - 9	14230	13948	28178
Age: 10 - 19	31836	28968	60804
Age: 20 - 29	17967	18256	36223
Age: 30 - 39	10323	12074	22397
Age: 40 - 49	8029	13624	21653
Age: 50 - 59	8529	13624	22153
Age: 60 - 69	6675	9318	15993
Age: 70+	5346	10088	15434
TOTAL	117863	134527	252390
<i>Source: Statistics SA T 1.2.2</i>			

1.3. SOCIO ECONOMIC STATUS

Annual Monthly Household Income Profile

Figure 4 below demonstrates destitute households with high levels of unemployment and a community in dire need of various source of income. About 15 %of the households in the municipality have no income and approximately 4% with income less than R1600 per month. This means that approximately 15% of households in the local community need subsidy arrangements for survival and thus are unable to pay for services. This therefore has huge implications on the municipality’s financial status in that they cannot rely on residential cross subsidisation for revenue.



Household income distribution: Stats SA Census 2011

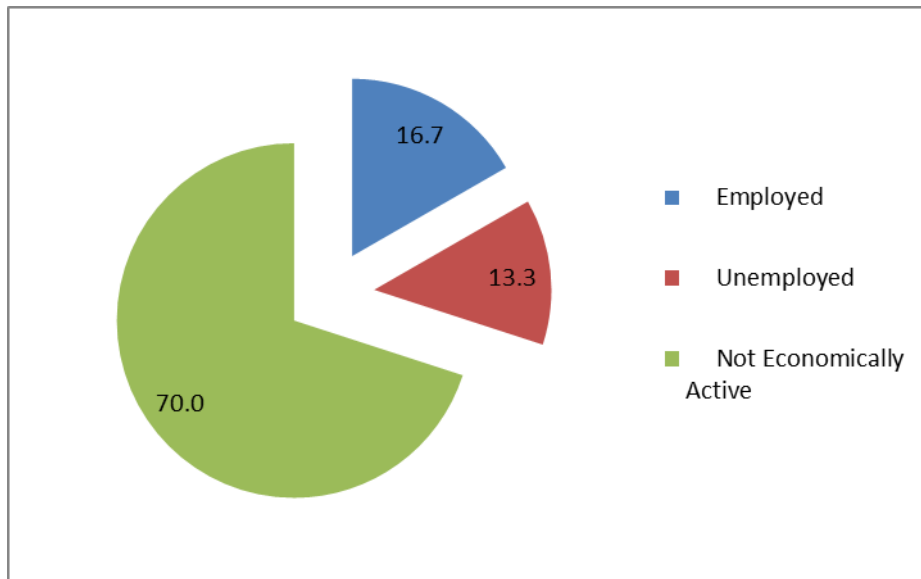
When comparing the 2001 and 2011 census results, there is significant improvement on the percentage of households with no income as it has gone down from 40% to 15%, while the number of households who depend on social grants has dropped from 27% to 4%.

Unemployment Levels

As part of the Eastern Cape, Mquma is one of the municipalities with the highest levels of poverty, illiteracy and unemployment. Approximately 13.3% of the population is unemployed, only 16.7% is employed while 70% of the municipal population is considered economically inactive (See Figure 6).

The municipality has limited employment opportunities and this has huge implications on the increased need for welfare and indigent support in the municipality. The municipality therefore needs to put priority into service provision, skills, social development and economic development programmes.

Figure 6: Employment Status



Derived from Census 2011 – Stats SA

The table below illustrates a significant change in the unemployment status which has decreased by 7% when comparing with 2001 census, while there is only 3% increase in employment. Significantly it should be noted that there is increase in the field of economically inactive people.

Employment Status

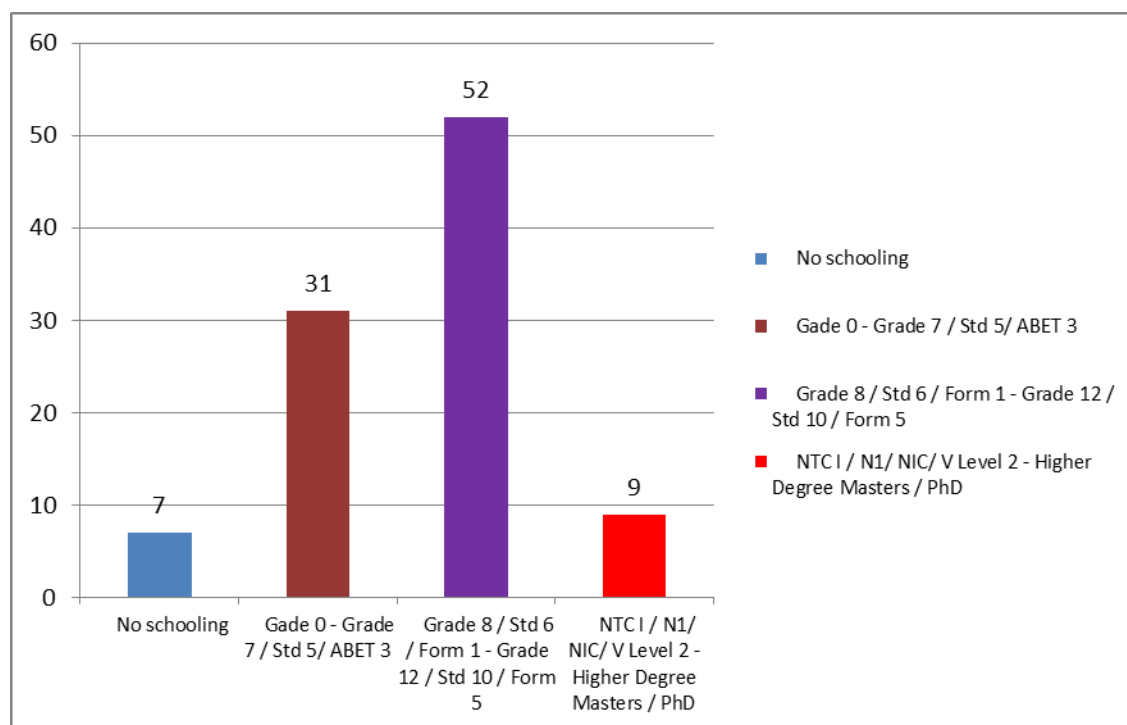
EMPLOYMENT STATUS	2001 CENSUS	2011 CENSUS
Employed	13%	16.7%
Unemployed	21%	13.3%
Not economically active	66%	70%

Education Levels

The table below depicts the levels of education in this municipality. 7% of the Mnquma population has no schooling and 31% completed primary while 52% completed grade 12 and just above 9. % of the population got a higher education. This table below shows comparison of 2001 and 2011 statistics and there is a remarkable improvement of the education levels.

Education Levels

EDUCATION LEVELS	2001 CENSUS	2011 CENSUS
No Schooling	27%	7%
Completed Primary	8%	31%
Matric / Grade 12	10%	52%
Higher Education	6%	9%



Derived from Community Survey 2007 - Stats SA

Overview of Neighbourhoods within 'Mnquma Local Municipality'		
Settlement Type	Households	Population
Towns		
Butterworth Central	504	44040
Ngqamakhwe Central	564	1557
Centane Central	543	1458
Sub-Total	1611	47055
Townships		

Overview of Neighbourhoods within 'Mnquma Local Municipality'		
Settlement Type	Households	Population
Bika	225	783
Cuba	1773	5493
Vuli Valley	458	1272
Mcubakazi	1221	4005
Msobomvu	1773	5763
Sub-Total	5450	17316
Rural settlements		
Mnquma Rural Settlement	66075	244278
Sub-Total	66075	244278
Informal settlements		
Butterworth	3657	8112
Sub-Total	3657	8112
Total	73136	308649
		<i>T 1.2.6</i>

Natural Resources	
Major Natural Resource	Relevance to Community
Tourism destinations / initiatives: Heritage sites Arts and crafts Coastal Belt	Projects as a result of local tourism, business tourism and leisure activities
Mining: Granite, sand mining, potters clay, quarries and borrow, titanium potential	Protection of the natural environment, private public partnerships which will result into skills transfer and job creation
Forests: Indigenous forests, state owned forests (category B forests), Land availability for new afforestation activities	Environmental protection, private public partnerships between DAF, Private Partners and the municipality that will result into job creation, Improve access to timber and provision of capital investment thereby reduce poverty and maximize job opportunities

The population data depicts that the municipality has a young population with more than 65% of the population being under the age of 35. There is also a high rate of poverty and unemployment in the municipality and this is a challenge for the municipality as it means that youth development programmes should be at the centre of planning and the municipality must strive towards developing its local economy in the key sectors such as Agriculture and Tourism.

Mnquma Local Municipality's, Master Plan is a long term development plan and the cornerstone for development. The municipality has established a Programmes Management Office which will be focussing of implementing the Master Plan and high impact projects.

1.4. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The Constitution of the Republic of South Africa (Act 108 of 1996) outlines the functional areas of each sphere. The powers and functions of local government are detailed in Part B of Schedule 4 and Part B of Schedule 5. The Act regulates certain aspects of municipal service delivery mechanisms and the process of implementing such mechanisms.

As part of the Eastern Cape Province, Mnquma is one of the municipalities with the highest levels of poverty, illiteracy and unemployment. An estimated 11% is unemployed, only 25% is employed while 64% of the municipal population is considered economically inactive. The area has limited employment opportunities and this has huge implications on the increased need for welfare and indigent support in the municipal area. The municipality therefore needs to put priority into service provision, skills and social development.

Census 2011 results show that 39% of the municipality does not have access to piped water; with approximately 26 000 households that still do not have access to electricity. They use paraffin and candles for lighting; and that shows that government still needs to address this issue.

Section 76 of the Municipal Systems Act (Act 32 of 2000) provides that a municipality may provide a municipal service in its area or a part of its area through an internal or external mechanism.

In 2016/2017 financial year the municipality used internal and external mechanisms to provide services to the local community.

Electricity connections were done by Eskom and the municipality to **2483** households utilizing funding from Department of Minerals and Energy and Integrated National Electrification Programme.

Amathole District Municipality remains a Water Services Authority and a Water Services Provider. The District municipality provides water and sanitation services to the local community. It is responsible for the day-to-day operation and maintenance of water purification plants and reticulation systems. ADM objective is to provide quality and sustainable drinking water in an integrated manner to all consumers

in the district by 2018. The prioritizing of Interim Intermediate Water Services Programme (IIWSP), funded by the Department of Water Affairs through the Municipal Water Infrastructure Grant (MWIG), is one of the strategies. In 2016/2017 financial year, there has been a severe drought around Mnquma Local Municipality's area and the district municipality is in the process of drilling boreholes

Below is the table depicting a water and sanitation projects that were implemented by the District Municipality utilizing MIG/MWIG funding:

Project Name	2016/2017 budget	Progress
Ehlobo Phase 3 Water Supply	R 9,310.19 (MIG)	Retention Stage
Crouch's Bush Water Supply	R 711,860.00 (MIG) & R 2,033,120.54 (WSIG)	Contractor on site at year end and commissioning the scheme
Ibika-Centane Regional Water Supply	R 2,935,703.55 (MIG) & R 6,000,000 (WSIG)	Ph3 Contr 2 at Adjudication stage for reticulation of Manyontolweni, Nkonkwane, Qolweni & Mhlahlane Villages. These village has since re-demarcated to Mbhashe
Gcuwa West Water Supply	R 21,753,604.45 (MIG) & R 2,675,920.82 (WSIG)	Completing Phase 1 contracts by end August 2017. Phase 2 contracts will be completed June 2018 (Ward 7 & 8).
Nxaxo & Cebe Water Supply	R 537,759.77 (MIG)	Contractor has terminated the contract due to limited budget to complete the project in 2015/16 FY, ADM is going out on tender to appoint another Contractor.
Ngqamakhwe RWS Phase 1-5	R 34,083,196.60 (MIG)	Phase 1 Contract 2 was completed Dec. 2016 and Contract 1 & 3 by June 2017. Going out on tender for Ph 2 contract.
Centane Phase 4 Water Supply	R 356,553.96 (MIG)	PSP busy with the designs
Bawa Falls Water Supply	R 0.00 (MIG)	PSP busy with designs
Cafutweni Water Supply	R 0.00 (MIG)	PSP busy with designs
Mnquma Region 1 Phase 1A Sanitation	R 36,404.72 (MIG)	Retention
Ngqamakhwe Ward 17 & 19 Sanitation	R 3,432,039.77 (MIG)	Project complete. Savings will be used to complete other projects/villages.
Mnquma Area Wide Sanitation Region 3A	R 19,643,072.68 (MIG)	Construction started in Ward 16.
Zizamele Sewer Reticulation Phase 2	R 0	Design & Implementation. Due to drought, construction to start in 2017/18 FY
RHIG – Ward 11 & 14 Sanitation	R 6,666,973.79 (WSIG)	300 VIP's completed Ward 11 & 100 VIP's in Ward14.
Toleni RWS	R 1, 992,640 (WSIG)	100% complete (Installation of wind turbine at Zibityolo)

Waste Management Services within the municipality is regulated by the Integrated Waste Management Plan.

Internal and External Mechanisms were used to provide waste management services within the municipality. As part of Local Economic Development Initiatives; the municipality engaged services of three local co-operatives to render waste collection and removal services.

The Department of Environmental Affairs allocated funding for implementation of Waste Management Programs in 2016/2017 financial year; such as:

- Waste Collection; Removal and Disposal

- Waste Awareness Campaigns

The programs created **250** job opportunities.

In the financial year under review, waste was collected; removed; and disposed on daily basis within the CBD; and twice a week in suburbs and township areas in line with the procedure manual.

9476 households in all areas benefited from the Waste Collection Services.

The Indigent Policy regulates services to be rendered to indigent households. Refuse removal is one of the services rendered to indigent households.

COMMENT ON ACCESS TO BASIC SERVICES:

Amathole District Municipality remains the Water Services Authority and Provider, in 2017/2018 financial year a total amount of R152 million has been set aside towards water services projects.

The remaining electricity backlogs will be reduced through implementation of electrification program by the municipality and Eskom. In 2017/2018 financial year; a total budget of **R 106 million to electrify 5721 households has been set aside by Eskom; whilst the municipality will electrify 200 households through INEP Funding of R5 million.**

The municipality has further committed an amount of R2 092 640.00 for provision of waste management services in the financial year 2017/2018.

1.5. FINANCIAL HEALTH OVERVIEW

In 2016/2017 financial year, the municipality managed to collect 51% on rates and 26% on refuse. The revenue enhancement strategy that was approved by council is being implemented to improve on its revenue base and collection levels. This strategy has also detailed plans that will help improve internal controls as well as harness the relationship with customers with the ultimate goal of improving on collection levels.

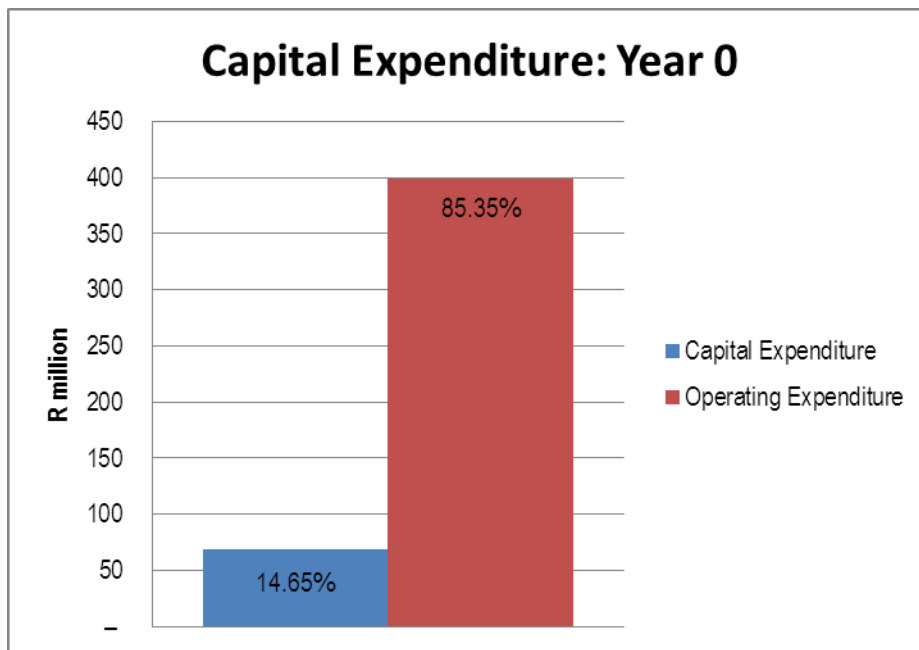
The following tables depict the income collected by the municipality for the year ended June 2017 and the expenditure incurred during the year. The expenditure is in line with the approved budget.

Description	2015/16	Budget Year 2016/17				
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YTD variance	YTD variance %
R thousands						
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates, penalties & collection charges	19 472	19 472	19 472	9 885	9 587	51%
Service charges	4 100	4 100	4 100	1 062	3 038	26%
Other revenue	10 772	14 922	14 922	6 685	8 237	45%

Description	2015/16	Budget Year 2016/17				
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YTD variance	YTD variance %
R thousands						
Government - operating	229 071	217 033	224 531	224 669	–	100%
Government - capital	105 068	72 225	64 727	62 786	1 941	97%
Interest	9 025	9 025	9 025	6 935	2 090	77%
Payments						
Suppliers and employees	(321 105)	(265 140)	(270 003)	(282 976)	(12)	105%
Finance charges	(2 024)	(1 200)	(1 305)	(935)	370	72%
NET CASH FROM/(USED) OPERATING ACTIVITIES	54 378	70 437	65 469	28 111	25 251	43%
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	590	590	590	201	389	34%
Decrease (Increase) in non-current debtors					–	
Decrease (increase) other non-current receivables					–	
Decrease (increase) in non-current investments					–	
Payments						
Capital assets	(105 068)	(72 225)	(68 431)	(74 339)	(6)	109%
NET CASH FROM/(USED) INVESTING ACTIVITIES	(104 477)	(71 634)	(67 841)	(74 138)	383	109%
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Short term loans						
Borrowing long term/refinancing						
Increase (decrease) in consumer deposits						
Payments						
Repayment of finance lease				(387)		
NET CASH FROM/(USED) FINANCING ACTIVITIES	–	–	–	–	–	–

Overall comments

The municipality has spent 98% of the budgeted expenditure with capital expenditure sitting at 96%. The service delivery also improved in the current year with a lot of projects earmarked being completed and handed over to the residents.



COMMENT ON CAPITAL EXPENDITURE:

During the 2016/2017 financial year the municipality has spent 15% of the total budget on Capital projects and 85% of the total budget on operating expenditure.

1.6. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

In 2016/2017 financial year, the Municipality adopted an organisational structure and a recruitment plan for its implementation was developed. A total of 52 employees were appointed to fill vacant positions.

The municipality established a Local Labour Forum in line with the South African Local Government Collective Agreement. The forum is intended to discuss issues of mutual interest between the Employer and Employees.

Occupational Health and Safety (OHS) programmes were implemented in the year under review in line with the OHS strategy. Three programmes (Workplace inspections, sitting of OHS Committee and Awareness campaigns) were conducted in the year under review.

Employment Equity Plan was reviewed in 2015/2016 financial year and in 2016/2017 4 EEP programmes were implemented: Sitting of EEP Committee, Induction of new employees, submission of Compliance reports to the Department of Labour and Employment Analysis.

The municipality developed 2016/2017 Work Place Skills Plan and Annual Training Plan to capacitate its workforce and councillors. Training programmes were implemented for Councillors and officials in the year under review.

1.7. AUDITOR GENERAL REPORT

Report on the audit of the financial statements

Disclaimer of opinion

- 1. I was engaged to audit the financial statements of the Mnquma Local Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2017, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.**
- 2. I do not express an opinion on the financial statements of the municipality. Because of the significance of the matters described in the basis for disclaimer of opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.**

Basis for disclaimer of opinion

Property, plant and equipment

- 3. I was unable to obtain sufficient appropriate audit evidence that property, plant and equipment for the current and prior year had been properly accounted for, due to the status of the accounting records. I was unable to confirm the property, plant and equipment balance by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the property, plant and equipment stated at R847,3 million as disclosed in the statement of financial position and note 8 to the financial statements.**
- 4. The municipality did not recognise all items of property, plant and equipment in accordance with GRAP 17, Property, plant and equipment as additions to property, plant and equipment were recorded at incorrect amounts. Consequently, property, plant and equipment was overstated by R1,9 million, government grants and subsidies revenue is overstated by R546 819 and accumulated surplus was overstated by R1,5 million and payables from exchange transactions are understated by R53 141.**

Receivables from non-exchange transactions

- 5. GRAP 104, Financial Instruments requires an entity to assess at the end of each reporting period, whether there is any objective evidence that a financial asset or group of financial assets is impaired. The municipality impaired some of its receivables from non-exchange transactions amounting to R66,3 million, however, no support for the basis used to determine this impairment could be provided.**
- 6. In addition, I was unable to obtain sufficient appropriate audit evidence that management had properly accounted for receivables from non-exchange transactions due to the differences identified between the financial statements and the underlying accounting**

records. I was unable to confirm the receivables from non-exchange transactions by alternative means.

7. Consequently, I was unable to determine whether any adjustment was necessary to the receivables from non-exchange transactions of R26,6 million as disclosed in the statement of financial position and note 4 to the financial statements.

Receivables from exchange transactions

8. GRAP 104, Financial Instruments requires an entity to assess at the end of each reporting period, whether there is any objective evidence that a financial asset or group of financial assets is impaired. The municipality impaired some of its receivables from exchange transactions amounting to R14,8 million, however, no support for the basis used to determine this impairment could be provided. I was unable to confirm the receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the receivables from exchange transactions stated at R9,7 million as disclosed in the statement of financial position and note 3 to the financial statements.

9. In addition, the municipality incorrectly recognised revenue from exchange transactions as incorrect tariffs were used. This resulted in revenue from exchange transactions and receivables from exchange transactions being understated by R1,8 million respectively.

Inventories

10. I was unable to obtain sufficient appropriate audit evidence that management had properly accounted for inventories in accordance with GRAP 12, Inventories due to the status of the accounting records. I was unable to confirm the inventory balance by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to inventories stated at R9,9 million in the statement of financial position and note 2 to the financial statements.

VAT receivable

11. The municipality did not recognise all items of Value Added Tax (VAT) in accordance with GRAP 1, Presentation of financial statements. Input tax was incorrectly accounted for which resulted in the VAT receivable being overstated and expenditure being understated by R4,8 million respectively.

12. I was unable to obtain sufficient appropriate audit evidence that management had properly accounted for the VAT receivable in the statement of financial position due to the status of the accounting records. I was unable to confirm the VAT receivable balance by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the VAT receivable stated at R6,1 million in the statement of financial position and note 5 to the financial statements.

Payables from exchange transactions

13. I was unable to obtain sufficient appropriate audit evidence that payables from exchange transactions had been properly accounted for, due to the status of the accounting records. In addition, the comparative figures were restated and no supporting evidence could be provided for these restatements. I was unable to confirm the payables from exchange transactions by alternative means. Consequently, I was unable to determine

whether any adjustment was necessary to the payables from exchange transactions stated at R38,9 million (2016: R24,1 million) as disclosed in the statement of financial position and note 10 to the financial statements.

14. In addition, the municipality did not recognise all outstanding amounts meeting the definition of a liability in accordance with GRAP 1, Presentation of financial statements. As the municipality did not maintain adequate records of outstanding payments for goods and services received but not yet paid at year-end, I was unable to determine the full extent of the understatement of payables from exchange transactions as it was impracticable to do so.

Provisions

15. The municipality incorrectly classified leave, bonus accruals and long-term employee benefits as provisions, which is not in accordance with GRAP 19, Provisions, Contingent Liabilities and Contingent Assets. Consequently, provisions are overstated by R34,4 million (2016: R28,1 million) and payables from exchange transactions are understated by R23,5 million (2016: R19,5 million), and non-current liabilities are understated by R10,9 million (2016: R8,5 million).

Revenue from non-exchange transactions

16. I was unable to obtain sufficient appropriate audit evidence that revenue from non-exchange transactions had been properly accounted for, due to the status of the accounting records and supporting documentation used for revenue recognition was not availed for audit purposes. I was unable to confirm the revenue from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the revenue from non-exchange transactions stated at R308,8 million as disclosed in the statement of financial performance.

17. In addition, the municipality incorrectly accrued revenue from non-exchange transactions in the incorrect period which is not in accordance with GRAP 23, Revenue from non-exchange transactions. Consequently, government grants and subsidies revenue and property, plant and equipment is overstated by R546 819.

Employee related costs

18. I was unable to obtain sufficient appropriate audit evidence that employee related costs for the current year had been properly accounted for, due to employees not availing themselves for verification. I was unable to confirm the employee related costs by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the employee related costs stated at R173,4 million as disclosed in the statement of financial performance.

Expenditure

19. I was unable to obtain sufficient appropriate audit evidence that expenditure had been properly accounted for, due to the status of the accounting records. In addition, the comparative figures were restated and no supporting evidence could be provided for these restatements. I was unable to confirm the expenditure by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to debt impairment, collection costs, repairs and maintenance, bulk purchases, grants and

subsidies expenditure and general expenses totalling R96,9 million (2016: R111,1 million) as disclosed in the statement of financial performance.

20. The municipality did not recognise all outstanding amounts meeting the definition of an expense in accordance with GRAP 1, Presentation of financial statements. As the municipality did not maintain adequate records of outstanding payments for goods and services received but not yet paid at year end, I was unable to determine the full extent of the expenditure as it was impracticable to do so.

Impairment loss

21. GRAP 104, Financial Instruments requires an entity to assess at the end of each reporting period, whether there is any objective evidence that a financial asset or group of financial assets is impaired. The municipality impaired some of its receivables from exchange and non-exchange transactions as disclosed in notes 3 and 4 to the financial statements, however, no support for the basis used to determine this impairment was provided. In addition, the municipality incorrectly disclosed an impairment loss recovery as an expense instead of revenue as required by GRAP 1, Presentation of Financial Statements. I was unable to confirm the impairment loss by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the impairment loss stated at R8,8 million as disclosed in the statement of financial performance and note 28 to the financial statements.

Commitments

22. I was unable to obtain sufficient appropriate audit evidence for commitments as the municipality did not maintain accurate and complete records of the contractual information used to determine commitments. Further, the comparative figures were restated and no supporting evidence could be provided for these restatements. I was unable to confirm the commitments by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to commitments stated at R53,9 million (2016: R58,9 million) as disclosed in note 41 to the financial statements.

23. In addition, the municipality did not disclose all items of contractual commitments for acquisition of property, plant and equipment in accordance with GRAP 17, Property, plant and equipment. Furthermore, payments made for contractual obligations in progress were recorded at incorrect amounts. Consequently, commitments were understated by R13,2 million.

Unauthorised expenditure

24. I was unable to obtain sufficient appropriate audit evidence for the restated corresponding figure of unauthorised expenditure, as the supporting information was not provided. In addition, I was unable to obtain sufficient appropriate audit evidence that unauthorised expenditure for the current year had been properly accounted for, due to the status of the accounting records. The municipality also did not include all required disclosure relating to unauthorised expenditure in the financial statements. I was unable to confirm the unauthorised expenditure by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the unauthorised expenditure of R26,3 million (2016: R216,7 million) as disclosed in note 46 to the financial statements.

Irregular expenditure

25. The municipality did not identify and disclose all irregular expenditure in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. Payments made in contravention with the supply chain management requirements resulted in irregular expenditure of R21,2 million being identified during the audit that was not disclosed. I was unable to determine the full extent of the irregular expenditure that should have been disclosed.

26. In addition, I was unable to obtain sufficient appropriate audit evidence to confirm the irregular expenditure included in the notes to the financial statements, as well as for the restated corresponding figure, as supporting documentation was not provided. I was unable to confirm this disclosure by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the irregular expenditure stated at R310,4 million (2016: R273,1 million) in note 48 to the financial statements.

Fruitless and wasteful expenditure

27. I was unable to obtain sufficient appropriate audit evidence for the restatement of the opening and closing figures of fruitless and wasteful expenditure, as the supporting information was not provided. The municipality also did not include all required disclosure relating to fruitless and wasteful expenditure in the financial statements. I was unable to confirm the disclosure by alternative means. Consequently, I was unable to determine whether any further adjustment was necessary to the corresponding figure for fruitless and wasteful expenditure stated at R3,7 million in note 47 to the financial statements.

Risk management

28. The municipality did not disclose all the financial instruments in accordance with GRAP 104, Financial Instruments in note 43 to the financial statements. The relevant categories of financial instruments together with their related carrying amounts should be disclosed in the notes to the financial statements.

29. In addition, the municipality incorrectly disclosed financial instruments in note 43 as described below:

Receivables from exchange transactions were overstated by R15,2 million Receivables from non-exchange transactions were understated by R24,4 million (2016: overstated by R59 320) Bank, cash and cash equivalents were understated by R306 560.

Prior period error

30. The municipality did not disclose previous period errors in note 52 to the financial statements, as required by GRAP 3, Accounting policies, estimates and errors. The nature and the amount of the correction for each financial statement item affected, and the amount of the correction at the beginning of the earliest previous period were not disclosed. In addition, I was unable to obtain sufficient appropriate audit evidence for the previous period errors disclosed, as the supporting information was not provided. I was unable to confirm these disclosures by alternative means. Consequently, I was unable to

determine whether any adjustments were necessary to the previous period errors disclosed in the financial statements.

Going concern

31. The municipality did not disclose the material uncertainty that exists at the municipality in note 44 to the financial statements, as required by GRAP 1, Presentation of financial statements. The municipality's statement of financial position reflects a net liability position which is an indication that the municipality may not meet its statutory obligations for the foreseeable future. Consequently, the disclosure in the financial statements is insufficient in terms of the applicable reporting standards.

Statement of comparison of budget and actual amounts

32. The municipality did not disclose the statement of comparison of budget and actual amounts for the cash flow statement in the financial statements, as required by GRAP 24, Presentation of Budget Information in the Financial Statements. In addition, there were no explanations for some material differences between budgeted and actual figures in the statement of comparison of budget and actual amounts.

Cash flow statement

33. The municipality incorrectly classified and incorrectly calculated various line items in the cash flow statement. This resulted in the following line items being misstated as described:

Sale of goods and services were understated by R6,2 million

Grants were understated by R1,8 million

Interest income was overstated by R199 997

Employee costs were understated by R10,2 million (2016: understated by R5,3 million)

Finance costs were understated R889 000

Suppliers were understated by R4,6 million (2016: understated by R244 176)

Grant cost-disbursement was overstated by R103 979

Purchase of property plant and equipment was overstated by R1,7 million.

Other matters

34. I draw attention to the matters below.

Unaudited disclosure notes

35. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

Withdrawal from the audit engagement

36. Due to the limitation imposed on the scope of the audit by management, I have disclaimed my opinion on the financial statements. But for the legislated requirement to perform the audit of municipality, I would have withdrawn from the engagement in terms of the ISAs.

Responsibilities of accounting officer

37. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practise (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act, 2003 (Act No.56 of 2003) (MFMA) and the Division of Revenue Act, 2016 (Act No.1 of 2016) (DORA) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

38. In preparing the financial statements, the accounting officer is responsible for assessing the Mngquma Local Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

39. My responsibility is to conduct an audit of the financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matters described in the basis for disclaimer of opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

40. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) together with the ethical requirements that are relevant to my audit of the financial statements. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

Report on the audit of the annual performance report

Introduction and scope

41. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

42. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions

relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

43. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2017:

Development priorities	Pages in the annual performance report
KPA 2: Basic services and infrastructure development	x – x
KPA 3: Local economic development	x – x

44. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

45. I raised no material findings on the usefulness and reliability on KPA 3: Local economic development. The material findings in respect of the reliability of KPA2: Basic services and infrastructure development are as follows:

KPA 2: Basic services and infrastructure development

Reported achievement not supported by sufficient appropriate audit evidence

Various indicators

46. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the following material indicators relating to this development priority:

18 600 Indigent beneficiaries subsidized with alternative energy and 6 000 subsidised with free basic electricity by June 2017 with a reported achievement of 18 600 supplied with alternative energy and 6 000 provided with free basic electricity;
200 households connected by June 2017 with a reported achievement of 203 households;
60 kms of municipal access roads constructed by June 2017 with a reported achievement of 64 kms.

47. This was due to limitations placed on the scope of my work. I was unable to confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements.

Other matters

48. I draw attention to the matters below.

Achievement of planned targets

49. Refer to the annual performance report on pages x to x; x to x for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number of targets. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraphs 40 to 41 of this report.

Adjustment of material misstatements

50. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of KPA2: Basic services and infrastructure development and KPA 3: Local Economic Development. As management subsequently corrected only some of the misstatements, I reported material findings on the reliability of the reported performance information.

Report on audit of compliance with legislation

Introduction and scope

51. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

52. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements and annual report

53. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the Municipal Finance Management Act (MFMA). Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving a disclaimer of opinion.

Procurement and contract management

54. Sufficient appropriate audit evidence could not be obtained that all contracts and quotations were awarded in accordance with the legislative requirements as the bidding documents, invoices and payment vouchers were unable to be located within the municipality's buildings.

55. Sufficient appropriate audit evidence could not be obtained that goods and services with a transaction value of below R200 000 were procured using price quotations as required by SCM regulation 17(a) and (c).

56. Sufficient appropriate audit evidence could not be obtained that some of the quotations were accepted from prospective providers who were not on the list of accredited prospective providers and did not meet the listing requirements prescribed by the SCM policy, in contravention of SCM regulations 16(b) and 17(b).

57. Sufficient appropriate audit evidence could not be obtained that contracts were awarded only to bidders who submitted a declaration on whether they were employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).

58. Sufficient appropriate audit evidence could not be obtained that quotations were only accepted from bidders whose tax matters had been declared by the South African Revenue Service to be in order, as required by SCM regulation 43.

59. Sufficient appropriate audit evidence could not be obtained that goods and services of a transaction value above R500 000 were procured by inviting competitive bids and that deviations approved by the accounting officer were only if it was impractical to invite competitive bids, as required by SCM regulations 19(a) and 36(1).

60. Sufficient appropriate audit evidence could not be obtained that bid specifications were unbiased and allowed all potential suppliers to offer their goods or services, as required by SCM regulation 27(2)(a).

61. Sufficient appropriate audit evidence could not be obtained that invitations for competitive bidding were advertised for a required minimum period of days, as required by SCM regulation 22(1) and 22(2).

62. Sufficient appropriate audit evidence could not be obtained that bids were evaluated by bid evaluation committees which were composed of officials from the departments requiring the goods or services and at least one SCM practitioner of the municipality as required by SCM regulation 28(2).

63. Sufficient appropriate audit evidence could not be obtained that contracts were awarded to bidders based on points given for criteria that were stipulated in the original invitation for bidding and quotations, as required by SCM regulations 21(b) and 28(1)(a) and Preferential Procurement Regulations.

64. Sufficient appropriate audit evidence could not be obtained that some of the contracts were awarded through a competitive bidding processes that were adjudicated by the bid adjudication committee.

65. Sufficient appropriate audit evidence could not be obtained that bid adjudication committees were always composed in accordance with SCM regulation 29(2).

66. Sufficient appropriate audit evidence could not be obtained that contracts were made to bidders recommended by the bid evaluation committee ratified by the accounting officer, as required by SCM regulation 29(5)(b).

67. Sufficient appropriate audit evidence could not be obtained that councillors of the municipality did not participate in committees evaluating or approving tenders and 10

quotations OR attended meetings of committees evaluating or approving tenders and quotations, as required by section 117 of the MFMA.

68. Sufficient appropriate audit evidence could not be obtained to determine that measures to combat the abuse of the SCM system were implemented as per the requirements of SCM regulation 38(1), to ensure that contracts were not awarded to providers who during the last five years, failed to perform satisfactorily on a previous contract with the municipality or municipal entity or other organ of state, committed a corrupt or fraudulent act in competing for the contract, abused the SCM system of the municipality, or had been convicted of fraud or corruption during the past five years.

69. Sufficient appropriate audit evidence could not be obtained that the preference point system was applied in all procurement of goods and services above R30 000 as required by section 2(a) of the Preferential Procurement Policy Framework Act and Treasury Regulations 16A6.3(b).

70. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act and its regulations.

71. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders that scored the highest points in the evaluation process as required by section 2(1)(f) of Preferential Procurement Policy Framework Act Preferential Procurement Regulations.

72. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders based on points given for criteria that were stipulated in the original invitation for bidding and quotations, as required by Preferential Procurement Regulation 4.

73. Sufficient appropriate audit evidence could not be obtained that construction contracts were awarded to contractors that were registered with the Construction Industry Development Board (CIDB) and qualified for the contract in accordance with section 18(1) of the CIDB Act and CIDB regulations 17 and 25(7A).

74. Sufficient appropriate audit evidence could not be obtained that bid documentation for procurement of the commodities designated for local content and production, stipulated the minimum threshold for local production and content as required by Preferential Procurement Regulation 9(1).

75. Sufficient appropriate audit evidence could not be obtained that commodities designated for local content and production, were procured from suppliers who meet the prescribed minimum threshold for local production and content, as required by Preferential Procurement Regulation 9(5).

76. Sufficient appropriate audit evidence could not be obtained that all extensions or modifications to contracts were approved by a properly delegated official, as required by SCM regulation 5.

77. Sufficient appropriate audit evidence could not be obtained that the performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.

78. Sufficient appropriate audit evidence could not be obtained that the contract performance and monitoring measures and methods were sufficient to ensure effective contract management, in contravention of section 116(2)(c) of the MFMA.

79. Sufficient appropriate audit evidence could not be obtained that awards were made to providers who were in the service of the municipality and whose directors and principal shareholders are in the service of the municipality, in contravention of section 112(j) of the MFMA and SCM regulation 44.

80. Sufficient appropriate audit evidence could not be obtained that awards were made to providers who were in the service of other state institutions or whose directors and principal shareholders were in the service of other state institutions, in contravention of MFMA 112(j) and SCM regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM regulation 38(1).

81. Sufficient appropriate audit evidence could not be obtained that persons in the service of the municipality who had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e) and the code of conduct for councillors issued in terms of the Municipal Systems Act and the code of conduct for staff members issued in terms of the Municipal Systems Act.

82. Sufficient appropriate audit evidence could not be obtained that persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e) and the code of conduct for councillors issued in terms of the Municipal Systems Act and the code of conduct for staff members issued in terms of the Municipal Systems Act.

83. Sufficient appropriate audit evidence could not be obtained that SCM officials and other SCM role players who or whose close family members, partners and associates had a private or business interest in contracts awarded by the municipality participated in the process relating to that contract, in contravention of SCM regulation 46(2)(f).

Consequence management

84. Unauthorised irregular, fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) and (b) of the MFMA.

85. Authorisation of unauthorised expenditure amounting to R26,3 million was not done through an adjustment budget, as required by section 32(2)(a)(i) of the MFMA.

86. Allegations of financial misconduct laid against officials of the municipality were not investigated as required by section 171(4)(a) of the MFMA.

Budget

87. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the unauthorised expenditure full extent of the unauthorised expenditure could not be quantified as indicated in the basis for disclaimer of opinion paragraph.

88. Unforeseen and unavoidable expenditure incurred by the municipality was not approved by the mayor as required by section 29(1) of the MFMA.

Assets management

89. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Revenue management

90. An adequate management, accounting and information system which accounts for revenue was not in place, as required by section 64(2)(e) of the MFMA.

91. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.

92. Interest was not charged on all accounts in arrears, as required by section 64(2)(g) of the MFMA.

Expenditure management

93. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

94. I could not obtain sufficient appropriate audit evidence that payments from the municipality's bank account were approved by the accounting officer, as required by section 11(1) of the MFMA.

95. Effective steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred and the full extent could not be quantified as indicated in the basis for disclaimer paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with supply chain regulations.

Liability management

96. An effective system of internal control for liabilities was not in place, as required by section 63(2)(c) of the MFMA.

Strategic and performance management

97. The SDBIP for the year under review did not include monthly revenue projections by source of collection and the monthly operational and capital expenditure by vote, and the service delivery targets and performance indicators for each quarter as required by section 1 of the MFMA.

Conditional grants

98. The Municipal Infrastructure Grant was not spent in accordance with the applicable grant framework, in contravention of section 17(1) of the Division of Revenue Act.

Internal control deficiencies

99. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for disclaimer of opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Leadership did not fulfil its oversight responsibilities, as they did not hold management accountable for the implementation and monitoring of internal controls and compliance with laws and regulations. Furthermore, a slow response to prior year audit recommendations has resulted in a regression in the audit outcomes.

Instability in the municipal manager position of the municipality and political instability has resulted in the lack of senior management accountability over the implementation and monitoring of internal controls and compliance with laws and regulations. This has also resulted slow response to prior year audit recommendations and lack of implementation of consequence management which resulted in a regression in the audit outcomes.

The municipality's audit action plan was inadequate, which impacted the effective monitoring thereof and, as a result, numerous internal control deficiencies identified in the previous year, re-occurred in the current year.

Inadequate record management and daily financial disciplines in the current financial year negatively impacted the financial administration of the municipality. Reconciliations and registers were only prepared after the financial year end which did not allow sufficient time for adequate reviews to take place. This resulted in non-submission of information for most financial statements line items and errors being detected during the audit process.

The municipality also lacked effective risk monitoring processes in order to ensure risks identified are appropriately managed during the financial year.

Management failed to ensure the position of the internal audit manager is filled timeously. This resulted in the internal audit unit not functioning during the year. Although an audit committee is established, it did not fulfil its legislated and oversight functions as the committee did not meet during the year.

Other reports

100. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
101. The Hawks are investigating allegations of possible fraud and collusion between municipal employees and suppliers in awarding various contracts issued by the municipality. The investigation is still underway and the expected finalisation date is unknown.

30 November 2017



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

1.8. STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the following the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 1 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	January

COMMENT ON THE ANNUAL REPORT PROCESS:

Mnquma Local Municipality has adopted IDP, PMS and Budget Process Plan for 2016/2017 financial year. The three components i.e. Integrated Development Planning, Performance Management System and Budget were aligned in the process plan to ensure adherence to all legislative requirements. The process of developing 2016/2017 Annual Report has been done in line with the time frames set in the process plan. Deviations in the implementation of the process plan were approved by the Executive Mayor.

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Governance within the municipality entails implementation of the following components:

- Legislative and compliance matters
- Performance Management
- Risk Management
- Audit, Legal and Public Participation

Important to note the link between the above mentioned components, the municipality has executive powers with Executive Mayor who chairs the Mayoral Committee and the municipality also has legislative authority with Speaker who chairs Council meetings. In the Mayoral Committee there are 10 portfolios chaired as detailed underneath. All Portfolio heads chair the Standing Committees.

Executive Management Meetings are chaired by the Municipal Manager and Performance Reports are tabled in line with the approved Service Delivery and Budget Implementation Plan.

The municipality approved the following compliance documents:

- 2017/2022 Integrated Development Plan
- 2017/2019 MTREF Budget
- 2016/2020 Service Delivery and Budget Implementation Plan
- Strategies, Policies and Sector Plans
- 2017/2018 Strategic and Operational Risk Register
- 2015/2016 Audit Action Plan to address audit queries as raised by AG
- 2017/2018 Institutional Calendar

All the reports that are tabled to the governance structures below are in line with the documents as mentioned above and frequency of meetings are in line with the approved institutional calendar

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The key element of governance is leadership which culminates into responsibility and accountability. Mngquma municipality upholds this element by ensuring there is strong leadership both politically and administratively to ensure Council is guided towards realisation of its vision, mission and overall objectives.

The IDP for 2012/2017 identified 5 values of accountability and thus political and administrative governance functions as follows:

- Accountability,
- Transparency
- Participatory governance
- Governance education, and
- Social Responsibility

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Mngquma Local Municipality is an Executive Mayoral type with all the Executive powers of the Council vested in the Executive Mayor, who is assisted by members of the Mayoral Committee. The political arm of the municipality includes the Executive Mayor, the members of the Mayoral Committee, the Council Speaker and the Council's Chief Whip.

The Council has established a Committee system in line with the provisions of Section 79 and 80 (1) of the Local Government: Municipal Structures Act 117 of 1998, as amended.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
<u>Standing Committees</u> Corporate Services Budget & Treasury Community Services Strategic Management Local Economic Development Infrastructural Planning & Development	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
Rules Committee	The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998)
Training & Equity Committee	The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998)
MPAC	The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998)
Local Labour Forum	The purpose of the committee is to strengthen the working relations between the employer and the employee in line with the South African Local Governance Bargaining Council (SALGBC)
OHS & EAP Committee	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
Audit Committee	The purpose of the committee is to function in line with section 166 of the Municipal Finance Management Act 56 of 2003
Risk Committee	The purpose of the committees is to assist the executive committee or Executive Mayor in terms

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
IGR Forum	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
IDP, Budget & PMS Technical Steering Committee	The purpose of the committee to provide technical support towards assisting the executive committee in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
IDP, Budget & PMS Steering Committee	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
IDP, Budget & PMS Rep Forum	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)

From July 2016 to the 3rd of August 2016, the Political Structure was in line with the 2012/2017 term of Council. The Local Government Elections held on 3rd August 2016 ushered a new dawn of Political Leadership for the term ending 2021 which is as follows:

POLITICAL STRUCTURE (2016/2017)

EXECUTIVE MAYOR

Cllr T Bikitsha

SPEAKER

Cllr Z M Mnqwazi

CHIEF WHIP

Cllr Z Mkiva

MAYORAL COMMITTEE MEMBERS

Cllr M Ntshonga – Portfolio Head: Infrastructural Planning and Development

Cllr N Layiti – Portfolio Head: Community Services

Cllr N H Skelenge – Portfolio Head: Local Economic Development

Cllr T Manxila – Portfolio Head: Strategic Management

Cllr N Sheleni – Portfolio Head: Corporate Services

Cllr L Mgandela – Portfolio Head: Budget and Treasury Office

Cllr N Jiya – Portfolio Head: Communications

Cllr T P Ntanga – Portfolio Head: Water and Sanitation

Cllr N Dube – Portfolio Head: Land and Housing

Cllr C Mtsi – Portfolio Head: Special Programmes Unit

COUNCILLORS

Mnquma Municipal Council is composed of 62 Councilors of which 31 Councilors are Ward Councilors and 31 are Proportional Representatives. Appendix A of this document outlines the total number of Councilors and their political parties and Appendix B sets out various committees that the councilors serve in.

POLITICAL DECISION-TAKING

In the municipality there is TROIKA plus One, which consists of the Executive Mayor, Speaker, Chief Whip and the Municipal Manager which sits on weekly basis and before the Council meeting to discuss agenda items to be tabled to Council and pertinent institutional matters.

Council takes resolutions on all service delivery and community development matters, the nature of resolutions are to note the day to day reports by directorates on service delivery as well as adopts or approves policy documents and matters that may not be delegated as stipulated in section 160(2) of the Constitution, 1996 as amended.

The municipality reports on quarterly basis on implementation of Council resolutions.

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The Administrative Governance of the municipality has been fully fledged during 2016/2017 financial year, however the Municipal Manager passed away before the year end.

TOP ADMINISTRATIVE STRUCTURE	Function
MUNICIPAL MANAGER Mr Sindile Tantsi	Responsible for: <ol style="list-style-type: none"> 1. Policy development and implementation, accountable for forward planning – municipal transformation & organizational development 2. Personnel and performance management - Directs the Key Performance Indicator's and outcomes of all employees. 3. Analyse and prioritize the execution of processes to initiate, manage and control the delivery of basic services to communities (including free basic services to impoverished communities) within the municipal area 4. Overseeing Management and financial administration of the municipality 5. Responsible for sound governance and public participation
DIRECTOR: Corporate Services Ms Dunyiswa Olga Mrwetyana	Responsible for: <ol style="list-style-type: none"> 1. Ensuring effective and efficient management of Human Resources 2. Managing labour relations function 3. Responsible for Administration services

TOP ADMINISTRATIVE STRUCTURE	Function
	<ol style="list-style-type: none"> 4. Effective management of Information and Communication Technology 5. Functioning of Council and its Committees 6. Advise the Municipal Manager on all HR and Committee Matters of Council including the development and implementation of policies, procedures, strategies to manage risk, performance and other effective and efficient methods of managing council business
<p>DIRECTOR: Community Services Mr Zonwabele Plata</p>	<p>Responsible for</p> <ol style="list-style-type: none"> 1. Overall management of the environmental services function including but not limited to waste management 2. Direct and lead management of protection services, municipal road traffic safety services as well as emergency services 3. Ensure Development, Management and Maintenance of all municipal public amenities 4. Liaison with sector departments, district and other municipalities on integrated planning and service delivery issues affecting community services
<p>DIRECTOR: Strategic Management Ms Luleka Nonyongo</p>	<p>Responsible for</p> <ol style="list-style-type: none"> 1. Implementing the vision of the municipality and implementation and review of the 5 year integrated development plan; 2. Directs the development and management of effective municipal performance management system and effective implementation of the Service Delivery and Budget Implementation Plan; 3. Manages functioning of the Inter-governmental Relations Forum, Effective Community Participation and communication in all service delivery issues; 4. Manages and directs communication, marketing and branding of the municipality; 5. Co-ordinate the development, implementation and review of municipal policies; 6. Ensure municipal-wide research to support the development and implementation of institutional strategies;

TOP ADMINISTRATIVE STRUCTURE	Function
	7. Provision of effective support to the Office of the Executive Mayor.
DIRECTOR: Infrastructure Planning and Development Mr Kulile Clock	Responsible for <ol style="list-style-type: none"> 1. Management of municipal roads, 2. Ensuring that the municipality conforms to building regulations 3. Electricity services of the municipality 4. Manages public works, housing and land administration 5. Manages the Municipal Infrastructure Grant (MIG) and other national and / or provincial and external funded programmes
DIRECTOR: Local Economic Development Mr Viwe Madolo	Responsible for <ol style="list-style-type: none"> 1. Investment Promotion and Marketing of Local Economic Development 2. Development, implementation and review of the Local Economic Development Strategy, policies and procedures 3. Ensure effective management and promotion of tourism 4. Responsible for strategic partnerships in order to enhance service delivery and local economic development 5. Ensure implementation of Sector Support Programmes in Agriculture, Manufacturing, Retail and Tourism/Heritage Sector 6. Ensure regular economic research is conducted on best practices
Chief Financial Officer Mr Lubabalo Manjingolo	Responsible for <ol style="list-style-type: none"> 1. Ensure general financial management of the municipality 2. Management of assets of the municipality including the safeguarding and the maintenance of the assets 3. Management of the revenue of the municipality and expenditure management 4. Budget preparation, implementation and monitoring thereof 5. Manages the Supply Chain Management of the municipality

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The municipality established intergovernmental relations forum in line with the Intergovernmental Relations Framework Act No 13 of 2005 and regulations.

In the year under review the municipality worked with different organs of state to improve service delivery. Contributions were made in job creation; skills development and capacity building initiatives; participation of previously disadvantaged groups; and provision of basic services.

In response to **Outcome 9** of the Local Government Outcomes Approach i.e. a responsive and, accountable, effective and efficient local government system; the municipality strengthened co-operative governance through Intergovernmental Relations Forums; Mayoral Imbizo's; IDP/PMS and Budget Representative Forums. The municipality further participated in the following National; Provincial and District Forums:

- MinMEC
- MuniMEC
- Premiers Intergovernmental Forums
- Provincial Infrastructure Municipal Forums
- District Mayor's Forums
- SALGA National Assembly
- SALGA Working Groups
- Provincial Communicators Forum and
- District Communicators Forum

2.3.1 INTERGOVERNMENTAL RELATIONS

Members of the IGR include but not limited to provincial and national government departments; Parastatals; District municipality.

Sittings of IGR Forum are guided by the Terms of reference and scheduled to sit on quarterly basis; as also scheduled in the Institutional Calendar. Special IGR Meetings also sit when the need arises. Four meetings as scheduled sat in 2016/2017 financial year.

Standing IGR Agenda items included:

- (a) Matters arising from DIMAFO, MuniMec affecting Mquma Local Municipality;
- (b) Matters arising from other Provincial Intergovernmental Forums affecting Mquma Local Municipality;
- (c) Matters submitted by members of the Mquma LM IGR Forum;
- (d) Reports by Mquma LM IGR Forum members on the implementation of the Municipality's 2016/2017 IDPs; and plans to inform 2017/2022 Reviewed IDP
- (e) Reports from internal forums/clusters
- (f) Information Sharing.

2.3.2 NATIONAL INTERGOVERNMENTAL STRUCTURES

The SALGA National Members Assembly was held from 08th -09th June 2017; where the municipality participated. The municipality shared information with stakeholders that attended the assembly.

2.3.3 PROVINCIAL INTERGOVERNMENTAL STRUCTURES

In the financial year under review; the municipality participated in the Provincial Intergovernmental Structures such as Provincial Technical MuniMEC Forum and Provincial Political Munimec Forum; Provincial Infrastructure Municipal Forums and SALGA Working Forums. These forums sit quarterly.

The following benefits were derived from participating in the above mentioned structures:

- Comprehensive plans and reports were shared with all 45 municipalities and other strategic stakeholders to speed up service delivery through the coordination and integration of government programmes, policy and legislation across the three spheres of government, within the theme "Single Window of Coordination."

The standing agenda items in the forums are amongst others the following critical issues:

- Municipal Capacity Support and Intervention Framework
- Utilisation of Traditional Councils as rural development centers
- Addressing Audit Issues in Eastern Cape Municipalities
- Monitoring the implementation of capital grants in line with sector grants conditions,
- Evaluate the impact infrastructure programmes in improving socio-economic conditions of the communities.

2.3.4 DISTRICT INTERGOVERNMENTAL STRUCTURES

The municipality participated in the District IDP/PMS and Budget Representative Forums; District Mayors Forum and District Communicators Forum and the following were the benefits:

- Integration of plans between the municipality and the district municipality; especially in relation to Water and Sanitation Services
- Information Sharing with stakeholders
- Matters arising from Provincial MuniMEC and other National Government Structures

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

WARD COMMITTEES

Public participation deals with:

Establishment and functioning of Ward Committee System

Ward committees have been established throughout the municipality after 2016 Local Government Elections. A total of 310 Ward Committees were inducted in the financial year under review. Ward Committee Strategy was developed and adopted by Council in 2014/2015 financial year. The strategy guides functioning of Ward Committees, reporting and interface between Ward Committee and Council. Ward Committees are supported through a monthly stipend. Administrative support from the municipality is rendered during Ward Committee Meetings, Elections and Ward General Meetings.

Refer to Appendix E: details on ward schedules for 2016/2017

Appendix F: performance data on a ward by ward basis

Mayoral Imbizos

The municipality engages the community through Mayoral Imbizos. The Imbizos are in two folds viz Predetermined and on adhoc basis. 4 Mayoral Imbizos were held in the year under review. In pursuit of taking government to the people, the Executive Mayor engages other spheres and line function departments in both planning and execution of the outreach.

IDP, PMS and Budget Public Participation Meetings

Public Meetings under this section are determined by the IDP, PMS and Budget Process Plan adopted by Council annually. In the year under review, 33 meetings were planned and convened, and these

are IDP/PMS and Budget Roadshows, IDP/PMS and Budget Representative Forum meetings, MPAC Public meetings on 2016/2017 Annual Report and sourcing of community needs for 2017/2022 Integrated Development Plan.

The table below depicts the nature and the type of the Public Meetings held in the year under review.

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councilors	Number of Participating Municipal Administrators	Number of Community members attending	Issues addressed	Dates and manner of feedback given to community
IDP, PMS and Budget Representative Forum Meetings	24 Aug 2016, 28 Nov 2016, 20 March 2017	62	8	728	IDP/PMS and Budget Process Plan Updates on implementation of projects and programmes Revenue collection and budget processes	IDP / Budget Processes and Performance Reports
IDP, PMS and Budget Roadshows	03-07 th Apr-2017	All	5	2194	Draft 2017/2022 IDP and 2017/2020 Budget	In May 2017 Final IDP 2017/2022 and 2017/2020 MTREF Budget were approved by Council and Publicized in the newspaper and municipal website.
Mayoral Imbizos	19 Oct 2016, 06 Dec 2016, 07 Mar 2017, 19 May 2017	19	11	494	Service delivery issues	Service Delivery issues and engagement between Executive Mayor & Communities

State of the Municipality Address	23 May 2017	60	34	141	Service Delivery Report for 2016/2017 Financial Year and Plans and Budget for 2017/2018 Financial Year.	Open Council meeting for Feedback the community on the implementation of the programs and plans for the Financial year.
Speaker's Outreach Programmes	30 March 2017 31 March 2017	11	08	147	Publicity of IDP Roadshows to invite communities for representation in the Draft IDP and Budget	IDP/PMS and Budget Roadshows

The municipality strengthened the public participation programs in line with the Back to Basics Principles through the above mentioned structures.

The representatives in the public meetings included organized community groups; business and religious fraternity; traditional leaders; councillors; ward committees; community development workers; and community members.

Communication platforms such as print (local and regional newspapers) and electronic media (local community radio) were utilized to publicize the above mentioned public meetings.

COMMENT ON PUBLIC PARTICIPATION:

In the year under review, Public Participation has created a platform of interface between the Municipality and the Community; however, there is room for improving feedback mechanism from Council to communities on issues raised in Ward Committee meetings.

2.5 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
Is the IDP and the budget aligned?	Yes
Can the PMS calculate actual Performance 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 56 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

2.6 OVERVIEW OF CORPORATE GOVERNANCE

Corporate Governance encompasses the following:

2.6.1 Audit Committee

Audit Committee is comprised of 4 members, as at year end, three meetings were held as detailed in Appendix G. In the year under review the Audit Committee noted the following reports:

- 2015/2016 Annual Report
- 2016/2017 Strategic and Operational Risk Registers
- 2015/2016 Annual Financial Statements

2.6.2 Internal Audit

In the year under review, the co-sourced Internal Audit Unit drafted an Internal Audit Plan which was approved by the Audit Committee, however not all planned assignments were performed due to termination of contract.

2.6.3 Risk Management

Strategic and Operational Risk Registers were developed and reports on mitigation of identified risks were developed on Monthly, Quarterly and on Annual basis. Below are the top 5 risks that were identified with mitigation strategies and progress as at year end.

No.	Risk Description	Mitigation Strategies	Progress to Date	Challenges	Proposed Solutions
1.	Inadequate implementation of records management policy	<p>1. Identification of filing space and infrastructure</p> <p>2. Implement records management policy and file plan</p> <p>3. Implement Electronic Document Management System.</p>	<p>1. Filing is still not centralised</p> <p>2. File plan is not implemented</p> <p>3. The municipality procured an Enterprise Management System which is in compliance with mSCOA, this system has a module on EDMS, however training is still to take place and the system be implemented</p>	<p>1. The municipality is faced with the challenge of the office space; once this has been addressed the municipality would be able have filing which is in compliance with the National Archives Act.</p>	<p>1.</p> <p>3. Provide training to the employees on the use of the EDMS.</p>
2.	Inadequate implementation of the ICT governance framework	<p>1. Upgrade and maintain the ICT Infrastructure</p> <p>2. Implementation of the ICT Governance Framework and ICT Policies</p>	<p>The assessment of the ICT infrastructure was conducted and a report is in place, however the upgrading of the infrastructure has not yet taken place</p> <p>The ICT Governance Framework and ICT Policies are implemented but partially. The not fully implemented as there are</p>		<p>1. Upgrade and maintain the ICT Infrastructure</p> <p>2. Implementation of the ICT Governance Framework and ICT Policies</p>

			components of the framework that are not implemented, eg the municipality does not have the Disaster Recovery site		
3.	Inadequate marketing of investment potential	<ol style="list-style-type: none"> 1. Develop business case and submit to potential investors 2. Facilitate training on business plan development 3. Facilitate engagement sessions with potential investors 			<ol style="list-style-type: none"> 1. Develop business case and submit to potential investors 2. Facilitate training on business plan development 3. Facilitate engagement sessions with potential investors
4.	In-effective Internal Audit	<ol style="list-style-type: none"> 1. Facilitate appointment of the Internal Auditors 2. Monitor the Implementation of the Audit Committee Charter 3. Develop and Implement the internal audit plan 	<p>The recruitment processes have since taken place and will be finalised in 2017/2018 financial year</p> <p>There has only been one ordinary audit committee meeting in the year under review</p> <p>There is not Internal audit plan approved for 2016/17 financial year</p>	<p>The Audit Committee could not convene as planned because of the collapse of the Internal Audit division and therefore the municipality could not produce Internal Audit report to be presented in the Audit Committee meetings</p> <p>Lack of personnel in the Internal Audit Division</p>	Finalise the recruitment processes to enhance the capacity in the Internal Audit Division
5	In-adequate implementation of Risk Management processes	<ol style="list-style-type: none"> 1. Conduct monthly analysis on the risk registers 2. Conduct quarterly reviews on the risk registers 	<p>The analysis of the risk registers is performed monthly</p> <p>The reviews were only conducted in one quarter during the financial year</p>	<p>Analysis would not be performed holistically because of the limitation of the information provided on lack of submission</p> <p>Instability in the office</p> <p>Due to the instability that</p>	<ol style="list-style-type: none"> 1. Conduct monthly analysis on the risk registers and provide feedback 2. Conduct quarterly reviews on the risk registers

		3. Facilitate the sitting of Risk Management Committee	There had only been one risk management Committee convened in 2016/2017 financial year	had been in the office, the planned committee meetings could not be convened	3. Facilitate the sitting of Risk Management Committee 4. Facilitate the review of the Anti-Fraud and Corruption Policy and Implement 5. Facilitate the approval of the Risk Management Implementation Plan and implement
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2.6.4 Fraud and Corruption

Strategic Fraud Risks were identified and actions to mitigate and manage risks were developed in the year under review

2.6.5 Supply Chain Management

The Supply Chain Management Policy was reviewed and adopted in 2016/2017 financial year. In line with the Treasury Regulation and the SCM policy, the bid committees (Bid Specification, Bid Evaluation and Bid Adjudication) have been established and functional. SCM reports are submitted to Council and its committees. Report on financial disclosures by Councillors and Officials is attached as annexure.

2.6.6 Municipal Public Accounts Committee

The MPAC is composed of 12 members in terms of proportional representation. Three (3) MPAC meetings were held in the year under review.

2.6.7 Policy Environment

The municipality developed One (1) and reviewed Six (6) Policies which were workshopped to all stakeholders and approved by Council. Eleven (11) By-laws were reviewed, publicized to all stakeholders and approved by Council in the year under review. The table below depicts the list of by-laws reviewed and public participation processes followed:

By law	Public processes	Participation	Gazetting	Enforcement
Liquor trading hours by-law	22, 26 and 30 th May 2017 (in the three Municipal towns of Centane, Ngqamakwe and Butterworth)		Not yet gazetted	Through personnel (Peace Officers)
Roads and street by-law				
Cemeteries by-law				
Public Amenities by-law				
Nuisance by-law				
Impoundment of animals by-law				
Boarding and Guest House by-law				
Dilapidated building and unsightly objects by-law				
Street trading by-law				
Tariffs by-law				
Property rates by-law				

2.6.8 Reporting and Compliance

The municipality's reporting is guided by an approved PMS framework which outlines frequency and the standard of reporting.

2.7 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 (Tariff structure published on 29 July 2015 and 17 May 2016)	Yes	13 July 2016 02 May 2017
All current budget-related policies	Yes	07 June 2017
The previous annual report (Year 2015/2016) 2015/2016 Oversight report	Yes	05 September 2016 15 December 2016
The annual report (2015/2016) published/to be published	N/A	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2016/2017) and resulting scorecards	Yes	25 July 2016
All service delivery agreements (Year 2016/2017 - Reviewed and Year 2017/2018)	Yes	27 January 2017 26 June 2017
All long-term borrowing contracts (2016/2017)	Yes	08 December 2016 31 January 2017
All supply chain management contracts above a prescribed value	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 2016/2017	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 2016/2017	No	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 2016/2017	Yes	08 December 2016 31 January 2017
By-Laws	No	
Integrated Development Plans for Year 2017/2022	Yes	30 March 2017 07 June 2017
Municipal Notices	Yes	13 September 2016 20 April 2017 12 May 2017

2.8 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFCATION LEVELS

Public Satisfaction is regulated by Customer Care Policy which was adopted by Council in 2014/2015 financial year.

Customer Care Tools

- Presidential Hotline and Office of the Premier Hotline

Complaints channeled through the Presidential Hotline and Office of the Premier were responded to and by financial year end, the municipality was at 89.80% in terms of responses.

- Customer Care Complaints

Customer Complaints were received and registered in the Customer Care Office and the complaints related to

- Road Maintenance,
- Electricity and Street lights,
- Potholes,
- Job opportunities,
- Municipal Flats renovations,
- Community Halls,
- Water and sanitation,
- RDP houses,
- Bridge
- Storm water drainage,
- Waste Management Services

The Customer Care enquiries were responded to through channeling to the relevant directorates.

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

INTRODUCTION

Two directorates perform functions within the basic service delivery key performance area i.e. Community Services, Infrastructural Planning and Development. The key performance areas within Infrastructural Planning and Development are as follows:

- Roads Construction and Maintenance
- Electricity and electrification,
- Human settlements,
- Land acquisition and administration,
- Transport Facilities and
- Building regulations.

Community services perform the following functions:

- Solid Waste and Environmental Management
- Public Safety
- Traffic Services
- Public Amenities

The summary of the IDP objectives for 5 years is as follows:

- To review and implement a three year capital plan; as informed by available budget; towards construction of new access roads by June 2017.
- To improve transport facilities within Mquma by June 2017
- Develop, review Business plan for electrification programme and implement in line with available budget by June 2017
- To facilitate formalisation of municipal land by June 2017
- To improve solid waste and Environmental Management by implementing integrated waste management plan in line with the applicable legislation by June 2017

During the financial year of 2016/2017 Mquma Local municipality set target to increase the electrification of households from 70 % to 74 % through the implementation of Eskom Electrification Programme.

In the year under review, 64 kilometres of roads have been constructed and 574.30 kilometres of roads maintained. Department of Public Works has also maintained 4 130 KM of proclaimed roads

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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

In 2016/2017 Financial year, the municipality used internal and external mechanisms to provide services to the local community.

Electricity was provided through external and internal mechanism utilising Eskom funding and electrification grant from the Department of Energy.

Provision of housing units is the responsibility of the Department of Human Settlements, however, the municipality has a critical role in providing land for housing, social facilitation and beneficiary administration in terms of Act No. 108 of 1996 Section 26 (1) (2) of the Constitution of the Republic of South Africa & in terms Housing Act No. 107 of 1997 Part 4 which relates to functions of Municipalities

Water and sanitation is the responsibility of Amathole District Municipality

During the financial year 2016/2017, internal and external mechanisms have been utilised for the provision of waste management services. Three local Waste Management Co-operatives rendered services for cleaning and collection of refuse.

The department of Environmental Affairs allocated a funding for Waste Management Services. The municipality through Equitable Share provided free basis services to indigent households for collection of refuse.

3.1. WATER PROVISION

INTRODUCTION TO WATER AND WASTE WATER (SANITATION) PROVISION

Mnquma Local Municipality is neither a Water Services Authority nor a Water Services Provider. The table below depicts status of each project planned by the District in 2016/2017 financial year utilizing MIG/MWIG funding:

WATER SUPPLY & SANITATION 2016-17 FINANCIAL YEAR TARGETS – MNQUMA LM		
Project Name	2016/2017 budget	Progress
Ehlobo Phase 3 Water Supply	R 9,310.19 (MIG)	Retention Stage
Crouch's Bush Water Supply	R 711,860.00 (MIG) & R 2,033,120.54 (WSIG)	Contractor on site at year end and commissioning the scheme
Ibika-Centane Regional Water Supply	R 2,935,703.55 (MIG) & R 6,000,000 (WSIG)	Ph3 Contr 2 at Adjudication stage for reticulation of Manyontolweni, Nkonkwane, Qolweni & Mhlahlane Villages. These village has since re-demarcated to Mbhashe
Gcuwa West Water Supply	R 21,753,604.45 (MIG) & R 2,675,920.82 (WSIG)	Completing Phase 1 contracts by end August 2017. Phase 2 contracts will be completed June 2018 (Ward 7 & 8).
Nxaxo & Cebe Water Supply	R 537,759.77 (MIG)	Contractor has terminated the contract due to limited budget to complete the project in 2015/16 FY, ADM is going out on tender to appoint another Contractor.
Ngqamakhwe RWS Phase 1-5	R 34,083,196.60 (MIG)	Phase 1 Contract 2 was completed Dec. 2016 and Contract 1 & 3 by June 2017. Going out on tender for Ph 2 contract.
Centane Phase 4 Water Supply	R 356,553.96 (MIG)	PSP busy with the designs
Bawa Falls Water Supply	R 0.00 (MIG)	PSP busy with designs
Cafutweni Water Supply	R 0.00 (MIG)	PSP busy with designs
Mnquma Region 1 Phase 1A Sanitation	R 36,404.72 (MIG)	Retention
Ngqamakhwe Ward 17 & 19 Sanitation	R 3,432,039.77 (MIG)	Project complete. Savings will be used to complete other projects/villages.
Mnquma Area Wide Sanitation Region 3A	R 19,643,072.68 (MIG)	Construction started in Ward 16.
Zizamele Sewer Reticulation Phase 2	R 0	Design & Implementation. Due to drought, construction to start in 2017/18 FY
RHIG – Ward 11 & 14 Sanitation	R 6,666,973.79 (WSIG)	300 VIP's completed Ward 11 & 100 VIP's in Ward14.
Toleni RWS	R 1, 992,640 (WSIG)	100% complete (Installation of wind turbine at Zibityolo)

3.2 ELECTRICITY

INTRODUCTION TO ELECTRICITY

During the financial year of 2016/2017 Mnquma Local municipality set target to increase the electrification of households from 70 % to 74 % through the implementation of Eskom Electrification Programme.

NO. OF HOUSEHOLDS ELECTRIFIED IN 2016/2017

In 2016/2017 financial year Eskom electrified 2280 households and the Municipality electrified 203 households utilizing an amount of R4 627 589 from the Department of Energy. The total number of households electrified increased from 49 130 to 51 614 (74 %).

Electricity services delivery strategy and main role-players

The function of maintaining the Electrical Infrastructure is performed by Eskom with its own funding, with the exception of the Public Street Lighting, high mast lights and traffic lights.

Mnquma Local Municipality is responsible for the provision and maintenance of the Street lights, High Mast Lights and traffic lights in the urban centres of the three Municipal Towns, i.e. Butterworth, Ngqamakhwe and Centane using municipality's own funding.

Mnquma Local Municipality plays a facilitation role in the rural grid electrification in the rural areas by approving the priority list which Eskom uses to electrify the villages. There are constant quarterly cluster meetings where Eskom presents the progress reports on the implementation of the Rural Electrification.

Major Challenges and Remedial Actions

The electrical infrastructure for street lighting and traffic signals is mostly dilapidated requiring refurbishment than light maintenance. A budget has been made available for 2017/2018 financial year for rehabilitation and maintenance of street lights.

3.3 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

The provision of solid waste management function is the competence of local municipality. The municipality developed and adopted an Integrated Waste Management Plan. Waste Management by-law adopted by Council in 2014/2015 financial year and awaiting gazetting.

Refuse collection

This service is generally provided to the three urban and peri –urban areas including informal settlements, namely Butterworth, Centane and Ngqamakhwe. To manage waste, the municipality provides the following waste management services.

- Street Cleaning Programme with special focus on maintenance of general cleanliness and

The Municipality engaged three community based solid waste co-operatives to assist with cleaning in Butterworth, the following areas are covered Msobomvu Township, Msobomvu Flats, Cuba Flats, Bungeni-Yako, Couloured-Zithulele, Mcubakazi, Extension 14, Zizamele, Reservoir Hill, Extension 7, Cuba, Vuli Valley, Ext 15, Ext. 24 and New Rest.

- **Waste Collection and transportation**

The municipality utilises 3 medium trucks, 2 compactor trucks, 1 tipper truck and 1 skip loader truck and 1 LDV truck to collect and transport waste to the Regional Waste site.

- **Dumping and disposal**

Waste disposal is a shared service between Amathole District Municipality and Mquma Local Municipality and the former bears a legal license. Waste disposal is done at Eastern regional Waste Site which is managed and maintained by the Amathole District Municipality.

- **Recycling Services**

Recycling is done at the Regional Waste site by a service provider contracted by the Amathole district Municipality. There are two more Private Recyclers that carry out recycling in Butterworth CBD.

Challenges and remedial actions

The following challenges have been identified in the year under review:

- Illegal dumping
- Unavailability of Waste Transfer Stations

The municipality embarked on Four (4) community educational awareness campaigns on solid waste and Environmental management to reduce illegal dumping. The Municipality has acquired land for the construction of waste transfer station in Centane.

3.4 INTRODUCTION TO HOUSING

Mnquma Municipality is implementing the adopted 2013/2018 Housing Sector Plan with projects for the short term and medium term plans.

Provision of housing units is the responsibility of the Department of Human Settlements, however, the municipality has a critical role in providing land for housing, social facilitation and beneficiary administration in terms of Act No. 108 of 1996 Section 26 (1) (2) of the Constitution of the Republic of South Africa & in terms Housing Act No. 107 of 1997 Part 4 which relates to functions of Municipalities

The Housing needs register was updated and the update for the period under review was 12 997, realising an increase of 1892 from the previous financial year.

3.5 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

In the year under review, the municipality has reviewed the Indigent Policy and Indigent Register is reviewed on annual basis. The Equitable Share has been utilized during the year under review to subsidize indigent beneficiaries. Eskom provides 50KW free electricity and municipality provides alternative energy (paraffin) to deserving households.

In terms of the policy a household whose monthly income is less than two state grants qualify to be an indigent.

During the financial year 14 795 households benefited for Paraffin and 6978 benefited for Free Basic Electricity. A total of R12 150 179.15 was spent towards subsidizing indigent households with paraffin and free basic electricity.

Service Providers in 2016/2017 were utilized to deliver paraffin to indigent households.

Reports of expenditure; supply and delivery of paraffin were submitted to Standing Committees; Mayoral Committee and Council in line with Section 52 (d) of the Municipal Finance Management Act 56 of 2003.

The indigent policy further provides exit strategy from being indigent to an economic viable households; however there is still a challenge in realizing implementation of Exit Strategy; hence the increase of indigent households on annual basis.

COMPONENT B: ROAD TRANSPORT AND STORM WATER DRAINAGE

This component includes: roads; transport; and stormwater drainage.

3.6 ROADS AND STORMWATER DRAINAGE

INTRODUCTION TO ROADS

The Roads Services within Mquma Local Municipality jurisdiction is provided by three service authorities as follows:

- SANRAL responsible for National Roads; N2

- The National Road (N2) cuts across Butterworth Town and that causes congestion in the CBD.
- SANRAL conducted a feasibility study for construction of the alternative N2 by-pass

- Department of Roads and Public Works is responsible for Proclaimed Roads totalling to = 1157 km (paved and unpaved)

- Mquma Local Municipality responsible for Access Roads

The municipality has developed a Local Integrated Transport Plan (ITP) in 2014/2015 financial year as a guiding document for planning and implementation of roads and transport priorities. In the year under review, the municipality has constructed a taxi rank in Centane as part of implementing the Local Integrated Transport Plan.

Roads Construction

The municipality utilizes Municipal Infrastructure Grant for construction of Access Roads. The Project Management Unit within the Infrastructural Planning and Development; has a core responsibility of implementing capital projects and expenditure of Municipal Infrastructure Grant.

A total of 64 km of municipal access roads were constructed in the year under review as follows:

- | | | |
|-----------------------|---|---------|
| • Roma to Sijila | - | 3km |
| • Mazizini to Ngozana | - | 8.5km |
| • Mahlubini | - | 8.9 km |
| • Mtsotsweni | - | 7.61 km |
| • Gxakulu to Qeqe | - | 7km |

- Mgomanzi - 8km
- Mxaka to Nofoty - 15km
- Mthwaku to Nyumaka - 6.2 km

The following access roads were not completed at year end:

Project Name	Project Status	% project status
Centane street surfacing	Site establishment Subgrade layer Stormwater drainage system Subsoil drains Subbase layer Stabilized layer Manholes	56%
Ngqamakwe Street Surfacing	Site establishment Subgrade layer Subbase layer	30%
Mazizini to Mthawelanga	Site establishment Roadbed preparation Wearing course Stormwater pipe culverts	71%

Road Maintenance

The municipality has developed a Roads Maintenance Plan and a Policy for Stormwater Maintenance. A total of 574.30 kilometres have been maintained in the year under review.

Gravel Road Infrastructure				
	Kilometers			
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year 2015/2016	1 822	93.6	1	477
Year 2016/2017	1 822	64	0	577.2

COMMENT ON THE PERFORMANCE OF ROADS

About 94% of the Mnguma Roads network is un-surfaced and about 6 % is surfaced. Both township and rural roads are beyond maintenance and require refurbishment. Road construction and maintenance has since been a key priority within the municipality. The municipality has achieved the overall set targets towards road construction and on maintenance, however, there were challenges with regravelling due to breakage of yellow plant.

3.7 TRANSPORT

INTRODUCTION TO TRANSPORT

The Municipality does not own Public Transport like buses or any other mode of public transport. However the municipality is in the process of developing the Public transport Policy to regulate Public Transport System. There are existing Municipal By-Laws that regulate Public transport system. As part of enforcing Municipal By-Laws, a vehicle pound been constructed and the institution has beefed up personnel in the Traffic Services and as result, a zero tolerance approach has been adopted against offenders. Consequently there has been an improvement for the public safety and motoring in general.

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

This section deals with land use management which is regulated by Spatial Development Framework and SPLUM by-law.

Economic Development covers agriculture, tourism, mining, forestry, and SMME Development and is regulated by Local Economic Development Strategy.

3.8 PLANNING DIVISION

In 2016/2017 financial year, the municipality has achieved the following:

- Processing and approval of Land Use Applications for Erven 174, 174, 9947-9981.

Challenges and remedial actions

CHALLENGE	REMEDIAL ACTION
Unresolved land claims in Ngqamakhwe and Centane	Engagement with the Department of Rural Development and Agrarian Reform
Land invasion of commonage land abutting Communal land	Draft proposal to address invaded property for Council approval
Shortage of staff to enforce Building Regulations	Increasing capacity (staffing, certification as Peace Officers)

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	Year 2015/2016	Year 2016/2017	Year 2015/2016	Year 2016/2017	Year 2015/2016	Year 2016/2017
Planning application received	1	3	3	4	7	4
Determination made in year of receipt	1	2	2	3	6	2
Determination made in following year		0	0		0	0
Applications withdrawn	0	0			0	
Applications outstanding at year end	0	1	1	1	1	2

Capital expenditure refer to Appendix M.

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The Municipality also adopted and implemented Land Use Management By-Law with institutional arrangements necessary for implementation.

3.9 LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION TO ECONOMIC DEVELOPMENT

The municipality adopted a Local Economic Development Strategy and the strategy identifies the following key economic drivers:

- Agriculture
- Tourism
- Mining
- Forestry

In 2016/2017 the municipality has created 2499 job opportunities under the following programmes:

PROGRAMME	NO. OF JOBS CREATED
Expanded Public Works	108
Community Works Programme	1068
Solid Waste Co-operatives	78
Working for Water	1200
Working for the Coast Project	28
Road Rangers	17

3.9.1 Agriculture support programme

The role of the municipality is to be a strategic intervener by fostering partnership between intended beneficiaries and potential funders. It is also to facilitate support during implementation of projects. The municipality has identified the following programme:

3.9.2 Support for emerging farmers

The municipality supported One (1) emerging farmer in 2016/17 financial year as follows:

Emerging Farmer	Value of support
1. QBS Agricultural Co-operative	R62 853.60

In the year under review, the municipality supported Agricultural Co-operative with the following inputs:

- Purchase of seedlings
- Provision of fencing material
- Agricultural Equipment and Fertilizer
- Ploughing

These initiatives in the long term are expected to contribute to the revival of the agricultural sector and contributing to growth and economic development in Mquma.

Agri-Park

As part of the Presidential Intervention Programmes, Mngquma Municipality was identified as a hub for the implementation of Amathole District AgriPark Programme in partnership with Department of Rural Development and Agrarian Reform as an implementer. To effect the programme, Mngquma Municipality Council adopted the programme in 2016/2017 Financial Year. A project steering committee for the programme was also established. Coordinated projects from this committee that form part of the overall AgriPark Programme include identification of Farmer Support Production Units (FSPU) by Mngquma, Renovation of Dip Tank in Chafutweni for R35000, Site hand-over in July 2016 for Construction of R60 Million worth of abattoir, Feasibility Study for Renovation of Wool Storage Shed – Butterworth and Ngqamakwe for R3.5 Million.

3.9.3 SMME and Cooperative Development

In the year under review, the municipality capacitated 29 SMME's/Co-operatives in the following programmes:

Training and Registration Provided	Number of SMME Co-operatives supported
Training on Financial Management	25
Procurement of Inputs	3
Registration of Business	3
TOTAL	32

The municipality hosted a Supplier Awareness workshop wherein a total of 189 SMME's were in attendance.

3.9.4 Tourism and Heritage Development

Tourism and Heritage is guided by the LED Strategy that was adopted oin 2015/2016 financial year. Two marketing and awareness programmes were held as follows:

- Heritage Month Celebrations
- Mngquma Jazz, Arts and Culture Festival

The above programmes were aimed to market Mngquma as preferred destination and they achieved the following:

- Exposure of Local Artists to the market
- Market Mngquma as an event destination
- Boost local economy

Tourism Destinations and Products

The municipality committed to support coastal development initiatives (Seagulls and Cebe Campsites) as tourism destinations, thus a Social Facilitation Plan was developed to achieve the following:

- To Mobilise communities around the two coastal developments for their support and participation in the projects
- To champion the establishment of community based institutions to support development programmes
- To empower community members to actively participate and take ownership of their development.
- To create enabling environment for effective implementation of development initiatives or projects at local level
- To facilitate networking, partnership establishment in order to maximise the impact of the programme
- To engage the affected communities in a social dialogue that will ensure everybody's participation.

As part of implementation of the Social Facilitation Plan, engagement sessions with Coastal Communities were held during the year.

COMPONENT D: SOCIAL & COMMUNITY SERVICES

This component includes: community facilities and social programmes.

Community Services are provided to three units, namely Butterworth, Centane and Ngqamakhwe. The Department of Sport Recreation, Arts and Culture renders the Library Services.

3.10 COMMUNITY FACILITIES

3.10.1 Public Amenities

The Public Amenities Maintenance and Management Plan was developed and approved in 2014/2015 financial year.

The community facilities are composed of 12 Community Halls; 6 Community Parks; 5 Sports fields; 2 Gardens, 5 Cemeteries, 3 Public Toilets, 3 Nurseries and 1 Swimming Pool.

The Swimming pool is under construction by the Department of Sport Recreation, Arts and Culture and at year end the project was at 98%.

SERVICE STATISTICS FOR PUBLIC AMENITIES

NAME OF FACILITY	NO	STATUS
Parks	6	Maintained
Sport fields	5	Maintained
Community halls	12	Maintained
Swimming Pool	1	Under construction
Cemeteries	5	2 reached capacity but maintained on regular basis 3 operational and maintained regularly
Public Toilets	3	Maintained
Nurseries	3	Maintained
Gardens	2	Maintained
TOTAL	37	

Employees: Community facilities: Refer to Section 4.6

Expenditure on community facilities - Repairs and maintenance refer to Section 5.4

Capital projects: refer to appendix M

3.11 CEMETORIES

The municipality developed a by-law regulating functioning of cemeteries. The Municipality has five official Cemeteries; three in Butterworth, one in Ngqamakwe and one in Centane. Two of these Cemeteries in Butterworth are full in capacity therefore are not usable but are maintained on regular basis.

COMMENT ON THE PERFORMANCE OF CEMETERIES & CREMATORIA OVERALL:

There were no Capital projects in this financial year for cemeteries. The Cemeteries were maintained according to Public Amenities Management and Maintenance Plan and procedure manual.

3.12 SPECIAL PROGRAMMES

The municipality's Special Programs Unit is responsible for co-ordination and support of the following:

- Youth;
- Women
- Disabled;

- HIV and Aids;
- Elderly and
- Children

Special Programmes Unit is guided by the following policies and strategies which were adopted by Council in 2014/2015 and 2015/2016 financial years:

- Special Programs Unit Strategy
- Children's Policy
- Women's Policy
- Policy on HIV and AIDS
- Policy on Disability
- Policy on Women
- Youth Sector Plan

The following programmes were implemented for designated groups in the financial year under reviews:

- Support of Nomanyano Women's Co-operative – August 2016
- Support to Masizame Youth Co-operative- March 2017
- Information Sharing Session for Youth Entrepreneurs with NYDA, Office of the Premier, SEFA, Old Mutual and Department of Social Development – March 2017
- Back to School to School Programme for 120 Disadvantaged learners – February & March 2017
- Visits to elderly centres in partnership with relevant stakeholders – November and December 2016
- Development of Database for orphans and vulnerable children - April, May & June 2017
- Youth Dialogue - June 2017

In relation to the needs and referrals, training programmes were conducted with assistance of Corporate Services Directorate:

- (a) Inservice Training for Four (4) Youth Members
- (b) Training of nine (9) physical challenged people on ICT - October 2016 to October 2017

COMMENTS ON SPECIAL PROGRAMMES PERFORMANCE

The municipality partnered with sector departments; non-governmental organisations; to implement programs targeted to the previously disadvantaged groups.

COMPONENT E: ENVIRONMENTAL MANAGEMENT

This component includes: pollution control; biodiversity; and coastal protection.

3.13 INTRODUCTION TO ENVIRONMENTAL MANAGEMENT

The municipality adopted an Integrated Environmental Management Plan in 2012/2013 financial year. Climate Change Adaptation Framework was developed and adopted in 2014/2015 financial year. Programmes implemented within the Environmental Management are in line with the above strategic plans.

Environmental Management Programmes:

- **Environmental Awareness Campaigns**

In the year under review 4 education awareness campaigns were held with an intention to promote importance of environmental protection and conservation. The target groups were school pupils, community members, community based organisations and Non-governmental organisations.

- **Environmental Programmes**

In 2016/2017 financial year, the following environmental programmes were implemented:

- Four (4) Adopt-a-spot Programmes

- **Coastal Maintenance**

Coastal maintenance programmes which include coast cleaning, sand dunes rehabilitation, installation of signage, maintenance of existing structures and construction of ablution facilities were implemented in the financial year under review.

3.14 POLLUTION CONTROL

In the year under review, Pollution Control was done as a shared service between Amathole District Municipality and Mquma Local Municipality.

Pollution Control involves the following:

- Land Pollution Control

In the year under review pollution control was done through abatement of illegal dumpings and nuisances

- Air and Water Pollution Control

Air Pollutants Audit was conducted in 2015/2016 financial year

**3.15 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER
(EG. COASTAL PROTECTION)**

BIO-DIVERSITY AND LANDSCAPE

The diverse biodiversity of Mquma municipality offers a number of opportunities and ecosystems services including the following:

- Grasslands provide opportunities for livestock farming (grazing fodder)
- Forests – Provide opportunities for commercial and communal forestry
- Forests also provide opportunities for Carbon sequestration.
- Thicket and forests provide harvestable resources for agriculture (food and fodder), herbs for traditional medicine and cultural value.
- Tourism, Ecotourism and Education – forests and grasslands represent an important amenity for tourists and ecotourism, nature-based activities and education. E.g. Hiking Trails, Forest reserves and research centres etc.

This function is mainly carried out by Provincial Department of Environmental Affairs in terms of protection and environmental law enforcement.

COMPONENT F: HEALTH

This component includes: clinics; ambulance services; and health inspections.

INTRODUCTION TO HEALTH

Within the municipal area there two hospitals, one Health Centre and forty three clinics. There are also a number of centres identified for mobile clinics. All health programmes are rendered in the above mentioned facilities.

3.16 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

The Municipality does not render ambulance services. The Ambulance services are rendered by the Provincial Department of Health. In Mngquma area of jurisdiction the Ambulances services are stationed in Butterworth Hospital.

3.17 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC

Mngquma Local Municipality adopted and gazetted Trading By-Law, Liquor trading hours By-Law. The By-Laws regulate licensing and operations of retail shops, informal traders and liquor outlets. Enforcement of the by-laws was undertaken in the year under review.

Health inspection services is a shared function between the District Municipality and Mngquma Local Municipality. Health inspections are carried out on regular basis by the Amathole District Municipality.

Abbatior is under construction.

COMPONENT G: PUBLIC SAFETY

This component includes:

3.18 TRAFFIC MANAGEMENT

Traffic Management service is a shared function between the Department of Transport and the Municipality. The Department of Transport (Registering Authority Unit) rendered the following services:

- Registration of Motor Vehicles = R5 314 811.53 collected
- Licensing of Motor Vehicles = included in the above amount

The following services have been rendered by the municipality in the year under review:

- Traffic Awareness and Education = 4 conducted
- Traffic Operations = 105 conducted
- Issuing of Learners Licenses = 1246 issued
- Renewal of Driver's Licenses = 2633 renewed
- Issuing of Professional Driving Permit = 597

- **Licensing and control of animals**

Enforcement of by-law relating to keeping of animals was done in the year under review. The municipality constructed and completed an animal pound in the year under review.

- **Control of public nuisances**

Enforcement of by-law relating to nuisance was done in the year under review.

INTRODUCTION TO SECURITY & SAFETY

3.19 SECURITY SERVICES

Programmes implemented in the year under review were regulated by Security Procedure Manual. The following programmes were therefore implemented:

- Regulation of access control in all municipal premises which included:
 - Visitors Control
 - Vehicle Control
 - Routine Patrol
- Mquma Local Municipality has a Community Safety Forum which is composed of relevant departments, Disaster Management Forum at district level and the Security Cluster which is championed by South African Police Services.
- In the year under review, the municipality conducted 4 Community Safety Educational Awareness Campaigns. The awareness campaigns were aimed at:

- Crime Prevention
- Law enforcement
- Community Safety

COMPONENT H: SPORT AND RECREATION

The component details are covered under Community Facilities above Component D

INTRODUCTION TO SPORT AND RECREATION

The Municipality has six Parks, five Sportsfields, eleven Community Halls, one Swimming Pool which is still under construction by the Department of Sport Recreation Arts and Culture. Public Amenities Division is responsible for the management and maintenance of the facilities mentioned above.

3.20 SPORT ACTIVITIES

The municipality supported an athlete from Mquma who was representing Eastern Cape and outh Africa in Germany on March 2017

COMPONENT I: 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, Etc

3.21 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

The Mquma Local Municipality is a category B Municipality with an executive mayoral type and ward committee system. There is a full-time Executive Mayor with the powers outlined in the Local Government: Municipal Structures Act, 2000 as amended and those delegated by Council from time to time in accordance with Section 59 of the same act.

Composition of Executive Political Office Bearers

Initials and Surname	Position	Status (Full time / Part time)
T Bikitsha	Executive Mayor	Full Time
M Z Mngwazi	Council Speaker	Full Time
Z Mkhiva	Chief Whip	Full Time
Z Siyo	MPAC Chairperson	Full Time

EXECUTIVE MAYOR'S OFFICE

The Executive Mayor performs the functions as outlined in Section 52 and 53 of the Municipal Finance Management Act which includes but not limited to the following:

- Presiding in the meetings of the Mayoral Committee
- Identification of the needs of the municipality
- Prioritisation of those needs
- Recommend to the municipal council strategies, programmes and serves to address priority needs through the integrated development plan
- Recommend or determine the best way including partnership and approaches to deliver those strategies, programmes and services to the benefit of the community

Specific programmes implemented during the year under review include:

- Mayoral Imbizos
- IDP, PMS and Budget Roadshows
- IDP/PMS and Budget Representative Forum
- Presiding in the Inter-governmental Relations Forum
- Presiding in all Mayoral Committee Meetings
- Submission of reports to Council

The office of the Speaker

Over and above the functions enshrined in the Municipal Structures Act, the Speaker is also responsible for the following:

- Public Participation
- Councillors Welfare
- Synergetic Partnerships (Engagement with Traditional Leaders, Moral Regeneration Movement)

4 Speaker's Outreach programmes were held in the financial year under review.

The office of the Chief Whip

This office is responsible for managing participation of all political parties in Council.

Meetings of Troika plus one were held in the financial year under review to discuss and process matters relating to political management of the institution.

The office of the Municipal Public Accounts Committee

The Municipal Public Accounts Committee is responsible to perform the following functions; but not limited to:

- To assess effectiveness, efficiency, service quality and municipal productivity and reports on SDBIP;
- To oversee regular in- year financial and performance reports
- To oversee annual reporting and public accountability

During the financial year under review the Municipal Public Accounts Committee performed the following:

- Consideration of the 2015/2016 Annual Report
- Verification of projects implemented
- Conduct public meetings to present 2015/2016 Annual Report

Council and Employees details: Refer to Appendix A and Chapter 4

3.22 FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

Budget and Treasury Directorate within the municipality performs financial services. The following are the key performance areas for budget and treasury:

- Revenue Management;
- Budget Planning and Financial Reporting
- Supply Chain Management;
- Expenditure and Payroll Management; and
- Assets, Logistics and Fleet Management;

- **Revenue Management**

During the year under review, the following policies and strategy were developed, reviewed and adopted by Council:

- Property rates policy & By-Law

During the year under review; the municipality has realized a total revenue of R11 661 000 00 from rates, refuse and rentals

CHALLENGES AND REMEDIAL ACTION

The municipality has not realised 100% collection of own revenue due to the following:

- Non-payment of 87 million debt owed by the following:

- Government Departments	R4.8 million
- Businesses	R21.5 million
- Households	R60.3 million
- Farms	R599 000
- Consistent attack of Billing System by viru

Remedial Actions

- Establish the Credit Control Steering Committee
- Migration to mSCOA

Budget Planning and Financial Reporting

In line with the legislative mandate 2017/2020 Medium Term Revenue Expenditure Framework was adopted by Council with Budget related policies.

Section 52(d) and section 72 reports were submitted to all committees of Council and adopted by Council. The reports were further submitted to Provincial Treasury and National Treasury

Debt Recovery						R' 000
Details of the types of account raised and recovered	Year:2015/2016		Year: 2016/2017			
	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 %	
Property Rates	19 902 156	59.46%	18 842 130	9 884 592	53%	
Refuse	3 624 737	34.44%	4 436 470	1 062 264	24%	
Other	2 847 755	25.49%	2 459 832	714 293	29%	

on quarterly basis.

- **Supply Chain Management**

During the year under review, Council reviewed and adopted the Supply Chain Management Policy.

The municipality has established and trained members of the following bid committees:

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

In line with SCM procedure manual, procurement plans by all directorates were developed and adherence was monitored.

Expenditure and Payroll Management

The unit is responsible for:

- salaries and wages;
- contributions for pensions and medical aid;

- travel, motor car, accommodation, subsistence and other allowances;
- housing benefits and allowances;
- overtime payments;
- any other type of benefit or allowance related to staff; and
- payment of creditors.

In the year under review expenditure reports were submitted to all committees of council and Council for adoption.

Assets, Logistics and Fleet Management

During 2015/2016 financial year, the Asset Management and Fleet Management Policies were reviewed and adopted by Council. Assets and Logistics procedures were also implemented in the year under review.

3.23 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Human Resources is the Division within Corporate Services Directorate responsible for:

- Organisational Design, Recruitment and Selection

This function Deals with analysis and identification of functions to be executed by employees (JDs) and Development and maintenance of the Organogram. The division drafts an Organisational Structure for adoption by Council and Recruitment, Selection and Appointment processes follow.

- Labour Relations Function

The section is responsible to:

- Promote sound labour relations in the work place.
- Supports communication structures with the employee component (LLF)
- Implement and monitor collective agreements
- Maintain Code of conduct

- **Training and Development**

Responsible for:

- Development and implementation of Workplace Skills Plan
- Career Pathing
- **Individual Performance Management**
Responsible for:
 - Cascading of PMS to the levels below Section 56 Managers
- **Occupational Health and Safety**
Responsible for:
 - Identify hazards in the workplace
 - Eliminate identified hazards
 - Ensure provision of protection clothing where hazards are not eliminated
 - Establishment of OHS Committee
 - Facilitate appointment of Safety Representatives
 - Liaise with Dept. of Labour for Compensation and reporting on injuries on duty
- **Employee Wellness**
 - Promote healthy living and life style,
 - Emotional healing and Referrals
- **Employment Equity**
 - Implement affirmative action measures
 - To redress past imbalances
 - Elimination of unfair discrimination in the workplace

3.24 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The municipality's Information and Communication Technology Division deals with the following functions:

Provision of ICT support through:

- Monitor and maintain network health
- Acquisition of Hardware and Software
- Information Backup

- Disaster Recovery (server rooms)
- Protection of information loss (anti-virus and server room)
- Monitor and support functioning of other municipal systems

In the year under review the municipality developed, adopted and implemented ICT Governance Framework. The ICT Governance Framework regulates ICT governance processes and ICT management processes which includes but not limited to the following:

- ICT Risk governance
- ICT performance measurements
- ICT value delivery
- Operations and support.

The functions above were performed in the financial year under review.

Employees for ICT are covered under institutional employees in chapter 4 under corporate services and ICT financial expenditure is covered in Chapter 5

3.25 LEGAL SERVICES

This component includes: property; legal; risk management and procurement services.

INTRODUCTION TO LEGAL SERVICES:

Legal Services Unit is responsible for the following:

- Preparation of legal briefs to attorneys
- Advise the municipality on litigations
- Prepare legal opinions
- Provide quality assurance and legal compliance on policies and by-laws

In the year under review the municipality was involved in a total number of Thirty nine (39) litigations including others flowing from other previous financial years as follows:

Total number resolved: Fourteen (14)

Total number pending: Twenty Five (25) wherein some of these pending cases are at the pleading stage, others on trial and postponed for further evidence while others are waiting for a trial date to be allocated by the Registrar of the High Court.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, and Forestry as municipal enterprises.

The municipality does not have any Airports and Abattoirs. Forestry is covered under Local Economic Development.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

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

- **Performance regulatory framework and tools**
 - Mnguma Local Municipality adopted its Framework for Performance Management System in 2014/2015 financial year
 - In the year under review the Municipality developed the Strategic Scorecard and Service Delivery and Budget Implementation Plan for 2016/2017 financial year.

- **Performance monitoring and reporting**
 - Performance is monitored through implementation of the Service Delivery and Budget Implementation Plan which is an annual operational plan for all Directorates.
 - The Section 54A and 56 Managers signed Performance Agreements and were submitted to the Department of Local Government and Traditional Affairs and were also posted in the Municipality's website.
 - The second layer in the organisational hierarchy signed performance accountability agreements and the last layer entered into performance promises.
 - Performance is reported on monthly basis in order to detect early warning signals for under performance.
 - Quarterly institutional performance is monitored, analysed and audited.

Below is the performance of the municipality against the Service Delivery and Budget Implementation Plan of 2016/2017 financial year.

CHAPTER 4 – ORGANISATIONAL PERFORMANCE SCORECARD (2016/2017 ANNUAL PERFORMANCE REPORT)

INFRASTRUCTURAL PLANNING AND DEVELOPMENT

INFRASTRUCTURAL PLANNING AND DEVELOPMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT														
Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual Target	Achieved/Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
KPA: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT- 55%														
Roads Construction	To construct 200 km of municipal access roads in line with the three year capital plan by June 2019.	Review and implement a three year capital plan Prepare planning documents (feasibility study reports; environmental impact assessments; tender documents) annually. Construction of 200 km of municipal access roads	70 kms of gravel roads constructed in 2015/2016 financial year	60 kms of municipal access roads constructed by June 2017	Annual and Quarterly reports	42 282 350	MIG	39 548 548	Construct 60 Km of Gravel Roads by June 2017	Achieved	The following Access Roads were complete this financial year:- Roma to Sijila-3km Mazizini to Ngozana - 8.5 KM Mahlubini - 8.9 km Mtsotsweni - 7.61 km Gxakhulu to Qeqe -7KM Mgomanzi- 8Km Mxhaka to Nofotoyo- 15 KM Mthwaku to Nyumaka- .6.2 KM Total Km completed = 64 km in the financial year under review	N/A	N/A	1. Appointment letter of Contractor 2. Appointment letter of Engineers 3. Approval letter by CoGTA 4. Completion Certificates

INFRASTRUCTURAL PLANNING AND DEVELOPMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual Target	Achieved/Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
	To construct 9 km of township roads by June 2019	Construct 9km of township roads	2km of township roads constructed in 2015/2016 financial year	3 km of township roads constructed by June 2017	Annual and Quarterly reports	5 600 000	Equitable Share	2 701 718	Construct 3 km of township roads by June 2017	Not Achieved	3km towards construction of township roads was realized. Actual= 0km As at June 2017, progress of the project was at 46.5 % towards completion.	The contractors performance of site has been poor.	Termination of the service provider will be facilitated in 2017/20178 FY and appointment of the new contractor will be planned in 2017/2018 FY.	1) Progress report for Township Roads 2) Notice of Termination 3) Termination Letter to the Service Provider
Roads Maintenance	To maintain 2500km of municipal access roads in line with the roads maintenance plan by June 2019	Assessment of the condition of access roads.	44 Km re-gravelled Roads in 2015/2016 Financial year	50 kms re-gravelled by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Re-gravel 50 km by June 2017	Not Achieved	18.2 km were regravelled in the financial year under review	There were challenges with the equipment utilised for regravelling	Plant hiring and fixing the existing plant in 2017/2018 financial year	1. Assessment forms for regravelling of 18.2 km 2. Maintenance reports for regravelling of 18.2 km
		Review roads maintenance plan	250 KM Bladed in 2015/2016 Financial year	250 kms bladed by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Blade 250 km by June 2017	Achieved	574.30 km were bladed in the year under review	N/A	N/A	1. Assessment forms for blading of 574.30 km 2. Maintenance reports for blading of 574.30km
		Re-gravel, blade, unblocking of culverts and pothole patching	200 storm water crossings maintained in 2015/2016 F Y	220 storm water crossings maintained by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Maintain 220 Storm water crossings by June 2017	Achieved	15635 storm water crossings were maintained, culverts and vegetation cleared	N/A	N/A	Maintenance reports for 15635 storm water crossings
			1200 Square Meters of Potholes Patched in 2015/2016 Financial year	1500 square meters of potholes patched by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Patch 1500 square meters of Potholes by June 2017	Achieved	2050.6 Square Meters of Potholes were patched in the year under review	N/A	N/A	1. Assessment forms for 1500 square meters 2. Maintenance reports for 2050 Square meters of potholes

INFRASTRUCTURAL PLANNING AND DEVELOPMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual Target	Achieved/Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
Transport Facilities and operations	To construct 1 taxi rank in Centane and facilitate construction of N2 by-pass by June 2019	Construct 1 taxi rank in Centane	Business Plan developed for implementation of Local Integrated Transport Plan in 2015/2016 Financial Year which includes the construction of Transport Facilities.	1 Taxi rank constructed in Centane by June 2017	Annual and Quarterly reports	5 468 300	MIG	8 623 523	Construct 1 taxi rank in Centane by June 2017	Achieved	The construction of taxi rank in Centane has been completed.	N/A	N/A	1. Appointment letter of Contractor 2. Appointment letter of Engineers 3. Approval letter by CoGTA 4. Progress Reports 5. Completion Certificate
		Facilitate partnership with SANRAL towards construction of N2 by-pass		Construction of N2 by-pass by SANRAL facilitated by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share	Facilitate construction of the N2 by-pass by SANRAL by June 2017	Not Achieved	Draft MOU was developed	There were delays with signing of the MOU	Continuous engagements between the Municipality and SANRAL	Draft MOU between SANRAL and Municipality	
Electrification (Grid Electrification)	To connect 1400 households through Integrated National Electrification Programme (INEP) by June 2019	Draw electrification plan in partnership with ESKOM Connection of 1400 households	600 Houses connected in 2015/2016 financial year	200 households connected by June 2017	Annual and Quarterly reports	5 000 000	INEP	4 627 589	Connect 200 households by June 2017	Achieved	203 Households were connected in the year under review	N/A	N/A	(1) Appointment letter of the contractor (2) Report on 203 households connected (3) Completion Certificate
Electrification (Operation and maintenance plan)	To maintain the existing street lights, high mast lights and traffic lights in three towns annually by June 2019	Inspection of existing street lights, high mast lights and traffic lights Replacement of the equipment Routine testing of all the lights	Street lights, high mast lights and traffic lights maintained in 3 municipal towns in 2015/2016 financial year	Street lights, high mast lights and traffic lights assessed and maintained in three municipal towns inline with the Electricity Operations and Maintenance Plan by June 2017	Annual and Quarterly reports	420 000	Equitable Share	727 000	Conduct assessment and maintain street lights, high mast lights and traffic lights in three municipal towns in line with the Electricity Operations and Maintenance Plan by June 2017	Achieved	Assessment of Street lights, high mast lights, traffic lights has been conducted and maintained accordingly	N/A	N/A	1. Assessment forms 2. Maintenance reports

INFRASTRUCTURAL PLANNING AND DEVELOPMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual Target	Achieved/Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
Electricity Distribution	To acquire electricity distribution license from NERSA by June 2017	Engage Eskom and NERSA on the business plan submitted	Business plan developed in 2014/2015 financial year	Electricity distribution license acquired by June 2017	Annual and Quarterly reports	200 000	Equitable Share	0	Acquire electricity distribution license from NERSA by June 2017	Not Achieved	Application processes were started in 2015/2016 financial year. Correspondences were sent to both ESKOM and NERSA as at August 2016.	As at end March 2017 Eskom did not support the application to NERSA as per the correspondence attached.	The matter has been reported to SALGA to discuss at National Level.	1) Application Letter by the municipality to NERSA 2) Correspondence from ESKOM, NERSA not supporting the application 3) Agenda, Attendance Register of meetings between the municipality and Eskom
Renewable energy	To implement renewable energy programmes in municipal buildings and communities by June 2019	Assessment of renewable energy sources Engage relevant stakeholders on sources of renewable energy Generate and distribute renewable energy in municipal buildings and prioritized communities	Nil	Renewable energy generated and distributed in municipal buildings and prioritised communities by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Generate and distribute renewable energy in municipal buildings and prioritised communities by June 2017	Not Achieved	Terms of reference for the appointment of service provider were developed and sent to BTO	There were delays with the appointment of Service Provider and ultimately non-availability of funds to proceed with the project	The renewable energy will be generated and distributed in 2017/2018 financial year	Terms of reference for the appointment of Service Provider
Human Settlements	To develop housing allocation policy and update housing needs register by June 2019	Update database for housing needs register	Housing needs register developed in 2015/2016 financial year	Updated housing needs register by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate update of the Housing needs register by June 2017	Achieved	The housing needs register has been updated in the year under review. The update for the period under review is 12997, realizing increase of 1892 from the previous financial year.	N/A	N/A	Updated housing needs register and Progress Report

INFRASTRUCTURAL PLANNING AND DEVELOPMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual Target	Achieved/Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
		Develop housing allocation policy		Housing allocation policy developed by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Develop housing allocation policy by June 2017	Achieved	The Housing Allocation Policy was developed and approved by Council	N/A	N/A	(1) Housing allocation policy (2) Council resolution on approval of housing allocation policy
Municipal Facilities	To construct 6 municipal facilities by June 2019	Prepare planning documents for the construction of 3 sport fields	One sport field constructed in 2015/2016 financial year	One sport field constructed by June 2017	Annual and Quarterly reports	5 360 000	MIG	4 366 766	Construct one sport field by June 2017	Not Achieved	The construction of the Sport Field is at 85% as at year end.	There were performance challenges with the contractor	The construction of the Sport Field will be completed on the first quarter of 2017/2018 financial year	1. Appointment letter of Contractor 2. Appointment letter of Engineers 3. Approval letter by CoGTA 4. Progress Reports
		Prepare planning documents for the construction of 3 community halls	1 community hall constructed in 2015/2016 financial year	One community hall constructed by June 2017	Annual and Quarterly reports	3 350 000	MIG	3 559 646	Construct of one community hall by June 2017	Achieved	Mpukane community hall in Nqamakwe has been completed	N/A	N/A	1. Appointment letter of Contractor 2. Appointment letter of Engineers 3. Approval letter by CoGTA 4. Progress Reports 5. Completion Certificate

KPA: LOCAL ECONOMIC DEVELOPMENT

INFRASTRUCTURAL PLANNING AND DEVELOPMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual Target	Achieved/Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
Land Administration and Land Use Management	To regulate and control the use of land within the Municipal area in line with the 2016/2020 Spatial Development Framework by June 2019	Processing and approval of Land Use applications in line with the Land Use Management Scheme, Local Spatial Development Framework and Coastal Local Spatial Development Framework.	Land Use applications processed within 30-60 days in 2015/2016 financial year	Land use applications processed for approval within 30 – 60 days by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Process Land Use applications for approval within 30-60 days by June 2017	Achieved	Land Use Applications for ERVENS 174, 9947-9981 have been processed and approved by Council in the period under review.	N/A	N/A	Council resolutions for approval of land use applications
KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT- 10 %														
Municipal Administration (Council Support)	To provide administrative support to council and its committees by June 2019	Development of Institutional Calendar on annual basis and ensure its implementation.	2015/2016, Institutional calendar implemented and 2016/2017 Institutional Calendar developed	2016/2017, Institutional calendar Implemented and 2017/2018 Institutional Calendar developed by June 2017.	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement 2016/2017 institutional calendar and develop 2017/2018 institutional calendar by June 2017	Achieved	2016/2017 Institutional Calendar was implemented and the Directorate contributed in development of 2017/2018 Institutional Calendar	N/A	N/A	(1) Report on implementation of Directorate 2016/2017 institutional calendar. (2) 2017/2018 Institutional calendar
		Development and monitoring of Resolution Register	2015/2016 Resolution Register implemented	Infrastructural Planning and Development Council resolutions implemented by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement Council resolutions by June 2017	Achieved	Council Resolutions that concerned with Infrastructural Planning and Development were implemented in the financial year under review	N/A	N/A	(1) Report on implementation of council resolutions for Infrastructural Planning and Development
KPA: FINANCIAL VIABILITY AND MANAGEMENT- 10%														

INFRASTRUCTURAL PLANNING AND DEVELOPMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual Target	Achieved/Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
Supply Chain Management	To review and implement SCM policy in line with the regulatory framework by June 2019	Co-ordinate development of Directorate procurement plan, monitor implementation and report thereof	Procurement plan developed and implemented in 2015/2016 financial year	Procurement plan developed and implemented by June 2017 and report thereof	Annually and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate development, monitor implementation of Directorate Procurement plan and report thereof by June 2017	Achieved	Procurement Plan was developed and all Procurement that was done by the Directorate was inline with the Procurement Plan	N/A	N/A	Annual report on implementation plan in line with the procurement plan
KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION - 15%														
Strategic Planning-IDP	To Co-ordinate development and annual review of Integrated Development Plan for 2017/2022 by June 2019	Develop IDP, PMS and Budget Process Plan annually	2012/2017 IDP	2017/2022 Integrated Development Plan developed by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Develop 2017/2022 Integrated Development Plan by June 2017	Achieved	The Directorate contributed in all phases of IDP Development	N/A	N/A	Council Resolution on approval of 2017/2022 IDP
Performance Management (Individual)	To establish and implement PMS procedures through monitoring, review towards an increased accountability and performance improvement by June 2019	Develop and review divisional scorecards and monitor implementation	2015/2016 Divisional Scorecards and Performance Management Framework adopted in 2011/2015 financial year	2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises developed and implementation monitored by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate development and monitor Implementation of 2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises by June 2017	Achieved	Directorate Meetings were held to monitor the performance of the Directorate, AA's and PP's were submitted to Corporate Services	N/A	N/A	1. Agenda, attendance Register and Minutes for the Directorate Meetings 2. Schedule for submission of AA's and PP's

INFRASTRUCTURAL PLANNING AND DEVELOPMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual Target	Achieved/Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
Governance System, internal controls and Auditing	To co-ordinate risk assessment and advise on mitigation strategies by June 2019	Monitor Implementation of Strategic and Operational risk registers	2015/2016 Risk registers	Implementation of Strategic and Operational risk registers monitored by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement, monitor Strategic and Operational Risk registers by June 2017	Achieved				Annual report on implementation of Strategic and Operational risk registers
Governance System, internal controls and Auditing	Develop, review and implement Audit action plan by June 2019	Monitor Implementation of audit action plan annually	1.2014/2015 Audit Action Plan implemented 2. 2015/2016 Audit Action Plan developed and Implemented	2014/2015 Audit action Plan implemented and 2015/2016 developed and implemented by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement 2014/2015 Audit Action Plan, Develop and Implement 2015/2016 Audit Action Plan by June 2017	Achieved	2014/2015 Audit Action Plan was implemented and 2015/2016 Audit Action Plan was developed and implemented	N/A	N/A	Progress Report on 2014/2015 and 2015/2016 Audit Action Plans

COMMUNITY SERVICES

COMMUNITY SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT														
Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT - WEIGHT: 55%														
Traffic Services	To enforce traffic regulations in line with the National Traffic Act No 93 of 1996 through conducting 300 Traffic Operations by June 2019	Conduct Traffic Operations	80 Traffic Operations conducted in 2015/2016 Financial Year	100 Traffic Operations conducted by June 2017	Annual and Quarterly reports	20 000	Equitable Share	5 380	Conduct 105 traffic operations by June 2017	Achieved	105 traffic operations were conducted for the period under review	None	None	1) Operational Plans 2) Operations Report 3) Attendance Registers
				Four public awareness campaigns on transport regulations	Annual and Quarterly reports				Conduct four public awareness campaigns on transport regulations by June 2017	Achieved	4 public awareness campaigns were conducted, one in each quarter.	None	None	1) Implementation Plan 2) Attendance register 3) Report on Public awareness
		Enforce 9 municipal Bylaws	8 By-Laws enforced in 2015/2016 financial year	9 Bylaws implemented by June 2017	Annual and Quarterly reports				Conduct law enforcement through implementation of 9 municipal bylaws by June 2017	Achieved	9 Law Enforcement programmes (<i>Public Transport Control, Street Patrols, Street Trading Monitoring, Stray Animals Control, Noise Control, Public Indecency, Illegal Dumping, Littering Control and Unlicensed Trading Control</i>) were co-ordinated and enforced in CBD's of Butterworth, Centane and Ngqamakwe.	None	None	1) Law Enforcement Report 2) Copy of Occurrence book
Security and Protection Services	To protect 11 municipal office properties by June 2019	Develop appropriate systems for physical safeguarding and control of office properties	Security Procedure Manual	Protection services provided in 11 municipal properties by June 2017	Annual and Quarterly reports	4 050 000	Equitable Share	5328849	Provide protection services in 11 municipal properties by June 2017	Not Achieved	Protection services are rendered in all Municipal offices but in some points there is no permanent personnel.	The target was not achieved due to capacity constraints	More security personnel will be acquired during 2017/2018 financial year	1) Access Control Register 2) Copy of occurrence Book

COMMUNITY SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
Solid Waste Management	To render Solid Waste services in all CBD's and urban residential areas through implementation of four (4) Solid Waste management programs annually by June 2019	Review Integrated Waste Management Plan Implement solid waste management programs (Street Cleaning, Waste collection and Waste disposal)	Three Solid Waste Management Programs implemented in 2015/2016 Financial Year.	Three Solid Waste Management programs (Street Cleaning, Waste collection and Waste disposal) implemented by June 2017	Annual and Quarterly reports	67 000	Equitable Share	0	Implement three Solid Waste Management programs (Street Cleaning, Waste collection and Waste disposal) by June 2017	Achieved	Street Cleaning, Waste Collection and Waste Diposal services have been carried out in the financial year under review, utilizing municipal personnel, EPWP Personnel and Waste Disposal Fleet.	None	None	1) Street Cleaning Report 2) Waste Collection Report 3) Waste disposal report
Environmental Management	To render environmental services through the implementation of three (3) Environmental Management Programs by June 2019	Implement Environmental Management programs (Coastal Management program, Environmental Pollution Control, Environmental Education and Awareness)	2 environmental management programmes implemented in 2015/2016 Financial Year	3 environmental programmes implemented by June 2017	Annual and Quarterly reports	Operating			Implement 3 environmental management programmes by June 2017	Achieved	1. Four awareness campaigns were conducted, one in each quarter. 2. Four adopt a spot programmes were implemented (2 Msobomvu, 1 Extension 6 and 1 Coloured) 3. Coastal maintenance was done through the working for the coast project.	None	None	1) Implementation Plans 2) Agenda, attendance register and report on Environmental education awareness conducted 3) Environmental pollution control report 4) Coastal management report
Public Amenities	To maintain and manage 37 public amenities in line with the Public Amenities Maintenance and Management Plan by June 2019	Maintain and manage 29 public amenities	37 Public Amenities maintained and managed in 2015/2016 Financial Year	29 public amenities maintained and managed in line with the Public Amenities Maintenance and Management Plan by June 2017	Annual and Quarterly reports	783 000	Equitable Share	47 000	Maintain and manage 29 public amenities in line with the Public Amenities Maintenance and Management Plan by June 2017	Achieved	Maintenance and management of 29 Public Amenities was done (10 x Community Halls, 5 x Sport fields, 5x Cemeteries, 6 x Municipal Parks and 3 x Mnquma Nurseries).	None	None	1) Maintenance and management report of 29 Public Amenities 2) Orders for service providers appointed for maintenance of public amenities

COMMUNITY SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
				6 entrances and 2 gardens beautified by June 2017	Annual and Quarterly reports	Operating			Maintain and beautify 6 entrances, 2 gardens and 1 nursery by June 2017	Achieved	Maintenance and beautification was done in all entrances through grass cutting, weeding and litter picking. (Mthatha, East London, Key and Hawkes, two in Ngqamakwe, one in Centane) and two gardens (Bowling Green and Ngqamakwe) was done through general cleaning.	None	None	1) Maintenance and beautification reports for 6 entrances and 2 gardens 2) Orders for service providers appointed for procured inputs
		Improve the aesthetic appearance of the CBD areas		3 nurseries supported by June 2017					Provide support to 3 existing nurseries by June 2017	Achieved	Nurseries were supported through grass cutting and general cleaning.	None	None	Report on 3 nurseries supported
KPA: LOCAL ECONOMIC DEVELOPMENT - WEIGHT: 10%														
Solid Waste (Co-operatives)	To render Solid Waste services in all CBD's and urban residential areas through implementation of four (4) Solid Waste management programs annually by June 2019	Implement solid waste management programs (Street Cleaning, Waste collection, Waste recycling and Waste disposal)	Three Solid waste Co-operatives	Three Solid waste Co-operatives engaged in solid waste services monitored by June 2017	Annual and Quarterly reports	1 298 000	Equitable Share	1 792 000	Monitor functioning of three Solid Waste Co-operatives by June 2017	Achieved	Three Solid Waste Co-operatives rendered waste services and they were monitored on monthly basis such as litter picking in streets, open spaces and parks, waste loading in Extension, 24, 15, 14, Mchubakazi, Cuba and Cuba Flats, Reservoir Hill, Msobomvu, Extension 7 and 9 Zizamele Zithulele, Msobomvu Flats and Ibika	None	None	Report on functioning of three Solid Waste Co-operatives

COMMUNITY SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
											surrounding and Informal Settlements. 78 Job opportunities created.			
KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT- 10%														
Municipal Administration (Council Support)	To provide administrative support to council and its committees by June 2019	Development of Institutional Calendar on annual basis and ensure its implementation.	2015/2016, Institutional calendar Implemented and 2016/2017 Institutional Calendar developed in 2015/2016 financial year.	2015/2016, Institutional calendar implemented and 2016/2017 Institutional Calendar developed by June 2017	Annual and Quarterly reports	Operating			2016/2017, Institutional calendar implemented and 2017/2018 Institutional Calendar developed by June 2017	Achieved	Standing Committees, Socio Economic Clusters, Directorate meetings, IDP/PMS and Budget Committee meetings were attended. The Directorate contributed in the development of 17/18 financial year Institutional Calendar.	None	None	1) Report on implementation of Directorate 2016/2017 institutional calendar. 2) Report on contribution to development of 2017/2018 Institutional calendar
		Development and monitoring of Resolution Register	2015/2016 Resolution Register implemented	Community Services Directorate Council resolutions implemented by June 2017	Annual and Quarterly reports	Operating			Implement and report Community Services Directorate council resolutions by June 2017	Achieved	Community Services Reports were submitted for noting in all Council Meetings.	None	None	Report on implementation of council resolutions for Community Services Directorate
KPA: FINANCIAL VIABILITY AND MANAGEMENT - 10%														
Revenue Enhancement & Management	To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019	Contribute to the municipality's revenue through implementation of traffic services	R8m collected through law enforcement and agency services in 2015/2016 financial year	R8.5m collected through law enforcement and agency services by June 2017	Annual and Quarterly reports	Operating			Collect R3 .5m through law enforcement and agency services by June 2017	Achieved	An amount of R5 314 811.53 was collected through law enforcement and agency services	None	None	1) Traffic Fine Register 2) Examination Transaction Report 3) Registering Authority Daily Statistics

COMMUNITY SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement Source	Budget Amount	Funding Source	Annual Expenditure	Annual target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION - 15%														
Strategic Planning- IDP	To Co-ordinate development and annual review of Integrated Development Plan for 2017/2022 by June 2019	Develop IDP, PMS and Budget Process Plan annually	2012/2017 IDP	2017/2022 Integrated Development Plan developed by June 2017	Annual and Quarterly reports	Operating			Develop 2017/2022 Integrated Development Plan by June 2017	Achieved	The Directorate contributed in all the phases of the IDP Development	None	None	Council Resolution on approval of 2017/2022 IDP
Performance Management (Individual)	To establish and implement PMS procedures through monitoring, review towards an increased accountability and performance improvement by June 2019	Develop and review divisional scorecards and monitor implementation	2015/2016 Divisional Scorecards and Performance Management Framework adopted in 201/2015 financial year	2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises developed and implementation monitored by June 2017	Annual and Quarterly reports	Operating			Co-ordinate development and monitor Implementation of 2016/2017 divisional scorecards, monthly Performance Accountability agreements and Performance Promises by June 2017	Achieved	Directorate meetings were held, AA's and PP's were submitted to Corporate Services.	None	None	(1) Agenda, attendance registers and minutes for Directorate meetings (2) Schedule for submission of AA's and PP's
Governance System, internal controls and Auditing	To co-ordinate risk assessment and advise on mitigation strategies by June 2019	Monitor Implementation of Strategic and Operational risk registers	2015/2016 Risk registers	Implementation of Strategic and Operational risk registers monitored by June 2017	Annual and Quarterly reports	Operating			Implement, monitor Strategic and Operational Risk registers by June 2017	Achieved	Strategic and Operational risk registers were implemented and monitored in the year under review.	None	None	Report on implementation of Strategic and Operational risk registers
Governance System, internal controls and Auditing	Develop, review and implement Audit action plan by June 2019	Monitor Implementation of audit action plan annually	1) 2014/2015 Audit Action Plan implemented 2) 2015/2016 Audit Action Plan developed and Implemented	2014/2015 Audit action Plan implemented and 2015/2016 developed and implemented by June 2017	Annual and Quarterly reports	Operating			Implement 2014/2015 Audit Action Plan, Develop and Implement 2015/2016 Audit Action Plan by June 2017	Achieved	Audit Action Plan was implemented and updated.	None	None	Progress Report on 2014/2015 and 2015/2016 Audit Action Plans

LOCAL ECONOMIC DEVELOPMENT

LOCAL ECONOMIC DEVELOPMENT 2016/2017 ANNUAL PERFORMANCE REPORT														
Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
KPA: LOCAL ECONOMIC DEVELOPMENT - WEIGHT: 55%														
LED Sector Plans	To solicit funding for implementation of LED strategy by June 2019	Develop business plans	Reviewed LED Strategy in 2015/2016 financial year	Reviewed LED strategy implemented by June 2017	Annually and Quarterly reports	157 500	Equitable Share	19 920	Implement the reviewed LED Strategy by June 2017	Not achieved	Engagement sessions with stakeholders to solicit funding were done in the year under review	There were delays in the development of the Partnership Agreements	Partnership Agreements will be developed and signed in 2017/2018 financial year	(1) Agenda Attendance Register, and the minutes of the meetings held with stakeholders (2) Report on the implementation of partnership agreements
		Facilitate partnership agreements												
Tourism Development and Promotion	To profile tourism products and services focusing on events tourism, business tourism, cultural and heritage tourism by June 2019	Develop branding and marketing systems for easy access to all tourism products and services	Tourism Events Facilitated and co-ordinated in 2015/2016 financial year	Tourism information Centre established by June 2017	Annually and Quarterly reports	314 500	Equitable Share	64 190	Establish Tourism Information Centre by June 2017	Not achieved	Terms of reference for the appointment of service provider were developed and sent to BTO	There were delays with the appointment of service provider	Target has been moved over to the 2017/18 financial year.	(1) Advert for supply and delivery of Mobile Park Home. (2) Progress report for Mngquma Tourism Information Centre (3) Report on the Implementation of Tourism Information Centre Operational Plan
		Establish tourism information Centre												
		Support coastal development												

LOCAL ECONOMIC DEVELOPMENT 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
		Improve tourism hospitality skills and training locally		Two Tourism Events co-ordinated by June 2017	Annually and Quarterly reports	2 250 000	Equitable Share	1 623 961	Co-ordinate two tourism events by June 2017	Achieved	Two tourism events were held in the financial year under review (Heritage month celebrations were held in October 2016 and Jazz Festival was held in December 2016)	N/A	N/A	(1) Concept document and Closeout report of Mnquma Heritage Month Celebrations (2) Concept document and closeout report of Mnquma Jazz Arts and Culture Festival
SMMEs	To provide support to 30 SMMEs and Co-operatives by June 2019	Registration of SMMEs	13 SMME/Co-operatives supported in 2015/2016 financial year	10 SMME/Co-operatives supported by June 2017	Annually and Quarterly reports	157 500	Equitable Share	0	Co-ordinate support to 10 SMME/Cooperatives by June 2017	Not achieved	1. Capacity building was held wherein 25 SMME/Co-operatives were in attendance 2. Inputs for Bubulumko Cooperative were procured and delivered 3. Registration of 3 Cooperatives was done in the year under review. 4. Draft Concept document for hosting of Co-operatives Indaba was developed	There were delays in hosting the planned Co-operatives Indaba	The Co-operatives Indaba will be held in 2017/2018 Financial Year	(1) Agenda, Attendance registers for capacity building of 4 SMME's/Cooperatives (2) Orders, Delivery notes for inputs procured (3) Registration Certificates for 3 registered SMME's/Co-operatives (4) Draft concept document for Co-operatives Indaba (5) Report on 10 SMME's/Cooperatives supported
		Capacity building												
		Establishment of Co-operatives Development Centre	Co-operatives Development Centre (CDC) established by June 2017	Operating Budget										

LOCAL ECONOMIC DEVELOPMENT 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
											and the service provider was appointed. Inception meeting with service provider held in May 2017			Centre Business Plan 3. Report of the Inception Meeting
KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT - WEIGHT: 10%														
Sustainable Rural Development	To expand agricultural potential through implementation of sustainable rural development initiatives by June 2019	Improve commercial farming skills locally	4 emerging farmers supported in 2015/2016	One Co-operative supported by June 2017	Annually and Quarterly reports	157 500	Equitable Share	74 890	Co-ordinate Support for 1 cooperative by June 2017	Achieved	QBS Agricultural Cooperative and Mngeni Project has been supported with agricultural inputs.	N/A	N/A	Orders, Delivery notes and invoices for the supported emerging Cooperatives
KPA: FINANCIAL VIABILITY AND MANAGEMENT- WEIGHT: 10%														
Supply Chain Management	To review and implement SCM policy in line with the regulatory framework by June 2019	Co-ordinate development of Directorate procurement plan, monitor implementation and report thereof	Procurement plan developed and implemented in 2015/2016 financial year	Procurement plan developed and implemented by June 2017 and report thereof	Annually and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate development, monitor implementation of Directorate Procurement plan and report thereof by June 2017	Achieved	Procurement Plan was developed and procurement was done in line with the procurement plan	N/A	N/A	Annual report on implementation plan in line with the procurement plan
KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT - WEIGHT: 10%														
Municipal Administration (Council Support)	To provide administrative support to council and its committees by June 2019	Development of Institutional Calendar on annual basis and ensure its implementation.	2015/2016, Institutional calendar implemented and 2016/2017 Institutional Calendar developed	2016/2017, Institutional calendar Implemented and 2017/2018 Institutional Calendar developed by June 2017.	Annual and Quarterly reports		Operating Budget		2016/2017, Institutional calendar implemented and 2017/2018 Institutional Calendar developed by June 2017	Achieved	Cluster meetings, standing committee meetings and Directorate meetings were held in the year under review Directorate contributed in the	N/A	N/A	(1) Report on implementation of Directorate 2016/2017 institutional calendar. (2) Report on contribution to development of 2017/2018 Institutional calendar

LOCAL ECONOMIC DEVELOPMENT 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
											development of 17/18 financial year institutional calendar			
		Development and monitoring of Resolution Register	2015/2016 Resolution Register implemented	Resolution register developed, distributed and report thereof by June 2017	Annual and Quarterly reports		Operating Budget		Implement and report on Local Economic Development Directorate council resolutions by June 2017	Achieved	LED reports were submitted for noting in Council	N/A	N/A	(1) Report on implementation of council resolutions.
KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION - WEIGHT: 15%														
Strategic Planning- IDP	To Co-ordinate development and annual review of Integrated Development Plan for 2017/2022 by June 2019	Develop IDP, PMS and Budget Process Plan annually	2012/2017 IDP	2017/2022 Integrated Development Plan developed by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Develop 2017/2022 Integrated Development Plan by June 2017	Achieved	LED participated in all the relevant phases of the development of the IDP	N/A	N/A	Council Resolution on approval of 2017/2022 IDP
Performance Management (Individual)	To establish and implement PMS procedures through monitoring, review towards an increased accountability and performance improvement by June 2019	Develop and review divisional scorecards and monitor implementation	2015/2016 Divisional Scorecards and Performance Management Framework adopted in 201/2015 financial year	2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises developed and implementation monitored by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate development and monitor Implementation of 2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises by June 2017	Achieved	Directorate meetings for every month have been held, AAs and PPs have been submitted to Corporate Services	N/A	N/A	1) Agendas, Minutes, Attendance Registers of Directorate Meeting and Divisional Score cards
Governance System, internal controls and Auditing	To co-ordinate risk assessment and advise on mitigation strategies by June 2019	Monitor Implementation of Strategic and Operational risk registers	2015/2016 Risk registers	Implementation of Strategic and Operational risk registers monitored by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement, monitor Strategic and Operational Risk registers by June 2017	Achieved	Strategic and operational risks have been implemented and monitored throughout the financial year	N/A	N/A	Annual report on implementation of Strategic and Operational risk registers

LOCAL ECONOMIC DEVELOPMENT 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievements	Corrective Action	POE Required
Governance System, internal controls and Auditing	Develop, review and implement Audit action plan by June 2019	Monitor Implementation of audit action plan annually	1. 2014/2015 Audit Action Plan implemented 2. 2015/2016 Audit Action Plan developed and Implemented	2014/2015 Audit action Plan implemented and 2015/2016 developed and implemented by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement 2014/2015 Audit Action Plan, Develop and Implement 2015/2016 Audit Action Plan by June 2017	Achieved	Audit Action Plan has been implemented throughout the financial year	N/A	N/A	Progress Report on 2014/2015 and 2015/2016 Audit Action Plans

STRATEGIC MANAGEMENT

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT														
Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
GOOD GOVERNANCE AND PUBLIC PARTICIPATION: 55%														
Strategic Planning- IDP	To Co-ordinate development and annual review of Integrated Development Plan for 2017/2022 by June 2019	Develop closeout report on implementation of 2012/2017 Integrated Development Plan	2012/2017 IDP	Closeout report on Implementation of 2012/2017 IDP developed by June 2017	840 000	Equitable Share	Annual, Mid-year and Quarterly Reports	827 544	Develop closeout report on implementation of 2012/2017 IDP by June 2017	Not Achieved	Ward information on level of service delivery was sourced from 31 Wards through distribution of questionnaires. Analysis of questionnaires was done. Desktop information sourced from annual reports of the past 5 financial years.	There were delays in submission of information from ward level that delayed analysis and consolidation of desktop information	The information will be consolidated by end of June 2017 and prepare report for management.	(1) Questionnaires and Memo for distribution of Questionnaires (2) Consolidated analysis report
		Develop IDP, PMS and Budget Process Plan annually		2017/2022 Integrated Development Plan developed	Operating Budget	Equitable Share	Annual, Mid-year and Quarterly Reports		Develop 2017/2022 Integrated Development Plan by June	Achieved	The IDP/PMS and Budget Process Plan was adopted by Council in August 2016. Draft IDP was	N/A	N/A	(1) IDP/PMS and Budget Process Plan and Council Resolution (2) Adverts for

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
		Co-ordinate implementation of the IDP, PMS and Budget Process Plan so as to adhere to the timelines		by June 2017					2017		<p>tabled in Council in March. 3 IDP Representative Forums have been held in August, November 2016 and March 2017 to present the process plan, situational analysis, Objectives and strategies and draft IDP. IDP/PMS and Budget Roadshows were held in April 2017.</p> <p>The Final IDP was adopted by Council on 23 May 2017, publicized on Daily Dispatch in June 2017 and municipal website. It was further submitted to COGTA, PT, NT and Auditor General on 30 May 2017.</p>			<p>IDP/PMS and Budget Process Plan, IDP/PMS and Budget Representative Forums, IDP/PMS and Budget Roadshows, Draft IDP and Final IDP (4) Proof of advertisement in the municipal website (Screenshots) (3) Reports, Attendance Registers for IDP/PMS and Budget Representative Forums (4) Action Plan, Attendance Registers and Report for the IDP/PMS and Budget Roadshows (5) Letters to government departments on issues raised by community members during roadshows (6) Acknowledgements of receipt of Draft and Final IDP by COGTA, PT, AG and Proof of submission to NT (7) Final 2017/2022 IDP (8) Council Resolutions for tabling of Draft IDP and approval of IDP</p>

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Development Planning: Research	To provide a researched, documented information that seeks to guide municipality's short, medium and long term planning by June 2019	Conduct research on prioritized programmes and projects	Research strategy reviewed in 2015/2016 financial year	One research project conducted focussing on heritage and tourism by June 2017	105 000	Equitable Share	Annual, Mid-year and Quarterly Reports	332 813	Conduct one research project on heritage and tourism by June 2017	Not Achieved	<p>Research proposal was approved in August 2017. University of Fort Hare was engaged as part of implementation of the MoU to conduct research on behalf of the municipality. Other stakeholders engaged as part of the research were SALGA, DEDEA, DSRAC, Tourism Grading Council of South Africa and Walter Sisulu University.</p> <p>Interviews were held with tour guides, accommodation facilities, focus groups of the transport industry and business sector. To date a total of 49 people representing various interest groups have been interviewed. Individual and Group sessions representing 32% of the coverage of the sample group were also held.</p>	<p>The process plan developed between UFH and the municipality to conduct the research could not be adhered to due to unavailability of interviewees, non viability of resources (transport and computers) to conduct interviews and analyse data.</p> <p>This affected budget of the research by UFH and thus a request to increase budget from R99 000-R188 000</p>	<p>The revised action plan has been drafted for finalization of the project by August 2017 and the revised budget has been submitted pending approval by management.</p>	<p>(1) Research proposal (2) Agenda, Attendance Registers and Reports of meetings held with Stakeholders (SALGA, DSRAC, Tourism Grading Council and DEDEA (3) Reports of Interviews held with focus groups and individuals (4) Revised Action Plan and Revised Budget (5) Preliminary Report on Research Conducted</p>

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
		Co-ordinate policy development and policy review to guide decisions of the municipality	Database of Policies	Development of 1 policy and review of 6 policies facilitated and approved by June 2017	225 000	Equitable Share	Annual, Mid-year and Quarterly Reports	153 947	Co-ordinate development of 1 policy, review 6 policies and facilitate approval by June 2017	Achieved	<p>New Policy i.e. Housing Sector Policy was developed, workshopped to management in January and councillors in March and approved by Council in March.</p> <p>6 Policies have been reviewed in the financial year, workshopped to Management and Councillors in March and approved by Council in March and April 2017. Following are the policies reviewed:</p> <p>(1) Mainstream and Social Media Policy (2) SCM Policy (3) Property Rates Policy (4) Cellphone and Data Card Policy (5) Events Management Policy and (6) Telephone Management Policy</p>	N/A	N/A	(1) Copy of 1 new policy developed (2) Copy of 6 reviewed policies (3) Agenda and attendance registers for policy workshops (4) Report on workshopping of policies (5) Council Resolutions on approved policies (6) Proof of submission of policies to Directorates
			2008 by-laws	Review of 11 by-laws facilitated by June 2017			Annual, Mid-year and Quarterly Reports		Facilitate review and approval of 11 by-laws by June 2017	Achieved	<p>Working session with directorates and legal services were held to review the by-laws. NMMU was engaged as part of implementing MoU to review the By-Laws. All reviewed by-laws were emailed to NMMU for further review.</p> <p>By-laws were workshopped to Management and Councillors. The were tabled to Council for noting to be publicized to the community</p>	N/A	N/A	(1) Agenda, attendance and report on workshopping of the 11 by-laws (2) Action plan for Public Participation on By-Laws (3) Advert issued for community representation (4) Agenda, Attendance Registers and Report on Public Participation for By-laws and comments by community members

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
											members. An action plan to publicize by laws to community was developed and approved. Advert was issued inviting community representations in meetings held in Centane, Butterworth and Ngqamakhwe. 11 By-laws will be taken to Council for approval as follows: a) Liquor trading hours By law, b) Roads and streets By - law, c) Cemeteries By - law, d) Public Amenities By - law, e) Nuisance By - law, f) Impoundment of animals By - law, g) Boarding house and guest house By - law, h) Dilapidated buildings and unsightly objects By law, i) Street trading by law, j) Tariffs By – law, k) Property Rates By-Law			(5) Copies of approved by-laws (6) Council resolution of approved by-laws

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Municipal Relations	To establish two and maintain five existing linkages and partnerships with stakeholders and institutions of higher learning by June 2019	Implement programmes of action with 5 existing partners	5 Partnership agreements with institutions of higher learning established in 2015/2016 financial year	Implementation of MOU with 5 Institutions of higher learning co-ordinated by June 2017	Operating Budget	Equitable Share	Annual, Mid-year and Quarterly Reports		Co-ordinate implementation of MOU with 5 institutions of higher learning by June 2017	Not Achieved	<p>The Action plans for implementation of MoU's was developed. To date MoU's have been implemented with three institutions of Higher Learning i.e NMMU, King Hintsa TVET College and University of Fort Hare.</p> <p>6 In-service trainees from the University of Fort Hare were placed at Special Programs Unit, Labour Relations, Human Resources and Local Economic Development. UFH is in partnership with the municipality in conducting Research on tourism, heritage and economic spin-offs.</p> <p>King Hintsa TVET college is currently training 49 youth members on civil engineering, stipent being paid to the youth members. Graduation ceremony of SMME's members that were trained by the college in business management was also done in the financial year.</p> <p>NMMU reviewed 11 By-laws as part of implementing the MoU.</p> <p>The Department of Higher Education and Training was engaged to source funding for implementation of training Programs.</p>	<p>Programs planned with WSU and Fort Cox Agricultural College could not proceed to unavailability of funds.</p> <p>An amount of R600 000 is still owed by the municipality to Fort Cox College.</p>	<p>Facilitate meeting with the Department of Higher Education and Training and review MoU for Signatures by all signatories to source funding for 17/18 financial year.</p>	<p>(1) Project Plan (2) Progress report on implementation of the project plan (3) Agenda, attendance register for sitting of meetings held with Institutions of Higher Learning (4) Minutes of the meetings held (5) Letter of intent to the Department of Higher Education and Training to source funding and to enter into MoU. (6) Agenda, minutes of meetings held with the DoH</p>

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Special Programs Unit	Co-ordinate participation of designated groups in government affairs towards building capacity by June 2019	Develop and co-ordinate implementation of annual plans for 6 designated groups	SPU Strategy, policies and 4 programmes implemented in 2015/2016 financial year	Implementation of 7 programmes co-ordinated for all designated groups by June 2017	577 500	Equitable Share	Annual, Mid-year and Quarterly Reports	904 127	Co-ordinate implementation of 7 programmes for all designated groups by June 2017	Achieved	7 programmes for designated groups were held in the financial year as follows: (1) Women's Program was held in August where inputs procured by the municipality were handed over to Nomanyano Women's Co-operative Ward 11. Progress of the co-operative has been monitored on monthly basis. Other funding agencies also engaged to brand and fund the co-operative SAB and SEDA (2) Information sharing session was held for youth entrepreneurs in partnership with NYDA, Office of the Premier, SEFA, Old Mutual and Department of Social Development. (4) 4 Youth Members are currently doing in-service training by ADM after training by National Rural Youth Service Corps (NARYSEC) (4) Inputs procured by the municipality were handed over to Masizame Youth Co-operative, a co-operative that was also assisted to	N/A	N/A	(1) Concept document, agenda, attendance register and report for two education and awareness campaigns conducted (women, elderly) (2) Report on capacity building programme for youth entrepreneurship (3) Reports on home based care services provided Database for orphans and vulnerable children and report on referrals (4) Concept document, agenda, attendance register and report for back to school programme (5) Report on entrepreneurship programme of Youth and Women Co-operatives (6) Report on support provided to elderly (7) Report on training of physically challenged

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
											<p>source funding from NYDA. To date NYDA committed to fund the co-operative with an amount of R49 000. C-operative monitored on monthly basis</p> <p>(5) (9) Physically challenged persons are currently trained by Konwaba institute on ICT and they are now doing an experiential training. They are currently paid stipend by the institute till October 2017</p> <p>(5) 120 Disadvantaged learners benefited from the Back to School programme where the full school uniform was handed over in 3 towns (Centane, Ngqamakhwe and Butterworth). Visits to learners that benefited from the program were done.</p> <p>(6) Elderly Centres were visited in partnership with the Elderly Forum to identify challenges in their operations and possible interventions thereof. Department of Social Development was engaged and all referrals have been done.</p> <p>(7) Data base for Orphans and Vulnerable Children have been consolidated and all referrals done.</p>			

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Stakeholder participation Intergovernmental Relations	To establish a framework that provides procedures for integrated planning and regular reporting and feedback by all stakeholders by June 2019	Review IGR terms of reference	4 IGR meetings and 4 Mayoral Imbizos held in 2015/2016 financial year	4 IGR meetings and 4 Mayoral Imbizos held and report thereof by June 2017	105 000	Equitable Share	Annual, Mid-year and Quarterly Reports	53 516	Co-ordinate sitting of 4 IGR meetings and 4 Mayoral Imbizos by June 2017	Achieved	Cluster meetings in preparations for IGR were held in November for IGR held in December 2016. Cluster meetings also held in February for IGR meeting held in March 2017. Cluster Meetings held in May in preparation for last IGR to be held in June 2017. To date 3 IGR meetings were held in October, December, March and last one is to be held in June 2017. 4 Mayoral Imbizos were held in the year under review in Wards 8, 1, 21, 28. All issues raised by community members referred to relevant departments.	N/A	N/A	(1) Agenda; attendance registers of Cluster meetings (2) Agenda; attendance registers and reports of 4 IGR meetings held (3) Agenda; attendance registers and reports of 4 Mayoral Imbizos held
		Coordinate regular sitting of IGR forum for planning and reporting												
		Co-ordinate regular feedback meetings to community members												
Institutional Communication	To provide and implement a framework for integration of communication and marketing platforms which will create a positive and recognisable profile of the municipality by June 2019	Develop newsletters	4 newsletters developed in 2015/2016 financial year	13 newsletters developed and 1 brochure distributed by June 2017	157 500	Equitable Share	Annual, Mid-year and Quarterly Reports	192 000	Develop and distribute 11 internal newsletters, 2 external newsletters and tourism brochure by June 2017	Not Achieved	11 Internal newsletters have been developed. To date 1 External newsletter has been printed, edited, translated and distributed by the appointed service provider. Action plan to print and publish June external newsletter has been developed and is being followed up, expecting newsletter by end June 2017. Tourism brochure was printed and distributed in the tourism awareness event held.	There were delays in the Printing and Distribution of 1 External Newsletter	The External Newsletter will be printed and Distributed in the first quarter of 2017/2018 financial year	Annual Report on: (1) 2 External newsletters (2) 11 Internal newsletters (3) 1 brochure distributed (4) Distribution registers of internal newsletters and external newsletters
		Update information on municipal website	Website reports for 2015/2016 financial year	Website updated by June 2017	26 250	Equitable Share		0	Update and upload information on the website by June 2017	Achieved	Information on municipal website such as bids, financial reports, compliance documents, IDP, annual report, oversight report, performance agreements have been uploaded and updated on monthly basis. Information uploaded is in line with Section 75 of MFMA	N/A	N/A	Annual Report on Website Update Screenshots
		Stakeholder mapping												
		Integrate 2 way communication feedback												

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Branding and Events Management	To promote and maintain corporate identity and image through marketing and branding in line with Communication, Marketing & Branding strategy and relevant policies by June 2019	Standardization of municipal stationery, promotional material and usage of logo	Municipal Corporate Identity manual adopted in 2014/2015 financial year	Outdoor Signage in three municipal buildings, three welcome boards, four indoor signage and flags installed, branding material and stationery procured by June 2017	157 500	Equitable Share	Annual, Mid-year and Quarterly Reports	432 633	Market corporate brand of the municipality by June 2017	Not Achieved	Corporate Stationery was procured and distributed to municipal Offices. Official Photographs procured. Municipal Logo installed in Centane, Ngqamakhwe and Main Building.	Diaries, Calendars, Indoor Signage, Welcome Signboards and Flags could not be procured due to unavailability of funds.	Additional funding for 17/18 financial is to be sourced from external funding sources as only R100 000 has been allocated for MRU in 2017/2018 final budget.	(1) Orders for corporate stationery, signage, flags and official photographs procured (2) Report on implementation of Corporate Identity Manual
		Co-ordinate uniform approach for all municipal events and protocol & etiquette	16 Events co-ordinated, branded and publicized in 2015/2016 financial year	13 municipal events co-ordinated by June 2017	2 362 500	Equitable Share	Annual, Mid-year and Quarterly Reports	1 902 098	Co-ordinate 13 events to achieve the intended objectives by June 2017	Achieved	Annual events calendars was developed as informed by the approved SDBIP. To date municipal events have been supported. Events Management Policy was adopted by Council. Concept Documents for events held were developed, logistical arrangements done. There were provincial, and national events that were supported by the municipality. All deviations from events calendar were reported by Directors of respective directorates (LED and Community services), Environmental Day and Ocean Economic Summit, SMME Indaba that could not be held due to budgetary constraints and review of SDBIP.	N/A	N/A	1) Annual Events calendar 2) Concept Documents 3) Report on the Implementation of events held 4) Memos for Deviations in the Events Calendar

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Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Institutional Performance Management	To establish and implement PMS procedures through monitoring, review towards an increased accountability and performance improvement by June 2019	Develop, collate, consolidate and analyse performance information quarterly, mid-year and annually	2015/2016 Performance Agreements for S54A and S56 Managers developed in 2015/2016 financial year	Performance information developed, collated, consolidated and analysed quarterly, mid-year and annually inline with PMS framework by June 2017	945 000	Equitable Share	Annual, Mid-year and Quarterly Reports	975 000	Develop, collate, consolidate and analyse performance information quarterly, mid-year and annually by June 2017	Achieved	<p>2015/2016 Fourth Quarter Performance Report was consolidated, analysed and approved by Council in July 2016.</p> <p>2015/2016 Annual Report Draft Report was tabled in Council in August 2016, and further submitted to Auditor General for Auditing. All audit queries on Annual report were attended to and adjustments made accordingly.</p> <p>The report was submitted to MPAC for verification.</p> <p>Final Annual Report was approved by Council in December 2016 with Oversight Report. It was further submitted to AG, PT, NT, and COGTA., publicised for public comments in Daily Dispatch and municipal website.</p> <p>2016/2017 Performance agreements were developed, approved by Council in July 2016, submitted to COGTA and publicized in the municipal website.</p> <p>2015/2016 Annual Performance reviews were held in April and May 2017.</p> <p>2016/2017 Mid Term</p>	N/A	N/A	<p>1) Report on 2015/2016 Annual Performance Reviews</p> <p>2) Report on 2016/2017 Mid term performance reviews</p> <p>3) Copies of 2016/2017 Performance Agreements</p> <p>(4) 2015/2016 Annual Report</p> <p>5) 2015/2016 Fourth Quarter Performance Report</p> <p>6) 2015/2016 Annual Performance Report (S46)</p> <p>7) 2016/2017 First and Third Quarter Performance Report</p> <p>(8) Acknowledgement of receipt of Draft and Final Annual Reports and performance agreements by COGTA</p> <p>(8) Council Resolution on approval of Fourth Quarter Report, Mid Term Report, Annual Report and Oversight Reports</p> <p>(9) Adverts for Annual Report and Oversight Report</p> <p>(10) Memos for submission of Draft Annual Report to MPAC</p>

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Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
			2014/2015 Annual Report developed in 2015/2016 financial year								Reviews are planned for June 2017.			
			2014/2015 4 th quarter performance analysis report and 2015/2016 first to third quarter performance reports analysis reports developed in 2015/2016 financial year								2016/2017 First- Third Quarter Reports and Mid Term Reports were consolidated, analysed. 2016/2017 Mid Term and Third Quarter Reports approved by Council in February and April 2017.			
Performance Management (Individual)	To establish and implement PMS procedures through monitoring, review towards an increased accountability and performance improvement by June 2019	Develop and review divisional scorecards and monitor implementation	2015/2016 divisional scorecards and Performance Management Framework adopted in 2014/2015 financial year	2016/2017 divisional scorecards, monthly performance accountability agreements and performance promises developed and implementation monitored by June 2017	Operating Budget	Equitable Share	Annual, Midyear and quarterly reports		Co-ordinate development and monitor implementation of 2016/2017 divisional scorecards, monthly performance accountability agreements and performance promises by June 2017	Achieved	2016/2017 municipal divisional score cards were developed and emailed to Corporate Services. Monthly Directorate Meetings were held on monthly basis to review performance of the Directorate. AA's and PP's submitted to Corporate Services	N/A	N/A	1) 2016/2017 Divisional Score Card 2) 2016/2017 Agendas, Attendance Registers and Minutes of Directorate Meetings (3) Proof of submission of AA/s and PP/s

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Governance System, internal controls and Auditing	To co-ordinate risk assessment and advise on mitigation strategies by June 2019	Monitor Implementation of Strategic and Operational risk registers	2015/2016 Risk registers	Implementation of Strategic and Operational risk registers monitored by June 2017	Operating Budget	Equitable Share	Annual and Quarterly reports		Implement, monitor Strategic and Operational Risk registers by June 2017	Achieved	Strategic Risk Register was developed for the directorate, updated on monthly basis and emailed to Risk manager. Operational Risk Registers for all divisions developed and monitored on monthly basis and emailed to Risk Manager.	N/A	N/A	Annual report on implementation of Strategic and Operational risk registers
Governance System, internal controls and Auditing	Develop, review and implement Audit action plan by June 2019	Monitor Implementation of audit action plan annually	1. 2014/2015 Audit Action Plan implemented 2. 2015/2016 Audit Action Plan developed and Implemented	2014/2015 Audit action Plan implemented and 2015/2016 developed and implemented by June 2017	Operating Budget	Equitable Share	Annual and Quarterly reports		Implement 2014/2015 Audit Action Plan, Develop and Implement 2015/2016 Audit Action Plan by June 2017	Achieved	2014/2015 Audit Action plan was implemented from July to December 2016, after which 2015/2016 Audit Action plan was developed in December 2016. Audit Action Plan has been implemented, updated and emailed to BTO for further consolidation.	N/A	N/A	Progress Report on 2014/2015 and 2015/2016 Audit Action Plans
KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT - WEIGHT: 10%														
Strategic Planning- IDP	To establish a framework that provides procedures for integrated planning and regular reporting by all stakeholders by June 2019	Develop closeout report on implementation of 2012/2017 Integrated Development Plan	2012/2017 IDP	Closeout report on Implementation of 2012/2017 IDP developed by June 2017	Operating Budget	Equitable Share	Annual, Mid-year and Quarterly Reports		Develop closeout report on implementation of 2012/2017 IDP by June 2017	Not Achieved	Ward information on level of service delivery was sourced from 31 Wards through distribution of questionnaires. Analysis of questionnaires was done. Desktop information sourced from annual reports of the past 5 financial years.	There were delays in submission of information from ward level that delayed analysis and consolidation of desktop information	The information will be consolidated by end of June 2017 and prepare report for management.	(1) Questionnaires and Memo for distribution of Questionnaires (2) Consolidated analysis report
KPA: LOCAL ECONOMIC DEVELOPMENT- WEIGHT: 10%														

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Municipal Relations	To establish two and maintain four existing linkages and partnerships with stakeholders and institutions of higher learning a by June 2019	Implement programmes of action with 4 existing partners	3 Partnership agreements with institutions of higher learning established in 2015/2016 financial year	5 MoUs implemented , 4 strategic committee meetings held with 5 institutions of higher learning	Operating Budget	Equitable Share	Annual, Mid-year and Quarterly Reports		Co-ordinate implementation of MOU with 5 Institutions of higher learning by June 2017	Not Achieved	<p>The Action plans for implementation of MoU's was developed. To date MoU's have been implemented with three institutions of Higher Learning i.e NMMU, King Hintsa TVET College and University of Fort Hare.</p> <p>6 In-service trainees from the University of Fort Hare were placed at Special Programs Unit, Labour Relations, Human Resources and Local Economic Development. UFH is in partnership with the municipality in conducting Research on tourism, heritage and economic spin-offs.</p> <p>King Hintsa TVET college is currently training 49 youth members on civil engineering, stipent being paid to the youth members. Graduation ceremony of SMME's members that were trained by the college in business management was also done in the financial year.</p> <p>NMMU reviewed 11 By-laws as part of implementing the MoU.</p> <p>The Department of Higher Education and Training was engaged to source funding for implementation of training Programs.</p>	<p>Programs planned with WSU and Fort Cox Agricultural College could not proceed to unavailability of funds.</p> <p>An amount of R600 000 is still owed by the municipality to Fort Cox College.</p>	Facilitate meeting with the Department of Higher Education and Training and review MoU for Signatures by all signatories to source funding for 17/18 financial year.	<p>(1) Project Plan</p> <p>(2) Progress report on implementation of the project plan</p> <p>(3) Agenda, attendance register for sitting of meetings held with Institutions of Higher Learning</p> <p>(4) Minutes of the meetings held</p> <p>(5) Letter of intent to the Department of Higher Education and Training to source funding and to enter into MoU.</p> <p>(6) Agenda, minutes of meetings held with the DoH</p>

STRATEGIC MANAGEMENT DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Budget	Funding Source	Measurement source	Annual Expenditure	Annual Target for 2016/2017	Achieved/ Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT - WEIGHT: 15%														
Municipal Administration (Council Support)	To provide administrative support to council and its committees by June 2019	Development of Institutional Calendar on annual basis and ensure its implementation .	2015/2016, Institutional calendar implemented and 2016/2017 Institutional Calendar developed	2016/2017, Institutional calendar Implemented and 2017/2018 Institutional Calendar developed by June 2017.	Operating Budget	Equitable Share	Annually and Quarterly reports		Implement 2016/2017 institutional calendar and develop 2017/2018 institutional calendar by June 2017	Achieved	Reports for Strategic Management Committees and Council were developed in line with the Institutional Calendar and IDP/PMS and Budget Process Plan. All deviations from the Process Plan have been consolidated for Standing Committee, Mayoral Committee and will be submitted to Council for noting.	N/A	N/A	1) Report on sitting of Strategic Management Council Committees
		Development and monitoring of Resolution Register	2015/2016 Resolution Register implemented	Resolution register developed, distributed and report thereof by June 2017	Operating Budget	Equitable Share	Annually and Quarterly reports		Implement and report on Strategic Management Directorate council resolutions by June 2017	Achieved	Resolution Register all Strategic Management resolutions was updated and emailed to Corporate Services.	N/A	N/A	Annual Report on implementation of Resolutions
KPA: FINANCIAL VIABILITY AND MANAGEMENT WEIGHT- 10 %														
Supply Chain Management	To review and implement SCM policy in line with the regulatory framework by June 2019	Co-ordinate development of Directorate procurement plan, monitor implementation and report thereof	Procurement plan developed and implemented in 2015/2016 financial year	Procurement plan developed and implemented by June 2017 and report thereof	Operating Budget	Equitable Share	Annually and Quarterly reports		Co-ordinate development, monitor implementation of Directorate Procurement plan and report thereof by June 2017	Achieved	2016/2017 Strategic Management Procurement Plan was developed, updated on monthly basis. Goods and services procured in line with the procurement plan. Services not procured and delivered were due to non-availability of funds.	N/A	N/A	1) Procurement Plan 2) Report on Implementation of Procurement Plan

CORPORATE SERVICES

CORPORATE SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT - WEIGHT: 55%														
Municipal Administration (Registry Management)	To maintain and archive municipal information for easy access in adherence with National Archives Act by June 2019	Review and implement file plan	Records Management Policy adopted in 2015/2016 financial year	Filing system created and maintained in line with the Records Management Policy by June 2017	Annually and Quarterly reports	140 000	Equitable Share	0	Create and maintain filing system in line with the Records Management Policy by June 2017	Not Achieved	Specification for the appointment of service provider was developed and sent to BTO	There were delays with the appointment of service provider.	Sorting of old files and scanning of all Municipal Information will be done in 2017/2018 financial year	Specification for records management
Municipal Administration (Customer Care and Thusong Centre)	To develop systems that will enable municipal customers to communicate and be responded to by June 2019	Direct customer enquiries and complaints to relevant Directorates and Sector Departments and respond	2 Customer Care programmes implemented in 2015/2016 financial year	Customer care satisfaction survey conducted and implementation of the survey co-ordinated by June 2017	Annually and Quarterly reports	Operating Budget	Equitable Share		Conduct Customer care satisfaction survey and co-ordinate implementation of the customer care survey	Achieved	Customer Care satisfaction survey was done and its implementation was co-ordinated.	N/A	N/A	(1) Annual report on Customer Care Survey conducted (2) Annual report on Presidential Hotline complaints
				Services rendered by sector departments and private institutions within Thusong centre co-ordinated and report thereof by June 2017					Co-ordinate services rendered by sector departments and private institutions within Thusong centre and report by June 2017	Not Achieved	Terms of reference for Thusong Centre were developed and Operational Plan was also Developed.	There were delays with the implementation of the Operational Plan	Implementation of the Operational Plan will be co-ordinated in 2017/2018 Financial Year	(1) Terms of reference for Thusong Centre management committee (2) Operational Plan (3) Report on implementation of operational Plan

COROPORATE SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Municipal Administration (Council Support)	To provide administrative support to council and its committees by June 2019	Develop Institutional Calendar on annual basis and ensure its implementation.	2015/2016 Institutional calendar implemented and 2016/2017 Institutional Calendar developed	2016/2017, Institutional calendar adhered to by June 2017	Annually and Quarterly reports	84 000	Equitable Share	84 000	Monitor adherence to the 2016/2017 institutional calendar by June 2017	Achieved	Implementation of Institutional Calendar is being monitored on a monthly basis	N/A	N/A	(1) Annual Report on adherence to the 2016/2017 Institutional Calendar.
				2017/2018 Institutional Calendar developed and report thereof by June 2017.					Develop 2017/2018 institutional calendar by June 2017	Achieved	2017/2018 institutional calendar has been developed	N/A	N/A	(1) Institutional Calendar for 2017/2018 (2) Council Report for the approval of 2017/2018 Institutional Calendar
Council Resolutions	To provide administrative support to council and its committees by June 2019	Develop and monitor Resolution Register	Council Resolution register developed, distributed and report thereof by June 2017	2015/2016 Resolution Register implemented	Annually and Quarterly reports				Co-ordinate development and distribution of Council resolution register and report on implementation of Council resolutions by June 2017	Achieved	Council resolutions register has been developed and circulated to all Municipal directorates for implementation	N/A	N/A	Copy of updated Council Resolution Register

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Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Information, Communication Technology (ICT Governance)	To provide centrally co-ordinated ICT Services in line with the ICT Governance Framework by June 2019	Integrate all ICT municipal programs	ICT governance framework adopted in 2015/2016 financial year, ICT policies and ICT Strategies adopted in 2014/2015 financial year	Implementation of 3 ICT programs (Desktop Support, Network Support and Information Security) co-ordinated by June 2017	Annually and Quarterly reports	1 050 000	Equitable Share	1 440 000	Co-ordinate implementation of 3 ICT programs (Desktop Support, Network Support and Information Security) in line with ICT governance Framework by June 2017	Achieved	3 ICT programs has been implemented within the Institution	N/A	N/A	Annual report on implementation (1) Desktop Support (2) Network Support (3) Information Security
ICT(Telephone Management)	To provide cost effective telephone management system through reduction of expenditure by 30% by June 2019	Manage and control expenditure of telephone system	Telephone Management Policy adopted 2015/2016 financial year	Telephone management system managed and maintained in line with Telephone Management Policy by June 2017	Annually and Quarterly reports	Operating Budget	Equitable Share		Manage and maintain telephone system in line with the Telephone Management Policy by June 2017	Achieved	Telephone system has been managed and maintained in line with the approved telephone policy	N/A	N/A	Annual Report on implementation of telephone management system
ICT (Cellphone and data card Management)	To manage and regulate usage of cellphone and data card in line with the Cellphone and data card Policy by June 2019	Review Cellphone and data card Policy Develop and implement cellphone and data card Procedure manual	Cellphone and data card policy adopted in 2010/2011 financial year	Implementation of Cellphone and data card policy co-ordinated by June 2017		Operating Budget	Equitable Share		Co-ordinate implementation of Cellphone and Data Card Policy by June 2017	Achieved	Policy on data cards and cellphone has been implemented	N/A	N/A	(1) Agenda, attendance register and report on workshopping of Cellphone and data card Policy (2) Council resolution on approved Policy (3) Report on implementation of the policy

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Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Organisational Design	To review and implement organisational structure in line with IDP objectives and Budget by June 2019	Review organisational structure annually	2016/2017 Organizational Structure	2016/2017 Organizational structure implemented by June 2017	Annually and Quarterly reports	42 000	Equitable Share	0	Implement 2016/2017 organisational structure by June 2017	Achieved	2016/2017 Organisational structure has been implemented	N/A	N/A	(1) 2016/2017 recruitment plan. (2) Annual report on positions filled
		Develop and implement recruitment plan annually	150 job descriptions developed	50 job descriptions developed by June 2017					Develop 50 job description by June 2017	Not Achieved	50 Job Description has been developed but not all signed	There were delays with the signing of Job Descriptions	Job Descriptions will be signed in 2017/2018 financial year	(1) 50 Job descriptions developed (2) Annual Report on 50 job descriptions developed
			2016/2017 Organizational Structure	2016/2017 Organizational Structure reviewed by June 2017					Review 2016/2017 Organisational Structure by June 2017	Not Achieved	Draft 2017/2018 organogram has been developed	There were delays with the approval of the 2017/2018 Organisational Structure	2017/2018 Organisational Structure will be approved in 2017/2018 financial year	Copy of draft 2017/2018 Organisational Structure
Benefits Management	To manage employee and Councillors benefits in line with collective agreement, 2006 performance regulations and government gazette on municipal councils by June 2019	Record, reconcile and report on Cllrs and employee benefits	Collective agreement, 2006 performance regulations and government gazette on municipal councils	Adherence on benefits in line with collective agreement, 2006 performance regulations and municipal councils gazette monitored and report thereof by June 2017	Annually and Quarterly reports	Operating Budget	Equitable Share		Implement benefits in line with collective agreement, 2006 performance regulations and municipal councils gazette and report thereof by June 2017	Achieved	All benefits are being implemented inline with the Collective agreement	N/A	N/A	Annual report on implementation of benefits

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Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Labour Relations & OHS	To provide Labour Relations Framework within which employees and employers collectively bargain on conditions of employment and other matters of mutual interest by June 2019	Develop procedure to resolve labour disputes	4 LLF meetings convened in 2015/2016 financial year	4 LLF meetings convened by June 2017	Annually and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate sitting of 4 LLF meetings by June 2017	Not Achieved	Two LLF Meetings were held in the financial year under review	2 LLF meetings were adjourned due to none availability of other members	Training to LLF members to be arranged by SALGA so that both parties understand their role within the committee	Agenda, Minutes of Annual LLF meetings and attendance registers
		Regulate Health and Safety practices and principles within the municipality	Health and Safety plan and 3 OHS Programmes implemented in 2015/2016 financial year	Health and Safety plan reviewed and 3 OHS programmes implemented by June 2017	Annually and Quarterly reports	210 000	Equitable Share	405 531	Review Health and Safety plan and Implement 3 OHS programmes (sitting of OHS Committee, Awareness Campaigns, Workplace inspection) by June 2017	Achieved	OHS Plan has been reviewed and 3 programs were implemented inline with the OHS Plan	N/A	N/A	(1) OHS Plan (2) Agenda, attendance register and report for Awareness Campaigns (3) Agenda, attendance register and minutes for OHS Committee (4) Report on Workplace inspections
Employee Wellness	To promote employee performance through implementation of wellness programmes by June	Assess Municipal workforce to identify Wellness interventions	8 Employee wellness programmes implemented in 2015/2016 financial year	2 Employee wellness programmes implemented by June 2017	Annually and Quarterly reports				Implement 2 employee wellness programmes by June 2017	Not Achieved	1 Employee Wellness programs was implemented (Financial management workshop)	There were delays with the hosting of planned Employee Wellness Programme	The Employee Wellness Programme will be done in the first quarter of 2017/2018 financial year.	Annual report and attendance register for implementation of 1 Wellness programmes

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Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
	2019	Annually develop and implement Employee Wellness Plan (EWP) as informed by assessment report.												
Employment Equity	To develop employment equity framework so as to adhere to Employment Equity Act No 55 of 1998 by June 2019	Annually review and implement the EE plan and report thereof	Employment Equity Plan reviewed and 4 programmes implemented in 2015/2016 financial year	4 programmes implemented by June 2017	Annually and Quarterly reports	26 250	Equitable Share	0	Implement 4 EEP programmes by June 2017	Achieved	Four EEP Programmes were implemented (Sitting of the EEP Committee, Induction Workshop, Employee Satisfaction Survey and Submission of EEA2 and EEA4 Reports.	N/A	N/A	Attendance registers, agenda and committee minutes for EEP programs conducted
		Develop Employment Equity Plan		2016/2021 Employment Equity Plan developed by June 2017	Annually and Quarterly reports				Develop 2016/2021 Employment Equity Plan by June 2017	Not Achieved	Terms of reference for the appointment of service provider to develop EEP were developed and Sent to BTO. The service provider was appointed.	There were delays with the appointment of service provider.	EEP will be developed in the first quarter of 2017/2018 financial year	Appointment Letter of the Service Provider Inception Report

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Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Learning Organization	To capacitate municipal councillors, employees and communities by June 2019	Annually develop, implement and monitor Workplace Skills Plan	2015/2016 WSP and Annual Training Plan Implemented and 2016/2017 WSP and annual training plan developed in 2015/2016 financial year	2016/2017 WSP and Annual Training Plan implemented and 2017/2018 WSP and annual training plan developed by June 2017	Annually and Quarterly reports	525 000	Equitable Share	2 500 198	Implement 2016/2017 WSP and annual training plan and develop 2017/2018 WSP and annual training plan by June 2017	Achieved	2016/2017 WSP was implemented, and Annual training plan was developed. 2017/2018 WSP was developed and ATP for 2017/2018 was developed	N/A	N/A	(1) Annual report on implementation of 2016/2017 WSP. (2) Approved 2017/2018 WSP and annual training plan
		Co-ordinate support to matriculants in line with the External bursary Policy	3 External Bursaries awarded in 2015/2016 financial year	1 External Bursary awarded and 4 external bursaries monitored by June 2017	Annually and Quarterly reports	105 000	Equitable Share	80 120	Monitor 4 awarded bursaries in line with the external bursary policy by June 2017	Achieved	External Bursaries are being monitored as per the External Bursary policy	N/A	N/A	(1) Report on monitoring of 4 external bursaries
		Co-ordinate capacity building support to municipal employees in line with the internal bursary policy	10 Internal bursaries awarded in 2015/2016 financial year	6 Internal bursaries awarded and 10 internal bursaries monitored by June 2017	Annually and Quarterly reports	105 000	Equitable Share	73 049	Co-ordinate capacity building support to 6 municipal employees and monitor 10 awarded bursaries by June 2017	Achieved	Capacity building support is provided, and awarded bursaries are monitored	N/A	N/A	(1) Report on 6 internal bursary awarded (2) Report on monitoring of 10 internal bursaries
		Co-ordinate training for graduates through implementation of internship programme.	On-the-job training programme for 13 interns in 2015/2016 financial year	On-the-job training programme for 14 interns co-ordinated by June 2017	Annually and Quarterly reports	305 000	Equitable Share / FMG	338 055	Co-ordinate implementation of internship programme for 14 graduates by June 2017	Achieved	Internship program has been provided to 14 Interns, however 8 interns were permanently employed	N/A	N/A	(1) Report on Training of 6 Existing interns

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KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT - WEIGHT: 10%														
Municipal Administration (Estates)	To manage and co-ordinate maintenance of municipal flats and staff houses by June 2019	Develop lease agreements for all rented municipal flats and staff houses	108 Signed lease agreements for municipal flats and staff houses in 2015/2016 Financial Year	30 lease agreements for municipal flats and 2 lease agreements for staff houses signed by June 2017	Annually and Quarterly reports	70 000	Equitable Share	0	Co-ordinate signing of 30 lease agreements for municipal flats and 2 lease agreements for staff houses by June 2017	Not Achieved	27 Lease agreements for Cuba Flats were developed, 11 were signed by the tenants and the municipality. 2 Lease agreements for staff houses were developed	There were delays with the signing of Lease Agreements	Lease Agreements will be signed in 2017/2018 financial year	(1) Copies of 11 signed and 16 unsigned lease agreements for municipal flats (2) Copies of 2 unsigned signed lease agreements for staff houses
	To co-ordinate transfer of 200 pre-1994 houses to rightful beneficiaries by June 2019	Collate required documents by the Conveyancer	15 properties transferred in 2015/2016 Financial year	45 properties transferred to rightful beneficiaries by June 2017	Annually and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate transfer of 45 properties to rightful beneficiaries by June 2017	Not Achieved	45 Applications were sent to the Conveyance for processing of transfer	There were delays with the transfer of the properties to the rightful beneficiaries	Conveyance will be engaged to facilitate transfer of properties in 2017/2018 financial year	Report on transfer of 45 applications for title deeds submitted to the conveyance
KPA: LOCAL ECONOMIC DEVELOPMENT - WEIGHT: 10%														
Municipal Administration (Business Licencing)	To regulate trading within three (3) municipality's CBD by June 2019	Review 2008 trading by-law		Implementation of Reviewed Trading By-Law co-ordinated by June 2017	Annually and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate implementation of the Reviewed Trading By-law by June 2017	Not Achieved	Public Participation meetings were held in Butterworth, Centance and Ngqamakhwe to present to By-Law	There were delays in approval and the implementation of the By-Law	Bylaws will be implemented after being gazetted in 2017/2018 financial year	Agenda, attendance register and report on Public participation processes
KPA: FINANCIAL VIABILITY AND MANAGEMENT - WEIGHT: 10%														

COROPORATE SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Supply Chain Management	To review and implement SCM policy in line with the regulatory framework by June 2019	Co-ordinate development of Directorate procurement plan, monitor implementation and report thereof	Procurement plan developed and implemented in 2015/2016 financial year	Procurement plan developed and implemented by June 2017 and report thereof	Annually and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate development, monitor implementation of Directorate Procurement plan and report thereof by June 2017	Achieved	Procurement plan has been developed and implemented in the year under review	N/A	N/A	Annual report on implementation plan in line with the procurement plan
KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- 15%														
Community participation: Public Participation	To promote co-ordinated participation of members of the public in municipal affairs through community engagement in line with Ward Committee Strategy by June 2019	Establish and monitor community participation structures	Ward Committee structures functioning in 2015/2016 financial year	Ward Committees established and monitored by June 2017	Annually and Quarterly reports	Operating Budget	Equitable Share		Establish ward committees and monitor functioning by June 2017	Achieved	Ward Committees have been established, and their functionality is being monitored	N/A	N/A	(1) Report on Establishment on Ward committee (2)Report on functionality of Ward Committee . (3) Attendance registers for Induction and training of Ward committees

COROPORATE SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Management of Office of the Speaker	To strengthen relations between the municipality and the broader community so as to improve linkages with the citizens and service delivery by June 2019	Coordinate Community Participation platforms and reporting systems	20 speaker's outreach conducted in 2015/2016 financial year	4 Speaker's outreach programmes implemented by June 2017	Quarterly Performance Report and Annual Report	Operating Budget	Equitable Share		Develop and implement 4 Speaker's outreach programmes by June 2017	Achieved	Speakers outreach were conducted to 4 Wards (Initiation Summit, Somagwaza Campaign, Build Up IDP/PMS and Budget Outreach Meetings Centane and Ngqamakhwe)	N/A	N/A	(1) Approved implementation plan (2) Agenda, attendance registers and report on 4 Speaker's outreach programmes
				Implementation of MPAC programmes Co-ordinated by June 2017	Quarterly Performance Report and Annual Report	Operating Budget	Equitable Share		Co-ordinate implementation of MPAC programmes by June 2017	Not Achieved	Two MPAC Programmes were held in the year under review and 2017/2018 Implementation Plan was developed	Implementation Plan for 2016/2017 was not approved by Council	Approval of 2017/2018 Implementation plan will be co-ordinated	(1) Agenda and Attendance Registers for MPAC Programmes (2) 2017/2018 Implementation Plan
Strategic Planning- IDP	To Co-ordinate development and annual review of Integrated Development Plan for 2017/2022 by June 2019	Develop IDP, PMS and Budget Process Plan annually	2012/2017 IDP	2017/2022 Integrated Development Plan developed by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Develop 2017/ 2022 Integrated Development Plan by June 2017	Achieved	IDP 2017/2022 has been developed and approved by the Council	N/A	N/A	Council Resolution on approval of 2017/2022 IDP

COROPORATE SERVICES DIRECTORATE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Target for 2016/2017	Achieved /Not Achieved	Comments	Reasons for Non Achievement	Corrective Action	POE Required
Performance Management (Individual)	To establish and implement PMS procedures through monitoring, review towards an increased accountability and performance improvement by June 2019	Develop and review divisional scorecards and monitor implementation	2015/2016 Divisional Scorecards and Performance Management Framework adopted in 201/2015 financial year	2016/2017 divisional scorecards, Monthly Performance Accountability agreements and Performance Promises developed and implementation monitored by June 2017	Annual and Quarterly reports	262 500	Equitable Share	262 500	Co-ordinate development and monitor Implementation of 2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises by June 2017	Achieved	Divisional Score cards have been developed and monitored, AA and PPs are being monitored on a monthly basis	N/A	N/A	1. Agenda, attendance registers and minutes for Directorate Meetings 2. Schedule for submission of AA's and PP's
Governance System, internal controls and Auditing	To co-ordinate risk assessment and advise on mitigation strategies by June 2019	Monitor Implementation of Strategic and Operational risk registers	2015/2016 Risk registers	Implementation of Strategic and Operational risk registers monitored by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement, monitor Strategic and Operational Risk registers by June 2017	Achieved	Strategic and Operational Risk Registers were implemented and monitored.	N/A	N/A	Annual report on implementation of Strategic and Operational risk registers
Governance System, internal controls and Auditing	Develop, review and implement Audit action plan by June 2019	Monitor Implementation of audit action plan annually	1.2014/2015 Audit Action Plan implemented 2. 2015/2016 Audit Action Plan developed and Implemented	2014/2015 Audit action Plan implemented and 2015/2016 developed and implemented by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement 2014/2015 Audit Action Plan, Develop and Implement 2015/2016 Audit Action Plan by June 2017	Achieved	2014/2015 Audit action plan has been implemented, and 2015/2016 Audit action plan has been developed and implemented	N/A	N/A	Progress Report on 2014/2015 and 2015/2016 Audit Action Plans

BUDGET AND TREASURY OFFICE

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT														
Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
KPA: FINANCIAL VIABILITY AND MANAGEMENT - WEIGHT: 55%														
Revenue Enhancement & Management	To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019	Review and implement tariff structure and budget policy	R19.4m billed in 2015/2016 financial year	R0.65 million increase in revenue base by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Increase revenue base by R0.65 million by June 2017	Not achieved	The supplementary valuation roll will be implemented in the 2017/2018 financial year.	There was a delay during the varication process due to non-availability of property owners.	Implement the supplementary valuation roll in the 2017/2018 financial year.	(1) Billing Reports
		Implement 6 programmes in line with revenue enhancement strategy	Revenue enhancement strategy approved in 2015/2016 financial year	2 revenue enhancement programmes implemented by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Implement 2 revenue enhancement programmes by June 2017	Not achieved	Only one programme for data cleansing has been implemented	Training could not be conducted due to non-availability of data.	Conduct training of debtors staff during the 2017/2018 financial year.	(1) Agenda, attendance register and report on training of staff on Customer Care. (2) Data cleansing report.
		Update valuation roll for rating purposes	Updated valuation roll in 2015/2016 financial year	Updated general valuation roll by June 2017	Annual, Midyear and quarterly reports	150 000	Equitable Share	134 586	Update general valuation by June 2017	Achieved	The supplementary valuation roll has been finalised for implementation during the 2017/2018 financial year.	N/A	N/A	(1) Appointment letter of the service provider (2) List of identified properties (3) Draft valuation roll. (4) Copy of advert for supplementary valuation (5) Certified supplementary valuation roll.

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
	To realize 70% collection on current billings by June 2019	Review and implement Credit Control and Debt Collection Policy and By-laws in line with Legislative Framework	51 % collected in 2015/2016 financial year	60% collected on current billings by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Collect 60% on current billings by June 2017	Not achieved	The municipality did not achieve the target due to ICT infrastructure matters.	Billing and collection could not be done effectively due to ICT challenges that were faced by the municipality during the financial year.	Implement ICT controls to ensure safety of account data.	(1) Collection report/Billing report
			Approved and implemented Tariff policy in 2015/2016 financial year	2016/2017 tariff structure implemented by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Implement 2016/2017 tariffs structure by June 2017	Not achieved	The billing was not done timeously during the financial year.	The billing was not done timeously during the financial year due to ICT challenges.	Implement ICT controls to ensure safety of account data.	(1) Billing reports (2) Report on the implementation of the Tariff structure
			2016/2017 tariff structure and policy	2017/2018 tariff structure reviewed and approved by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Review and co-ordinate approval of 2017/2018 tariff structure by June 2017	Achieved	The tariff structure was reviewed and approved on the 23 May 2017	N/A	N/A	(1) Reviewed tariffs structure for 2017/2018 (2) Council Resolution on approved tariffs structure for 2017/2018
Expenditure Management	To implement internal controls for approval, authorization and withdrawal payment of funds by June 2019	Implement expenditure procedure manual	70% of creditors paid within 30 days in 2015/2016 financial year	70% of creditors paid within 30 days by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Payment of 70% of creditors within 30 days by June 2017	Not achieved	20% of invoices were paid in the year under review.	The municipality experienced cash flow challenges during the financial year.	Implement control to ensure that all expenditure is within the approved budget.	(1) Invoice Register

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
			Section 52d reports approved by Council in 2015/2016 financial year	4 section 52(d) reports approved by Council by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Co-ordinate approval of 4 Section 52(d) reports by Council by June 2017	Achieved	4 section 52(d) reports were approved by council.	N/A	N/A	(1) Section 52d reports (2) Council Resolution on approved reports
			12 Section 71 reports developed, reviewed and submitted to Provincial and National Treasury in 2015/2016 financial year	12 Section 71 reports developed, reviewed and submitted to Provincial and National Treasury by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Develop 12 section 71 reports and submit to Provincial and National Treasury by June 2017	Achieved	12 section 71 reports were developed and submitted to National and Provincial Treasury	N/A	N/A	(1) Proof of submission to PT and NT (2) Quality Certificates (3) Section 71 Reports
			Section 72 Report developed and approved in 2015/2016 financial year	Section 72 Report developed and approved by Council by January 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Co-ordinate approval of Section 72 report by Council by January 2017	Not achieved	The section 72 report was approved on the 28 February 2017	Approval of Section 72 report was delayed	Ensure strict adherence to institutional calendar	(1) Council resolution on approved Section 72 report
Asset Management	To manage the municipality's assets in-line with the prescripts of MFMA and applicable accounting standards by June 2019	Review and implement municipal asset management policy and procedures, Fleet Management Policy and Stores Procedures.	GRAP compliant fixed asset register maintained in 2015/2016 financial year	GRAP compliant fixed asset register maintained by June 2017	Annual, Midyear and quarterly reports	Funded under Operation Clean Audit			Maintain GRAP compliant fixed asset register by June 2017	Achieved	The FAR is updated monthly	N/A	N/A	1. Updated fixed asset register for 2015/2016 (2) Additions and disposals register for 2016/2017 (3) Proof of submission (4). Physical verification report

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
			Fleet management system installed in 2015/2016 financial year	Installation of Fleet management system Co-ordinated by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Co-ordinate installation of Fleet management system by June 2017	Not achieved	Terms of reference for the appointment of Service Provider were developed and the tender was advertised.	There was a delay with the appointment of Service Provider	Implement the fleet management system in the 2017/2018 financial year.	(1) Specification for fleet management system (2) Advert for supply and installation of fleet management system.
			Stores procedure manual developed and implemented in 2015/2016 financial year	Stores procedure manual implemented by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Implement stores procedure manual and report quarterly by June 2017	Not achieved	Only one stock count has been conducted.	The stock counts for the mid-year and third quarter have not been performed due to backlog in the capturing of information.	Implement ICT controls to ensure safety of account data.	(1) Annual Stock take report
Budget; Treasury and Reporting Systems	To develop Medium Term Revenue and Expenditure Framework, monitor implementation and report thereof by June 2019	Develop and monitor implementation of Budget Process Plan	2016/2019 MTREF budget reviewed in 2015/2016 financial year	2017/2020 MTREF budget reviewed and implemented by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Co-ordinate review and implementation of 2017/2020 MTREF budget by June 2017	Achieved	The 1st adjustment budget was approved by council on the 28 February 2017 The 2017/2020 MTREF was approved on the 23 May 2017.	N/A	N/A	(1) Council Resolution on approved 2017/2020 budget (2) Approved 2017/2020 Budget (3) Council Resolution for 1st Adjustment budget, 2nd Adjustment Budget.
		Review Budget related Policies	Budget related policies approved in 2015/2016 financial year	Budget related policies reviewed by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Review budget related policies by June 2017	Achieved	Budget related policies were reviewed and used to prepare the 2017/2020 MTREF	N/A	N/A	(1) Council Resolution on budget related policies

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
		Prepare GRAP Compliant Financial Statements	2014/2015 GRAP compliant financial statements prepared and reviewed in 2015/2016 financial year	GRAP Compliant Financial Statements prepared and reviewed by June 2017	Annual, Midyear and quarterly reports	1 125 000	FMG / Equitable Share	3 085 759	Prepare and review 2015/2016 GRAP compliant Financial Statements by June 2017	Not achieved	The municipality received an unqualified audit opinion however mid year financial statements were not prepared	The FMS was not up to date therefore mid year financial statements could not be prepared.	Implement ICT controls to ensure safety of account data.	(1) Unqualified audit report, (2). Mid-term financial statements for 2016/2017 (3) Progress report on implementation of AFS process plan
		Implement municipal Standard Chart of Accounts (mSCOA) project plan	mSCOA project plan developed in 2015/2016 financial year	mSCOA implemented by June 2017	Annual, Midyear and quarterly reports	225 000	Equitable Share	1 249 768	Implement municipal Standard Chart of Accounts by June 2017	Achieved	The project is monitored through the mSCOA PSC.	N/A	N/A	(1) Report on mSCOA project plan. (2) Agenda, attendance register and Minutes of mSCOA project committee
Supply Chain Management	To review and implement SCM policy in line with the regulatory framework by June 2019	Review SCM policy and procedures	Approved SCM policy and procedures developed in 2014/2015 financial year	Reviewed and implemented SCM policy and procedures by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Review and implement SCM Policy and procedures by June 2017	Achieved	The SCM policy was reviewed and approved on the 28 April 2017. The policy still needs to be reviewed to take into account the new standards for infrastructure procurement and the latest PPPFA regulations.	N/A	N/A	(1) Irregular Expenditure Report (2) Deviations register (3) Reviewed SCM Policy (4) Council Resolution on approval of reviewed SCM Policy

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
		Co-ordinate development of municipal procurement plan, monitor implementation and report thereof	Procurement plan developed and implemented in 2015/2016 financial year	Procurement plan developed and implemented by June 2017 and report thereof	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Co-ordinate development, monitor implementation of Procurement plan and report thereof by June 2017	Achieved	The procurement plan is monitored through monthly reports.	N/A	N/A	1. Progress report on implementation of procurement plan for 2016/2017 (2) 2017/2018 procurement plan
			Updated and reviewed contracts and commitments register in 2015/2016 financial year	Updated and reviewed contracts and commitments register by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Update, review contracts & commitments register and report thereof by June 2017	Achieved	The contracts and commitments registers are updated monthly.	N/A	N/A	Updated and reviewed contracts and commitments register
KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT - WEIGHT: 10%														
Revenue Enhancement & Management	To subsidize indigent households in line with the indigent policy by June 2019	Update indigent register	Indigent register updated in 2015/2016 financial year	Updated indigent register by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Update indigent register by June 2017	Achieved	Indigent Register was updated in the period under review. To date additions on FBS are 702 and alternative energy 5, rates 41 beneficiaries included	N/A	N/A	Updated indigent register.

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
		Register and subsidize indigent beneficiaries	Indigent beneficiaries subsidized in 2015/2016 financial year	18600 Indigent beneficiaries subsidized with alternative energy and 6000 subsidised with free basic electricity by June 2017	Annual, Midyear and quarterly reports	Operating Budget	Equitable Share		Subsidize 18 600 beneficiaries with alternative energy and subsidize 6000 beneficiaries with free basic electricity by June 2017	Achieved	18 600 Beneficiaries were supplied with alternative energy and 6000 beneficiaries were provided with free basic electricity by June 2017	N/A	N/A	(1) Report on nongrid indigent report (2) Eskom indigent report.
KPA: LOCAL ECONOMIC DEVELOPMENT - WEIGHT: 10%														
SMMEs	To provide support to 30 SMMEs and Co-operatives by June 2019	Registration of SMMEs	10 co-operatives supported in 2015/2016 financial year	10 SMME's/co-operatives supported by June 2016	Annually and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate support to 10 SMMEs/Co-operatives by June 2017	Not achieved	3 SMME's/Co-operatives were supported through procurement of inputs and 189 SMME's attended Supplier awareness workshop held in the period under review.	Only 3 SMME – Co-operatives were supported through procurement of inputs instead of 10.	Support to SMMEs will be intensified in 2017/2018 Financial year	(1) Orders and invoices for support provided to SMMEs (2) Agenda, attendance register and report on SCM awareness conducted
KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT - WEIGHT: 10%														
Municipal Administration (Council Support)	To provide administrative support to council and its committees by June 2019	Development of Institutional Calendar on annual basis and ensure its implementation.	2015/2016, Institutional calendar implemented and 2016/2017 Institutional Calendar developed	2016/2017, Institutional calendar Implemented and 2017/2018 Institutional Calendar developed by June 2017.	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement 2016/2017 institutional calendar and develop 2017/2018 institutional calendar by June 2017	Achieved	Reports are done monthly and deviations are reported.	N/A	N/A	1) Report on sitting of Budget and Treasury Office Council Committees

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
		Development and monitoring of Resolution Register	2015/2016 Resolution Register implemented	Resolution register developed, distributed and report thereof by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement and report on Budget and Treasury Office council resolutions by June 2017	Achieved	Council Resolutions for BTO were implemented in the financial Year	N/A	N/A	Annual Report on implementation of Resolutions
KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION - WEIGHT: 15%														
Strategic Planning- IDP	To Co-ordinate development and annual review of Integrated Development Plan for 2017/2022 by June 2019	Develop IDP, PMS and Budget Process Plan annually	2012/2017 IDP	2017/2022 Integrated Development Plan developed by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Develop 2017/2022 Integrated Development Plan by June 2017	Achieved	The 2017-2022 IDP was approved on the 23 May 2017	N/A	N/A	Council Resolution on approval of 2017/2022 IDP
Performance Management (Individual)	To establish and implement PMS procedures through monitoring, review towards an increased accountability and performance improvement by June 2019	Develop and review divisional scorecards and monitor implementation	2015/2016 Divisional Scorecards and Performance Management Framework adopted in 201/2015 financial year	2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises developed and implementation monitored by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate development and monitor Implementation of 2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises by June 2017	Not achieved	08 meetings sat during the financial year to review performance	The Directorate could not sit other monthly meetings due to other institutional commitments	Ensure strict adherence to institutional calendar	2016/2017 Quarterly Performance Reports
Governance System, internal controls and Auditing	To co-ordinate risk assessment and advise on mitigation strategies by June 2019	Monitor Implementation of Strategic and Operational risk registers	2015/2016 Risk registers	Implementation of Strategic and Operational risk registers monitored by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement, monitor Strategic and Operational Risk registers by June 2017	Achieved	The registers are updated monthly with progress on implementation of mitigating strategies.	N/A	N/A	Annual report on implementation of Strategic and Operational risk registers

BUDGET AND TREASURY OFFICE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget Amount	Funding Source	Annual Expenditure	Annual Targets for 2016/2017	Achieved /Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
Governance System, internal controls and Auditing	Develop, review and implement Audit action plan by June 2019	Monitor Implementation of audit action plan annually	1.2014/2015 Audit Action Plan implemented 2. 2015/2016 Audit Action Plan developed and Implemented	2014/2015 Audit action Plan implemented and 2015/2016 developed and implemented by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Implement 2014/2015 Audit Action Plan, Develop and Implement 2015/2016 Audit Action Plan by June 2017	Achieved	The AAP is monitored monthly to ensure that all matters reported in the audit report are addressed.	N/A	N/A	Progress Report on 2014/2015 and 2015/2016 Audit Action Plans

COMPLIANCE AND GOVERNANCE

COMPLIANCE AND GOVERNANCE 2016/2017 ANNUAL PERFORMANCE REPORT														
Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding source	Annual Expenditure	Annual Targets for 2016/2017	Achieved/ Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- WEIGHT: 60 %														
Governance System, internal controls and Auditing	To advise and provide objective assurance on internal control systems by June 2019	Review Audit Committee Charter and Internal Audit Charter by June 2017	2015/2016 Three year strategic plan and annual audit plan	Audit Committee Charter, Internal Audit Charter, Internal Audit Plan and Methodology developed by June 2017	Annual, Mid-year and quarterly reports	787 500	Equitable Share	382 131	Implement Internal Audit Plan by June 2017	Not Achieved	Internal Audit Plan was developed by a Service Provider	The Internal Audit Function was outsourced to the Service Provider, however the contract was terminated because of power performance and the Unit had only one (1) official in 2016/2017FY. There had been no Internal Audit Plan developed	Processes for filling of vacant positions for the Internal Audit Unit have commenced and will be finalised in 2017/2018 FY	1) Termination letter of the Service provider
				4 Audit committee meetings convened by June 2017					Convene 4 audit committee meetings by June 2017	Not Achieved	Two (2) audit committee meetings convened in August 2016 and other one for the review of the annual financial statements	There had not been reports from the Internal Auditors to be presented to the Audit Committee as the unit had not been functional	Fill in the vacant positions in the unit and develop the Internal Audit Plan in 2017/2018 Financial year	(1) Agenda, Attendance register and draft minutes of the special audit committee meetings held
	Develop, review and implement Audit action plan by June 2019	Monitor Implementation of audit action plan annually	2014/2015 Audit Action Plan	2014/2015 Audit action Plan implemented and 2015/2016 audit action plan developed and implemented by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		1. Implement 2014/2015 Audit Action Plan 2. Develop and Implement 2015/2016 Audit Action Plan by June 2017	Not Achieved	The issues raised in the audit report were addressed by all Directorates concerned	The matters on the functionality of the Audit Committee could not be addressed as there still no report to be tabled to the audit committee	All matters in the audit action plan will be addressed in 2017/2018 financial year	(1) Progress Report on 2014/2015 and 2015/2016 Audit Action Plans (2) Agenda, attendance register and minutes for Audit Steering committee meetings

COMPLIANCE AND GOVERNANCE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding source	Annual Expenditure	Annual Targets for 2016/2017	Achieved/ Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
Risk Management	To co-ordinate risk assessment and advise on mitigation strategies by June 2019	Review Risk Management Strategy	(1) Risk Management Strategy and Policy adopted in 2015/2016 financial year (2) 2015/2016 Strategic and Operational Risk Registers	2016/2017 Strategic and Operational Risk Registers developed and reports on review, monitoring and evaluation of risk registers developed by June 2017	Annual, Midyear and quarterly reports	52 500	Equitable Share	0	Co-ordinate development, implementation and monitor Strategic and Operational Risk registers by June 2017	Achieved	The Strategic and Operational Risk Registers developed and noted by the Audit Committee. The risk registers were monitored. Risk Assessment was conducted to evaluate effectiveness of the proposed controls and thus led to development 17/18 Risk Registers.	N/A	N/A	(1) 2016/2017 Strategic and Operational Risk Registers (2) Risk assessment report (3) Annual Report on implementation of risk registers
Media Liaison	To manage public relations between the municipality and stakeholders through the implementation of Media Policy by June 2019	(1) Review and implement Media Policy	MOUs with 3 print media institutions	Mainstream Social Media policy reviewed and approved by June 2017 6 press releases and 2 news articles publicised by June 2017	Annual, Midyear and quarterly reports	262 500	Equitable Share	14 291	Market the corporate brand of the municipality by June 2017	Not Achieved	Mainstream and Social Media Policy successfully reviewed and approved by Council in March 2017. 8 Press Releases and 4 articles published. Social Network updates achieved. Terms of reference for the appointment of service provider for Regional Electronic Media have already been developed	MOU with Regional electronic media could not be achieved due to budget constraints.	Target has been moved to 2017/18 SDBIP.	(1) Mainstream and Social Media Policy (2) Council Resolution on approval of the Mainstream and Social Media policy (3) 8 Press releases and 4 news articles (4) Annual report on the updates of Social Networks (5) Terms of reference for appointment of service provider for Regional Electronic Media

COMPLIANCE AND GOVERNANCE 2016/2017 ANNUAL PERFORMANCE REPORT														
Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding source	Annual Expenditure	Annual Targets for 2016/2017	Achieved/ Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
Strategic Planning- IDP	To Co-ordinate development and annual review of Integrated Development Plan for 2017/2022 by June 2019	Co-ordinate implementation of the IDP, PMS and Budget Process Plan so as to adhere to the timelines	2012/2017 IDP	2017/2022 Integrated Development Plan developed by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Develop 2017/2022 Integrated Development Plan by June 2017	Achieved	The office has contributed towards the development of 2017/2022 IDP	N/A	N/A	Council Resolution on approval of 2017/2022 IDP
Performance Management (Individual)	To collate, consolidate and analyse performance information (monthly and quarterly) in line with the Performance Management Framework by June 2019	Develop and review divisional scorecards and monitor implementation	2015/2016 Divisional Scorecards and Performance Management Framework adopted 2015/2016 financial year	2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises developed and implementation monitored by June 2017	Annual and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate development and monitor Implementation of 2016/2017 divisional scorecards ,Monthly Performance Accountability agreements and Performance Promises by June 2017	Not Achieved	Divisional scorecards for the Financial year were developed, accountability agreements and performance promises were developed and submitted.	Monthly meetings could not sit as scheduled.	Performance of the employees of the office will be monitored through sitting of monthly meetings in line with the institutional calendar	1) Divisional Scorecards 2) Schedule for submission of AAs and PPs 3) Agenda, attendance register and minutes for meetings held in the FY
KPA: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT- WEIGHT: 20 %														
Legal Services	To provide Legal advice to the Municipality and monitor compliance on legal matters by June 2019	(1)Develop Legal Compliance register (2) Update and monitor case register	Litigation register for 2015/2016	(1) Compliance Register developed by June 2017 (2) Updated and maintained case register by June 2017	Annually and Quarterly reports	Operating Budget	Equitable Share		Advise on compliance and litigations for and against the municipality in order to reduce legal risks by June 2017	Achieved	Compliance and Litigation registers were updated and monitored	N/A	N/A	(1) Compliance Register and report on the implementation (2) Updated Litigation Register
Council Resolutions	To provide administrative support to council and its committees by June 2019	Develop and monitor Resolution Register	Council Resolution register developed, distributed and report thereof by June 2017	2015/2016 Resolution Register implemented	Annually and Quarterly reports	Operating Budget	Equitable Share		Co-ordinate development and distribution of Council resolution register and report on implementation of Council resolutions by June 2017	Achieved	The office has worked with Corporate services directorate to ensure implementation of Council resolutions	N/A	N/A	Annual Report on implementation of Resolution Register

COMPLIANCE AND GOVERNANCE 2016/2017 ANNUAL PERFORMANCE REPORT

Priority Area	IDP Objective	IDP Strategy	Baseline	Indicator	Measurement source	Budget	Funding source	Annual Expenditure	Annual Targets for 2016/2017	Achieved/ Not Achieved	Comments	Reason for Non Achievement	Corrective Action	POE Required
KPA: LOCAL ECONOMIC DEVELOPMENT- WEIGHT: 20 %														
Programmes Management Office	To mobilize financial and non-financial resources towards implementation of High Impact projects in the Master Plan and IDP by June 2019	Develop a comprehensive Business Plan for programmes and projects	Packaged information for 6 High Impact Projects in 2015/2016 Financial Year	Funding for 2 high impact projects solicited by June 2017	Annually and Quarterly reports	525 000	Equitable Share		Solicit funding for 2 High impact projects by June 2017	Not Achieved	1.Numerous meetings from July 2016-March 2017 were held with prospective funders/partners towards soliciting funding for the high impact projects.	1. Commitment to implement MOUs and other agreements is still outstanding 2. Contract for consultants that was appointed to develop business plans was given a notice to terminate due to non-performance	The targets have been moved to the next financial year	(1) Agenda, attendance registers and minutes of the meetings held (2) Draft MOU
		Solicit funding from potential investors to implement the High Impact projects												
		Revive agriculture foras	Business Plan and Council resolution on approval of the Agripark	Agri-park facilitated by June 2017	Annually and Quarterly reports				Facilitate the establishment of Agripark by June 2017	Achieved	The municipality is a member of the District Agri-Park Operations Task Team (DAPOTT) which is a steering committee for monitoring implementation of the project. The Old BKB building in Mquma has been identified as the site for the Agri-park Action Plan for the Agri-park has been developed and implementation has been monitored	N/A	N/A	(1) Action Plan for the Agripark (3) Progress report on implementation of the action plan (3) Agenda, attendance registers and minutes of DAPOTT meetings

COMPARISON OF PERFORMANCE BETWEEN 2016/2017 AND 2015/2016

2016/2017 PERFORMANCE PER DIRECTORATE					2015/2016 PERFORMANCE PER DIRECTORATE				
Directorate	No. of targets set for the financial year	No. of targets achieved	No. of targets not achieved	Achieved in terms of %	Directorate	Nr of Targets set for the financial Year	Nr of Targets Achieved	Nr of Targets Not Achieved	Achieved in terms of %
Infrastructure Planning and Development	24	18	6	75%	Infrastructure planning & Development	23	18	5	78%
Community Services	17	16	1	94%	Community Services	25	22	3	88%
Local Economic Development	14	10	4	71%	Local Economic Development	14	12	2	86%
Strategic Management	21	14	7	67%	Strategic Management	22	19	3	86%
Compliance and Governance	11	5	6	45%	Office of the Municipal Manager	12	8	4	67%
Budget and Treasury Office	29	18	11	62%	Budget Treasury Office	22	20	2	90%
Corporate Services	33	22	9	67%	Corporate Services	36	31	5	86%
TOTALS	149	104	45	70%	Total	154	130	24	84%

INTRODUCTION

ORGANISATIONAL DEVELOPMENT

Organisational Design, Recruitment and Selection

In the year under review the Organisational Structure was developed and approved as follows:

- Total number of positions = 780
- Total number filled = 529
- Total number vacant = 251
- Total number budgeted and filled in year under review = 52

Labour Relations Function

In 2016/2017 financial year 3 Local Labour Forum meetings were held. The following issues were discussed between the employer and the employee during the year under review:

- Implementation of Job-evaluation results
- Payment of 13th cheque on the birth month of an employee
- Total number of Disciplinary cases was = 6
 - ✓ Number of cases resolved = 3
 - ✓ Number of cases unresolved = 3

Training and Development

In the year under review the municipality approved and implemented the Training Plan as follows:

- Total Number of councillors trained= 12
- Total Number of Senior Managers= 0
- Total Number of Managers= 7
- Total Number of Clerks= 37
- Total Number of Foreman and Artisans= 0
- Total Number of General Workers=0

Occupational Health and Safety

In the year under review the municipality established the Health and Safety Committee; and appointed the Health and Safety Representatives.

Protective Clothing is distributed as and when the need arises.

In the year under review a total number of 4 employees were assisted to claim injury on duty in terms of the Workman's compensation.

Employee Wellness

In the year under review two financial management workshops were held to capacitate employees on how to handle finances.

Employment Equity

The municipality reviewed Employment Equity Plan in 2015/2016 financial year.

Four EEP programmes were implemented in the financial year under review

- Sitting of EEP Committee
- Induction of new staff members
- EEA2, EEA4 report submission
- Employment Analysis

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

EMPLOYEE TOTALS

Description	Year 2016/2017			
	Approved Posts	Filled Positions	Vacancies	Budgeted and Filled current year
	No.	No.		
Municipal Manager's Office	26	17	09	00
Corporate Services Directorate	124	113	11	26
Budget and Treasury Office	59	44	15	03
Community Services Directorate	422	255	167	10
Infrastructural Planning & Development Directorate	110	68	42	04
Strategic Management Directorate	23	18	05	07
Local Economic Development	16	14	02	02
Totals	780	529	251	52

Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
Municipal Manager's Office	26	0,26	1
Corporate Services Directorate	124	4,41	7
Budget and Treasury Office	59	2,1	3
Community Services Directorate	422	8,38	14
Infrastructural Planning & Development Directorate	110	1,21	3
Strategic Management Directorate	23	0	0
Local Economic Development	16	0,43	1
Totals	780	16,79	29

Vacancy Rate: Year 2016/2017			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0,26	1
CFO	1	0	0.00
Other S56 Managers (excluding Finance Posts)	5	0	0.00
Other S56 Managers (Finance posts)	0	0	0
Police officers	149	3,37	6
Fire fighters	N/A	N/A	N/A
Senior management: Levels 13-15 (excluding Finance Posts)	30	0	0
Senior management: Levels 13-15 (Finance posts)	6	0	0
Highly skilled supervision: levels 9-12 (excluding Finance posts)	144	0,17	1
Highly skilled supervision: levels 9-12 (Finance posts)	11	0,26	1
Total	347	4,06	8

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
Year -16/17	536	38	0.07 %
Year -15/16	390	29	0.07%

COMMENT ON VACANCIES AND TURNOVER: The Municipality implemented Staff retention and attraction policy in the year under review.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Mnquma Local Municipality has reviewed Employment Equity Plan; to ensure fair, efficient, effective and transparent personnel administration in accordance with the Employment Equity Act and other relevant legal prescripts.

4.2 POLICIES

HR Policies and Plans					
	Name of Policy	Completed %	Reviewed %	Date of the first adoption by council or comment on failure to adopt	Date of review by Council
1	Affirmative Action	100	0%	28 February 2014	Not yet reviewed
2	Attraction and Retention	100	100%	18 November 2009	October 2014
3	Code of Conduct for employees	100	100%	18 November 2009	October 2014
5	Disciplinary Code and Procedures	100	100%	None - using SALGBC Collective	July 2013
7	Employee Assistance / Wellness	100	100%	18 November 2009	October 2014
8	Employment Equity	100	0%	31 March 2014	Not yet reviewed
9	Exit Management	100	100%	13 March 2009	October 2014
10	Grievance Procedures	100	0%	None – using SALGBC Collective Agreement	Collective Agreement
11	HIV/Aids	100	100%	23 March 2009	October 2014
12	Human Resource and Development	100	100%	23 March 2009	October 2014
15	Leave	100	100%	23 March 2009	October 2014
16	Occupational Health and Safety Strategy	100	100%	23 March 2009	January 2015
20	Official Working Hours and Overtime	100	100%	23 March 2009	October 2014
21	Organisational Rights	100	100%	SALBGC Collective Agreement	June 2012

HR Policies and Plans					
	Name of Policy	Completed %	Reviewed %	Date of the first adoption by council or comment on failure to adopt	Date of review by Council
22	Payroll Deductions	100	100%	13 March 2009	October 2014
23	Performance Management and Development	100	100%	30 June 2008	October 2014
24	Recruitment, Selection and Appointments	100	100%	12 September 2007	October 2014
25	Remuneration Scales and Allowances	100	100%	18 November 2009	October 2014
27	Sexual Harassment	100	100%	July 2013	October 2014
28	Skills Development	100	100%	23 March 2009	October 2014
29	Smoking	100	100%	July 2013	October 2014
31	Organisational Design	100	100%	29 March 2009	October 2014

2016/2017 Sick Leave and related costs					
Salary band	Total sick leave Days	Employees using sick leave No.	Total employees in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
Lower skilled (Levels 1-2)					
Skilled (Levels 3-5)	15107	124	212	29.39	3 202 684.00
Highly skilled production (levels 6-8)	9512	75	132	18.51	176 027.52
Highly skilled supervision (levels 9-12)	8302	87	118	16.15	134 091.84
Senior management (Levels 13-15)	3228	30	46	6.28	20 272.34
MM and S56	463	3	6	0.90	417.06

2016/2017 Sick Leave and related costs					
Salary band	Total sick leave Days	Employees using sick leave No.	Total employees in post* No.	*Average sick leave per Employees Days	Estimated cost R' 000
Total	36612	319	514	71.23	3 533 492.76

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Basic medical attention	144 days	4 employees		48	R46000.00
Temporal Total Disablement	N/A	N/A	N/A	N/A	N/A
Permanent Disablement	1	N/A	N/A	N/A	N/A
Fatal Incident	N/A	N/A	N/A	N/A	N/A
Total	144	4	N/A	48	R46000.00

4.3 SUSPENSIONS

Number and Period of Suspension						
Name	Position/Rank	Nature of Alleged Misconduct	Date of Suspension	Date of Disciplinary Hearing	Date finalized	Out Come of Case
Ms Sbhidla	Registry officer	Gross Insubordination	25/05/2016	18/07/2016	N/A	Employee Resigned
DISPUTES LODGED TO SOUTH AFRICAN BARGAINING COUNCIL FOR YEAR 2016/2017						
Name	Rank & Level	Nature of Dispute	Date of the Conciliation	Date of the arbitration hearing	Dispute resolved	Arbitration award
Ms Mpeta	Manager Internal Audit	Unfair Dismissal	18/02/2016	25-26/08/2016	Unresolved	N/A
Ms Qezu	HR Manager	Unfair Dismissal	13/01/2016	13/01/2016	Resolved	Re-instated
Mr Tutu	Manager Engineering	Unfair Labour Practice	31/01/2017	To be held in 2017/2018 financial year	Unresolved	N/A
Mr Faku	Facility Officer	Unfair Dismissal	24/08/2016	31/01/2017	Resolved	Re-instated
Mr Waxa	Acting Programmer Manager	Unfair Labour Practice	03/07/2015	18/02/2016	Resolved on 04/05/2017	Application was dismissed

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand Value of any loss to the Municipality	Disciplinary action taken	Date Finalised
None in the financial year under review			

4.4 PERFORMANCE REWARDS

Performance Rewards				
Designations	Beneficiary profile			
	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 2016/2017 R' 000	Proportion of beneficiaries within group %
S54A and S56	7	6	762 885	86
Total	7	6	762 885	86
<i>Has the statutory municipal calculator been used as part of the evaluation process?</i>				Yes

COMMENT ON PERFORMANCE REWARDS:

Payment of performance rewards for Section 54A and Section 56 Managers was in line with the signed Performance agreements and 2006 performance regulations for the Municipal Manager and Managers directly accountable to the Municipal Manager.

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2017	Number of skilled employees required and actual as at 30 June 2017											
			Learner ships			Skills programmes & other short courses			Other forms of training			Total		
			Actual: End of Year 2015/16	Actual: End of 2016/17	Year 2017/18 Target	Actual: End of Year 2015/16	Actual: End of 2016/17	Year 2017/18 Target	Actual: End of Year 2014/15	Actual: End of 2015/16	Year 2015/16 Target	Actual: End of Year 2015/16	Actual: End of 2016/17	Year 2017/18 Target
MM and s56	Female	2	1	0	0	2	0	0	0	0	0	3	0	0
	Male	5	3	0	0	5	0	0				8		
Councillors, senior officials and managers	Female	50	8	5	0	0	6	50	0	0	0	20	11	50
	Male	55	17	6	0	0	2	55	0	0	0	33	8	55
Technicians and associate professionals*	Female	3	0	0	0	2	0	0	0	0	0	0	0	0
	Male	3	0	0	0	4	1	0	0	0	0	0	1	0
Professionals	Female	101	0	0	0	16	31	20	0	0	0	5	31	20
	Male	54	0	0	0	1	4	10	0	0	0	7	4	10
Sub total	Female	156	0	0	0	0	37	70	0	0	0	0	42	70
	Male	117	0	0	0	0	6	65	0	0	0	0	12	65
Total		273	40	11	0	36	43	135	0			76	54	135
*Registered with professional Associate Body e.g. CA (SA)														T

Skills Development Expenditure										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 2016/2017							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM and S57	Female	2		0	0	0	0	0	0	0
	Male	5		0	0	0	0	0	0	0
Legislators, senior officials and managers	Female	50	270,000.00	128,571.50	0	0	0	0	270,000.00	128,571.50
	Male	55	270,000.00	141,428.65	0	0	0	0	270,000.00	141,428.65
Professionals	Female	101	0	0	180,000.00	117,290.29	0	0	180,000.00	177,290.29
	Male	54	0	0	180,000.00	62,709.66	0	0	180,000.00	62,709.66
Technicians and associate professionals	Female	3	0	0	0	0	0	0	0	0
	Male	3	0	0	8,000.00	7,999.98	0	0	8,000.00	7,999.98
Clerks	Female	64	0		0	0	0	0	0	0
	Male	29	0	0	0	0	0	0	0	0
Service and sales workers	Female	16	0	0	0	0	0	0	0	0
	Male	58	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0		0	0	0	0	0
	Male	34	0	0	0	0	0	0	0	0
Elementary occupations	Female	67	0	0	0	0	0	0	0	0
	Male	112	0	0	0	0	0	0	0	0
Sub total	Female	214	270,000.00	128,571.50	180,000.00	117,290.29	0	0	450,000.00	305,861.79
	Male	324	270,000.00	141,428.65	188,000.00	70,709.64	0	0	458,000.00	212,138.29
Total		538	540,000.00	270,000.00	368,000.00	189,999.93	0	0	908,000.00	518,000.08

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

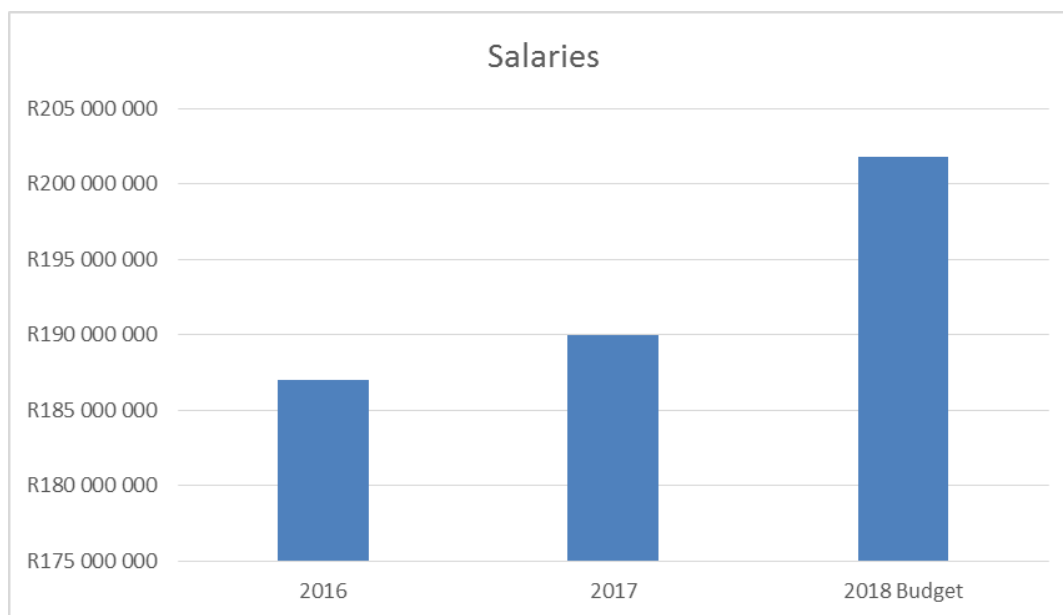
The municipality has spent over R518 000.08 million on skills development.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

In the year under review, Mquma Local Municipality has seen the salaries increase by 2% as compared to the 2016 salaries. The municipality's budgeted expenditure is 6% above the 2017 salaries mainly attributable to the increase in salaries as per the collective agreement. The municipality has also made use of EPWP funding in order to beef up personnel on those special projects rather than creating new positions and increase the expenditure in the budget.

4.6 EMPLOYEE EXPENDITURE



Growth on salaries and wages is based on salary and wage collective agreement and projected CPI, Personnel expenditure increase for Section 56 Manager's the CPI extracted in Circular 74, Personnel expenditure increase for Councillors is based on 6% increases for 2016/2017 as per gazette no 38608 and general expenses based on the circular released by National Treasury.

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Job evaluation results for 2015/2016 and 2016/2017 financial year were not implemented.				

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

Note: Statements of Revenue Collection Performance by vote and by source are included at Appendix K.

This component provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

Revenue Collection Performance by Vote						
R' 000						
Vote Description	Year -1	Current: Year 0			Year 0 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
BUDGET & TREASURY OFFICE	212 498	234 250	263 502	236 946	101%	90%
CORPORATE SERVICES	69	2 163	5 417	5 087	235%	94%
COMMUNITY SERVICES	8 620	16 953	18 354	7 731	46%	42%
INFRASTRUCTURAL PLANNING AND DEVELOPMENT	3 520	105 005	94 627	92 219	88%	97%
Total Revenue by Vote	224 707	358 371	381 900	341 983	107%	90%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description	2015/16	Budget Year 2016/17				
	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	YTD variance	YTD variance
R thousands						%
Revenue By Source						
Property rates	19 472	19 472	19 472	19 778	(306)	102%
Service charges - refuse revenue	4 100	4 100	4 100	4 066	33	99%
Rental of facilities and equipment	2 317	2 700	2 700	2 309	391	86%
Interest earned - external investments	4 500	4 500	4 500	4 187	313	93%
Interest earned - outstanding debtors	4 525	4 525	4 525	7 927	(3 402)	175%
Fines	2 201	2 322	2 322	1 293	1 029	56%
Licences and permits	1 000	3 836	3 836	4 047	(211)	105%
Agency services	4 283	920	920	697	223	76%
Transfers recognised - operational	229 071	217 033	221 897	221 897	-	100%
Other revenue	972	5 144	5 144	405	4 739	8%
Gains on disposal of PPE	590	590	590	238	352	40%
Total Revenue (excluding capital transfers and contributions)	273 030	265 143	270 006	266 843	3 163	99%
Expenditure By Type						
Employee related costs	154 386	165 411	161 270	166 555	(5 285)	103%

Description	2015/16	Budget Year 2016/17				
	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	YTD variance	YTD variance %
R thousands						
Remuneration of councillors	27 021	24 421	22 275	22 359	(84)	100%
Debt impairment	3 000	21 980	21 980	21 980	-	100%
Depreciation & asset impairment	47 099	106 784	106 784	106 784	(0)	100%
Finance charges	2 024	1 200	1 305	1 696	(391)	130%
Bulk purchases	7 000	7 000	7 000	11 605	(4 605)	166%
Other materials	6 698	7 757	6 493	4 497	1 996	69%
Contracted services	7 349	7 285	16 445	25 106	(8 661)	153%
Other expenditure	68 551	52 067	55 216	31 432	23 784	57%
Total Expenditure	323 128	393 904	398 767	392 013	6 754	98%
Surplus/(Deficit)	(50 099)	(128 761)	(128 760)	(125 170)	(3 590)	
Transfers recognised - capital	105 068	72 225	68 461	66 000	2 461	96%
Surplus/(Deficit) after capital transfers & contributions	54 969	(56 537)	(60 299)	(59 170)		

5.2 GRANTS

Grant Performance						
R' 000						
Description	Year -1	Year 0			Year 0 Variance	
	Actual R'000	Budget R'000	Adjustments Budget R'000	Actual R'000	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	247 317	229 531	229 531	229 531		
Equitable share	228 787	221 906	221 906	221 906	0%	0%
Municipal Systems Improvement	930					
Finance Management Grant	1 600	1 625	1 625	1 625	0%	0%
EPWP	1 000	1 000	1 000	1 000	0%	0%
INEP	15 000	5 000	5 000	5 000	0%	0%
Provincial Government:	-	-	-	-		
Health subsidy						
Housing						
Ambulance subsidy						
Sports and Recreation						
Other transfers/grants [insert description]						
District Municipality:	-	-	-	-		
[insert description]						
Other grant providers:	-	-	-	-		
[insert description]						
Total Operating Transfers and Grants	247 317	229 531	229 531	229 531		

Variations 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.

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT, FLEET AND LOGISTICS MANAGEMENT

During the year under review, Asset Management involved the following broad principles:

- **Planning and budgeting**

Planning, budgeting, and reporting of assets are integrated with broader planning processes, within Directorates i.e. included in the IDP of the municipality.

- **Monitoring and reporting**

The municipal management should oversee the utilization, safeguarding and maintenance of assets and the appropriate reporting for regulatory and decision purposes.

- **Systems of delegation and accountability**

Ownership and control of all assets are to be fully defined. Accountability and reporting requirements for both ownership and control are to be determined and clearly communicated.

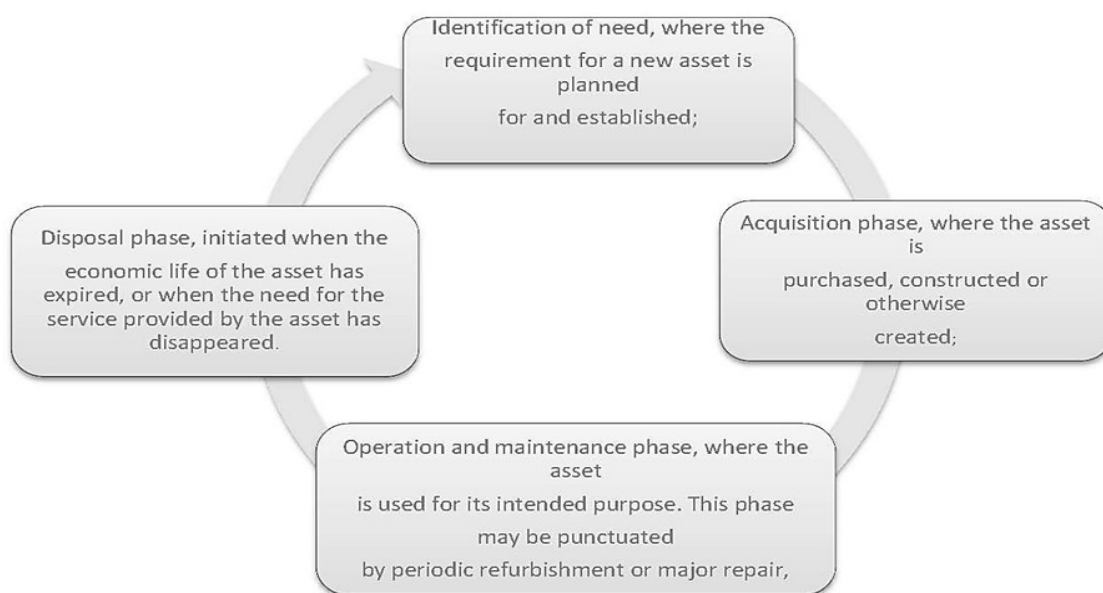
- **Safeguarding and maintaining of municipal assets**

Clear segregation of functions in asset custody. Physical security of assets should be enforced throughout the entity. This division is responsible for the development and the implementation of the:

- **Roles and Responsibilities**

Although authority has been delegated, the responsibility to ensure adequate physical control over each asset remains with the head of Directorate.

The phases through which an asset passes during its life are:



Key issues under development

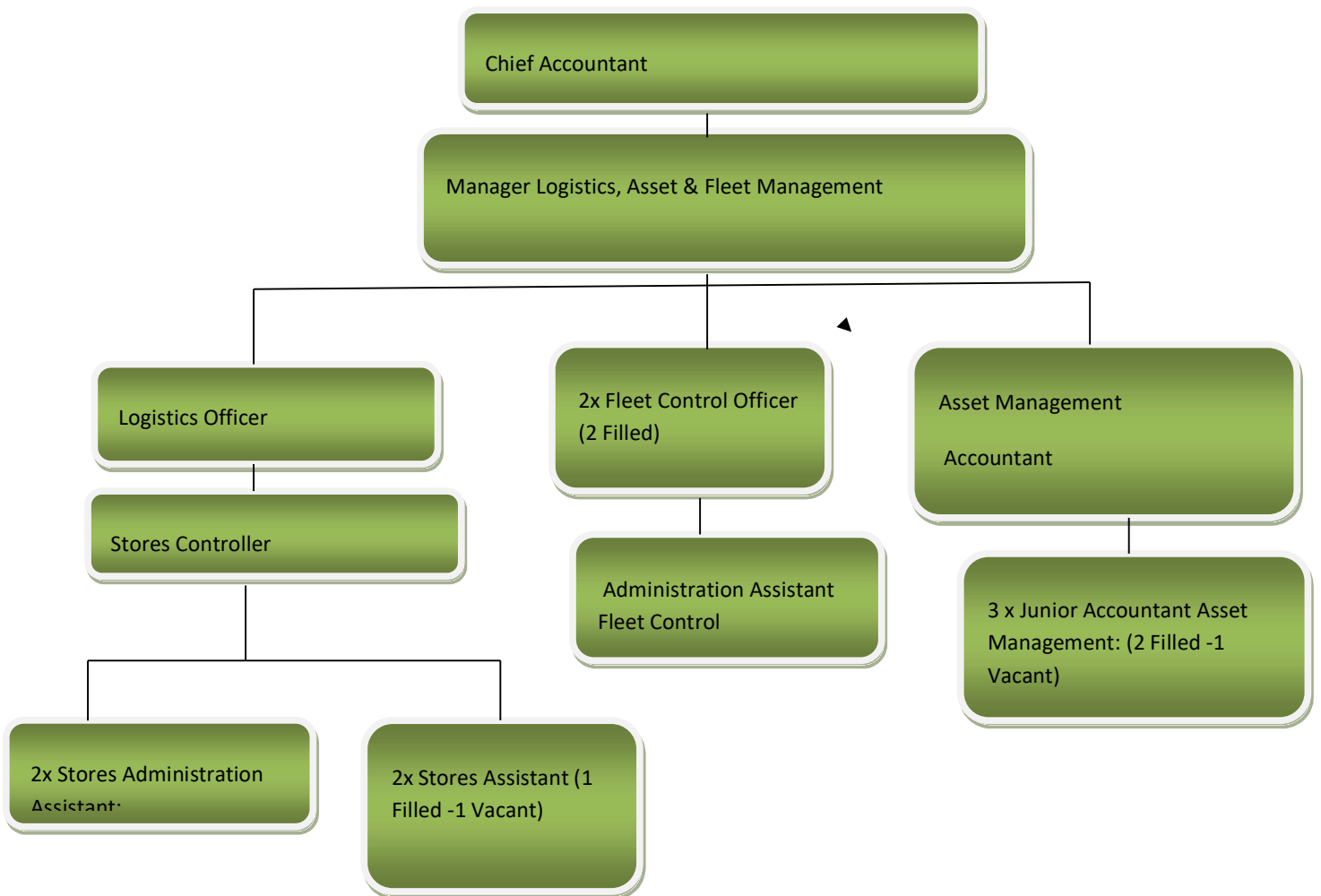
During each Financial Year, asset verification is done as prescribed by GRAP standards and parts of the annual financial statements. Asset verification is done to ensure existence and completeness of the Asset Register. During verification condition assessment is done to ensure that all assets are in good condition if not, are recommended for disposal.

Installation of Fleet Management System was planned for 2016/2017 financial year; however, the target was not achieved as planned and it is rolled over to 2017/2018.

The key development issues involve and include the capacitation of the officials in the division so that they are fully apprised of all GRAP updates and new GRAP standards.

ASSET, FLEET AND LOGISTICS MANAGEMENT STRUCTURE

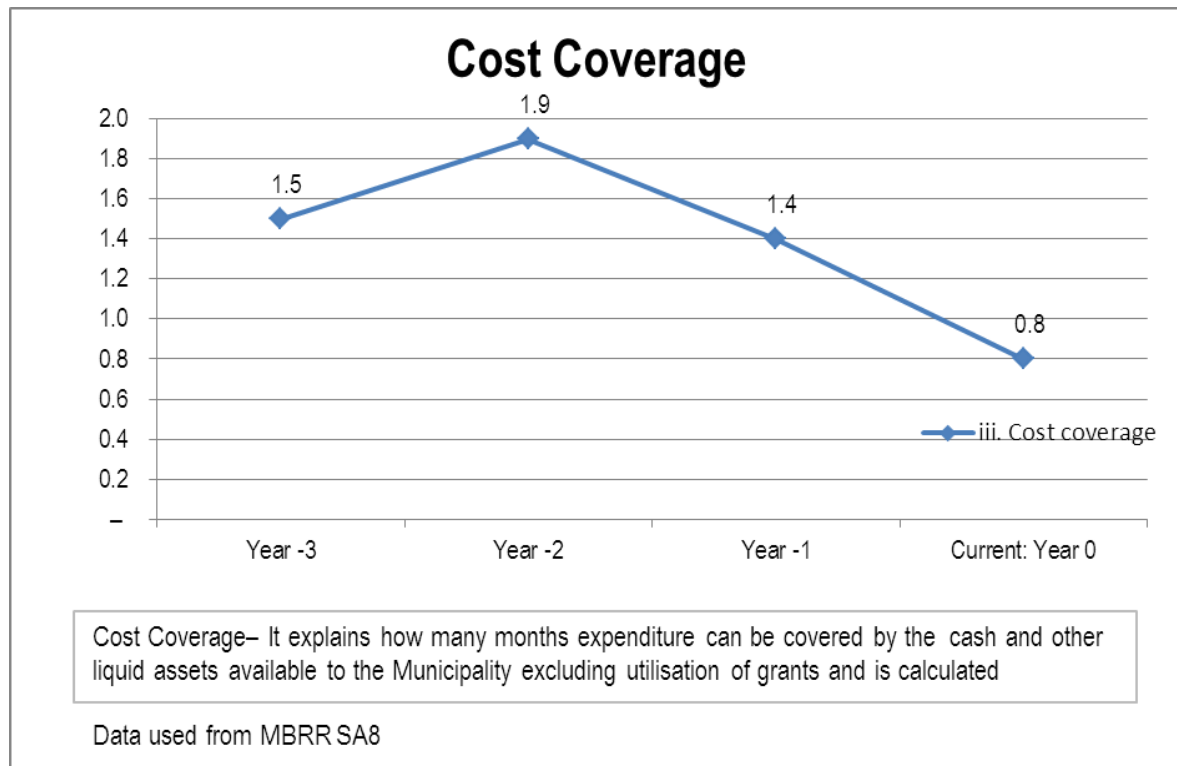
Figure 1 – Assets, Fleet and Logistics Management Structure



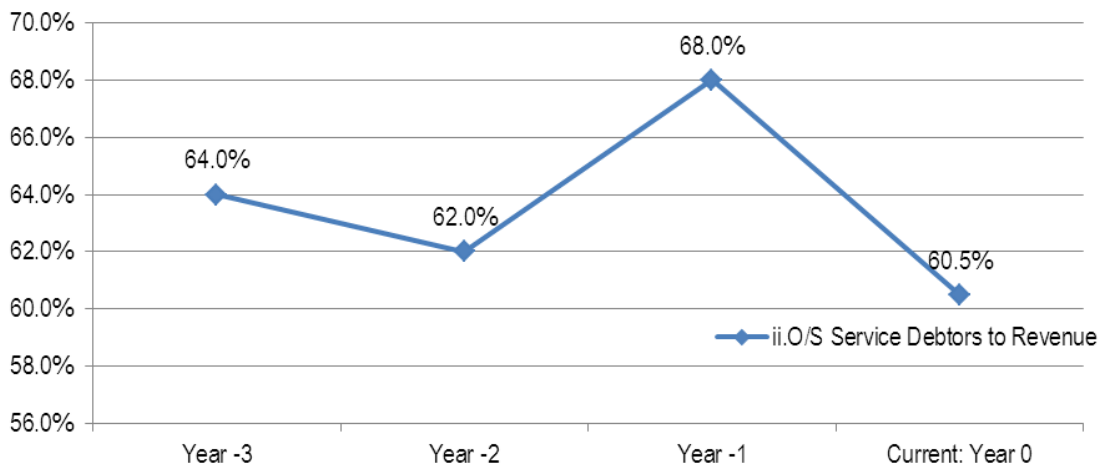
Repairs and Maintenance Expenditure on Moveable Assets: Year 2016/2017				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance	7 757 000	6 493 000	4 497 000	1 996 000

The repairs and maintenance expenditure for vehicles and other assets was 69% of the adjusted budget. Asset utilization is monitored in order to reduce the possible negligence which may lead to excessive maintenance costs. Maintenance of municipal assets is maintained regularly.

FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

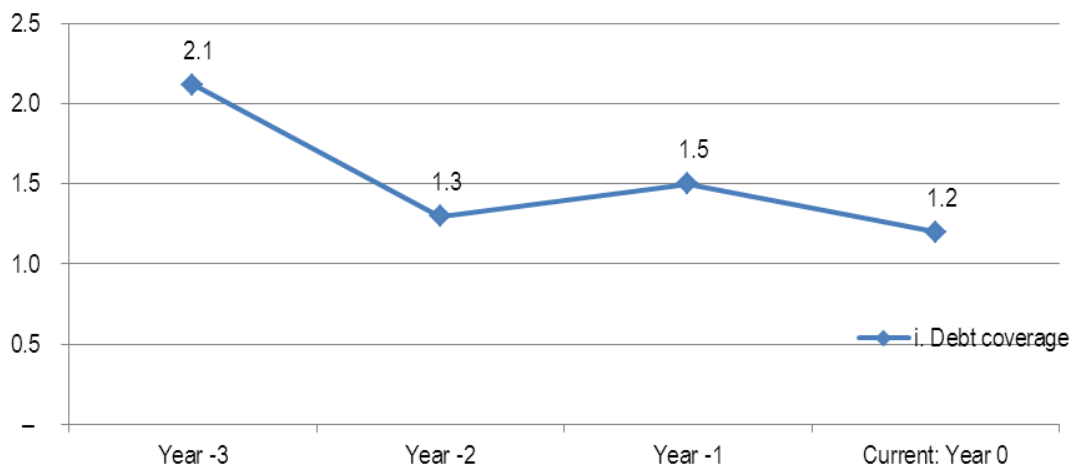


Total Outstanding Service Debtors



Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

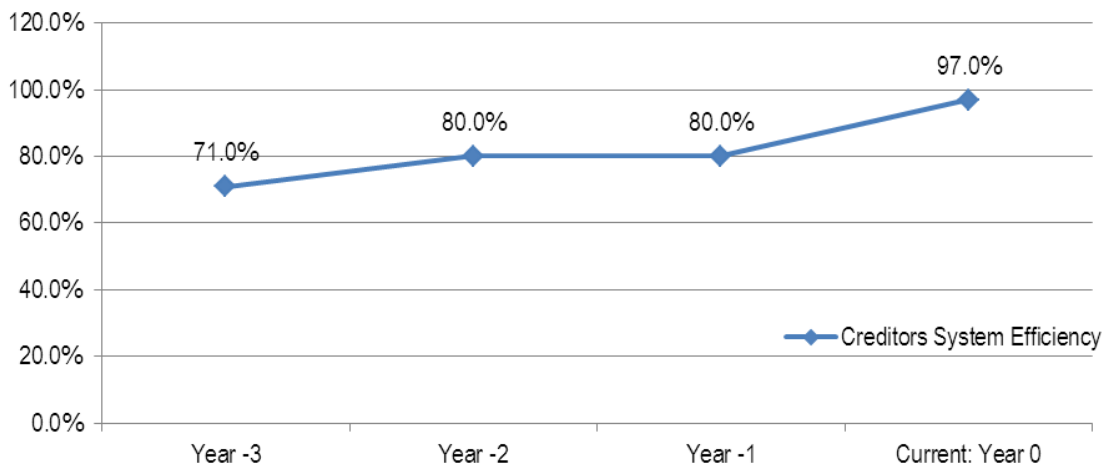
Debt Coverage



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

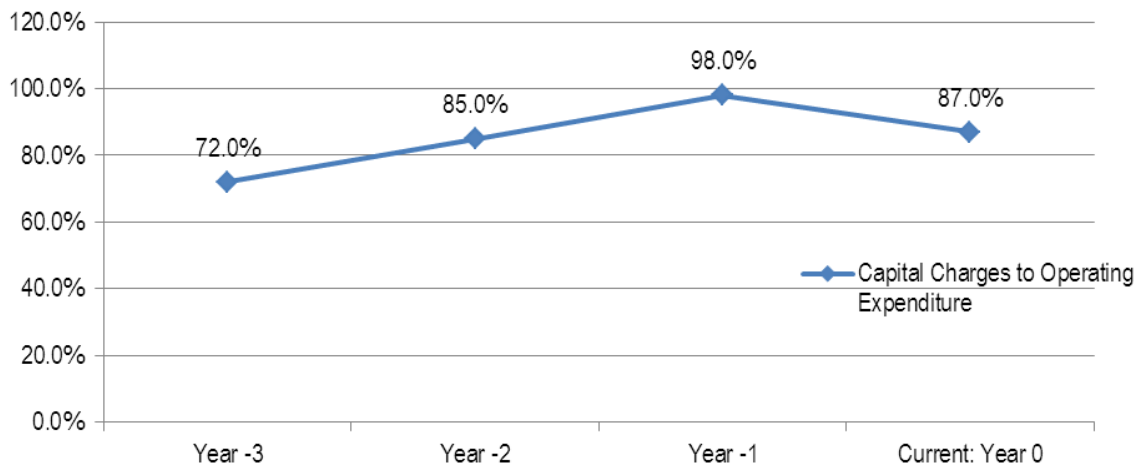
Creditors System Efficiency



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

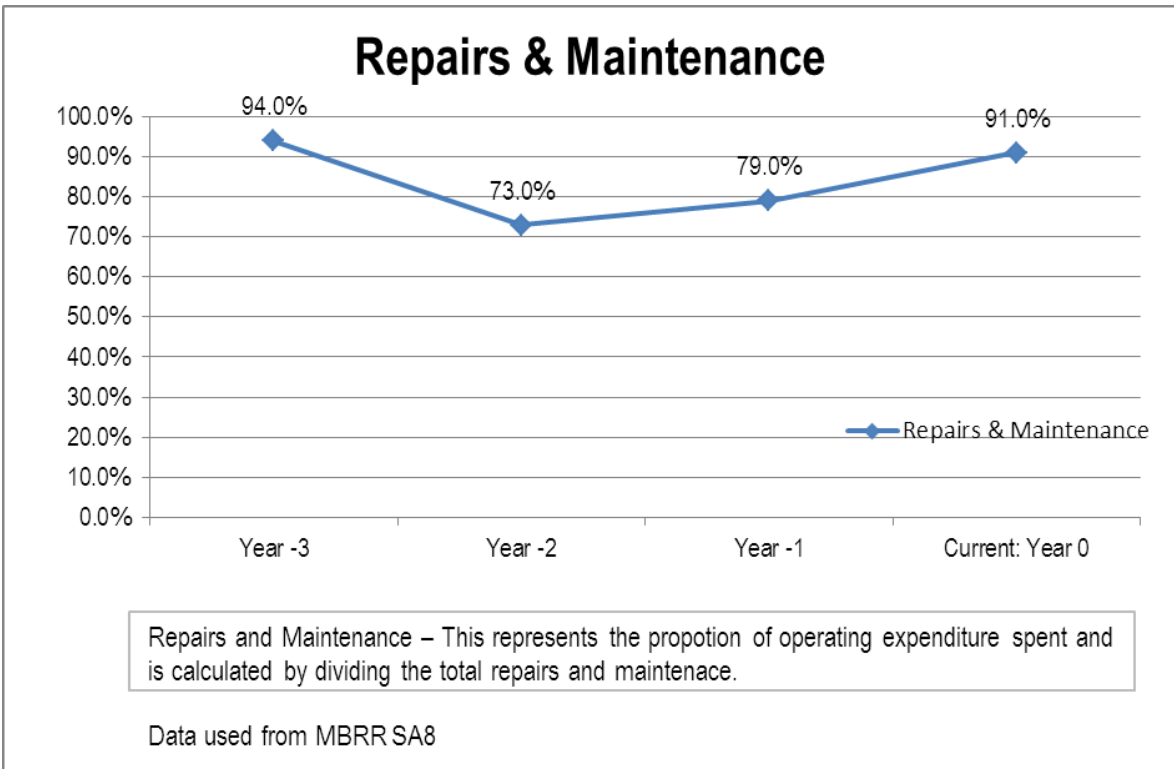
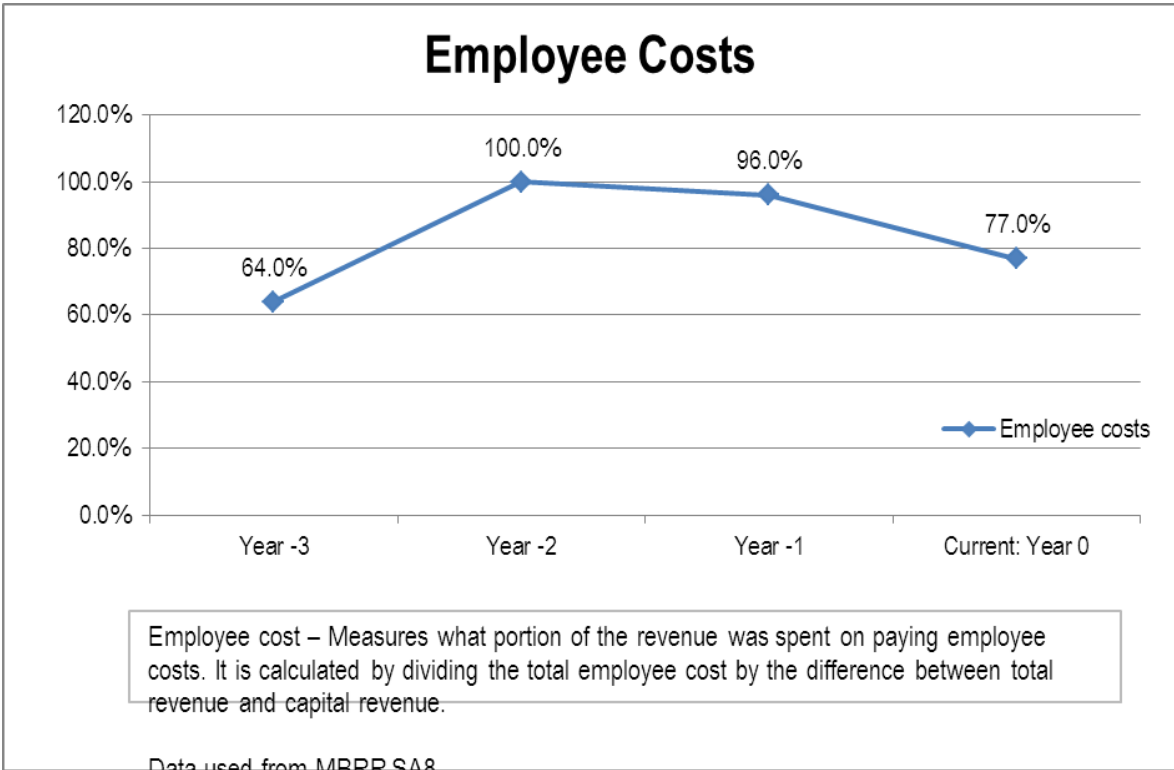
Data used from MBRR SA8

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



COMMENT ON FINANCIAL RATIOS:

The above financial ratios indicate sound and stable municipality from a financial point of view. The municipality is able to fund its operating costs whilst slowly building reserves for capital replacement.

Mechanisms, procedures and controls have been strengthened during the year under review for revenue and expenditure management.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

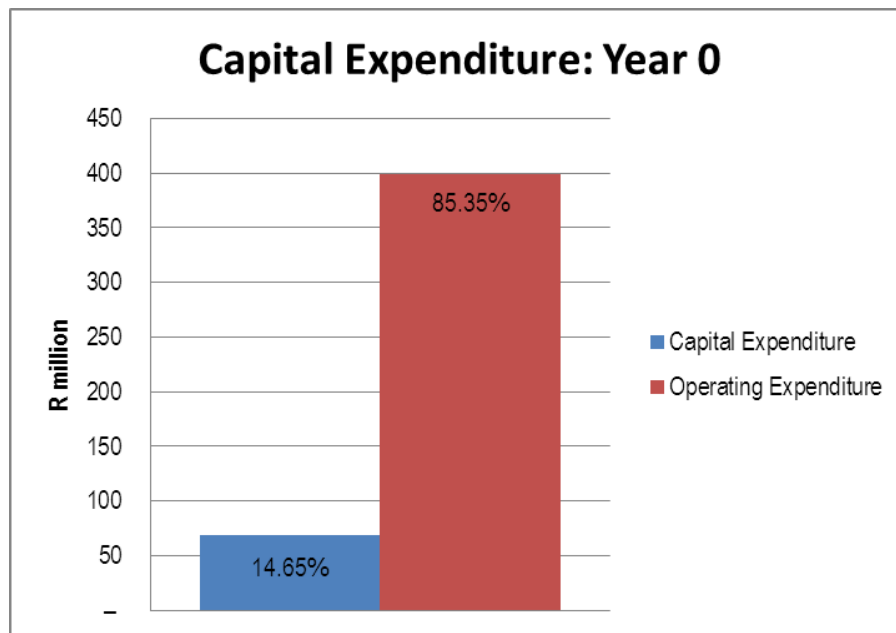
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital projects in the year under review were funded through Municipal Infrastructure Grant, Integrated National Electricity Programme and Equitable Share.

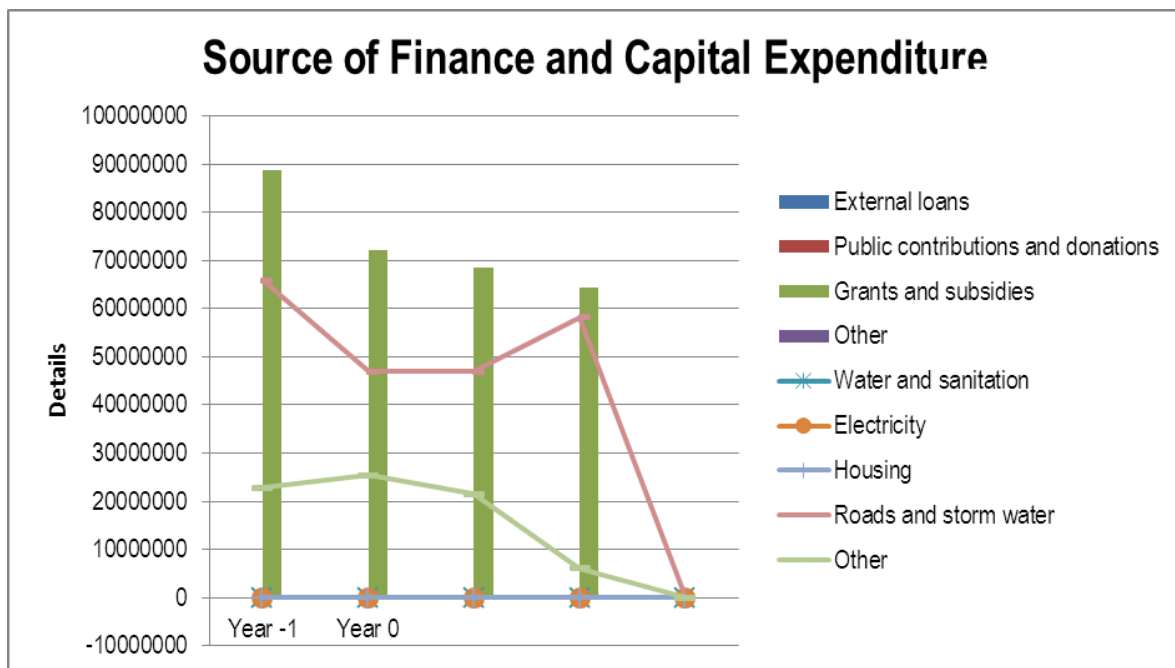
The five largest capital projects constitute 14% (R13.4million) of the total capital expenditure. All these projects were funded through the MIG grant. T.5.7.1 below has more details regarding these projects.

Appendices M (relating to the new works and renewal programmes), N (relating to the full programme of full capital projects, and O (relating to the alignment of projects to wards).

5.5 CAPITAL EXPENDITURE



5.6 SOURCES OF FINANCE



COMMENT ON SOURCES OF FUNDING:

During the 2016/2017 financial year the municipality has spent 15% of the total budget on Capital projects and 85% of the total budget on operating expenditure.

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 0			Variance: Current Year 2016/2017	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Centane Taxi Rank	5 468 300.00	5 468 300.00	6 823 523.67	-25%	-25%
Mpukane Community Hall	3 200 000.00	3 200 000	3 559 645.43	-11%	-11%
Mtsotsweni Access Road	600 000.00	5 204 550.00	6 429 137.89	-91%	-24%
Mahlubini Access Road	4 402 275	4 402 275	5 386 119.79	-22%	-22%

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 0			Variance: Current Year 2016/2017	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Theko Kona Outdoor Sports Facility	5 000 000.00	5 000 000.00	4 366 766.58	13%	13%
* Projects with the highest capital expenditure in Year 0					
Name of Project - A	CENTANE TAXI RANK				
Objective of Project	Taxi Rank				
Delays	None				
Future Challenges	n/a				
Anticipated citizen benefits					
Name of Project - B	MPUKANE COMMUNITY HALL				
Objective of Project	Community Hall				
Delays	None				
Future Challenges	n/a				
Anticipated citizen benefits					
Name of Project - C	MTSOTSWENI ACCESS ROAD				
Objective of Project	Access Road				
Delays	None				
Future Challenges	n/a				
Anticipated citizen benefits					
Name of Project - D	MAHLUBINI ACCESS ROAD				
Objective of Project	Access Road				
Delays	None				
Future Challenges	n/a				

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 0			Variance: Current Year 2016/2017	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Anticipated citizen benefits					
Name of Project - E	THEKO KONA OUTDOOR SPORTS FACILITY				
Objective of Project	Sports Facility				
Delays	None				
Future Challenges	n/a				
Anticipated citizen benefits					

COMMENT ON CAPITAL PROJECTS:

The above capital projects funded through MIG were capitalized in terms of generally recognized accounting standards and the applicable legislation.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

The overview on basic services is covered in Chapter 3 above.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.9 INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

In the year under review, Council reviewed and adopted Investment Policy that seeks to regulate investment activities.

The municipality has an existing banking contract in terms of Section 8 of the Municipal Finance Management Act 56 of 2003.

5.10 CASH FLOW

Description	2015/16	Budget Year 2016/17		YearTD actual	YTD variance	YTD variance %
	Audited Outcome	Original Budget	Adjusted Budget			
R thousands						
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates, penalties & collection charges	19 472	19 472	19 472	9 885	9 588	51%
Service charges	4 100	4 100	4 100	1 062	3 038	26%
Other revenue	10 772	14 922	14 922	1 119	13 803	8%
Government - operating	229 071	217 033	221 897	221 897	-	100%
Government - capital	105 068	72 225	72 225	59 727	12 498	83%
Interest	9 025	9 025	9 025	5 189	3 836	57%
Dividends		-			-	#DIV/0!
Payments						
Suppliers and employees	(321 105)	(392 704)	(397 463)	(390 317)	(7 146)	98%
Finance charges	(2 024)	(1 200)	(1 305)	(1 696)	391	130%
Transfers and Grants	-	-			-	
NET CASH FROM/(USED) OPERATING ACTIVITIES	54 378	(57 127)	(57 128)	(93 134)	36 006	163%
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	590	590	590	238	352	40%
Decrease (Increase) in non-current debtors					-	
Decrease (increase) other non-current receivables					-	
Decrease (increase) in non-current investments					-	
Payments						
Capital assets	(105 068)	(72 225)	(68 431)	74 399	(142 830)	-109%
NET CASH FROM/(USED) INVESTING ACTIVITIES	(104 477)	(71 634)	(67 841)	74 637	(142 478)	-110%
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	(50 099)	(128 762)	(124 969)	(18 497)	(106 472)	
Cash/cash equivalents at beginning:	90 602	41 369		49 212	(49 212)	
Cash/cash equivalents at month/year end:	40 503	(87 393)	(124 969)	30 715	(155 684)	

COMMENT ON CASH FLOW OUTCOMES:

In 2016/2017 financial year, the municipality realized own revenue from the following sources as reflected in the table below:

Property rates = 51%

Service charges = 26%

Rental of facilities = 31%

Traffic Services, licensing and other miscellaneous income = 63%

Description R thousands	2015/16	Budget Year 2016/17				
	Audited Outcome R'000	ORIGINAL BUDGET R'000	ADJUSTED BUDGET R'000	ACTUAL R'000	VARIENCE R'000	VARIENCE %
Revenue By Source						
Property rates	19 472	19 472	19 472	9 885	9 588	51%
Service charges - refuse revenue	4 100	4 100	4 100	1 062	3 038	26%
Rental of facilities and equipment	2 317	2 700	2 700	714	1 986	26%
Interest earned - external investments	4 500	4 500	4 500	4 187	313	93%
Interest earned - outstanding debtors	4 525	4 525	4 525	7 927	(3 402)	175%
Fines	2 201	2 322	2 322	1 293	1 029	56%
Licences and permits	1 000	3 836	3 836	4 047	(211)	105%
Agency services	4 283	920	920	697	223	76%
Transfers recognised - operational	229 071	217 033	221 897	221 897	-	100%
Other revenue	972	5 144	5 144	405	4 739	8%
Gains on disposal of PPE	590	590	590	238	352	40%
Total Revenue Collected	273 030	265 143	270 006	252 351	17 655	93%

Challenges and remedial actions

The total budgeted amount from own sources has not been realized. The council has adopted a Revenue Enhancement Strategy that seeks to increase the municipality's revenue. Awareness on credit control policy and by-law will be done in 2016/2017 financial year

5.12 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

In the year under review the municipality reviewed and adopted Funds and Reserves policy that seeks to provide cash resources for future capital replacements and other current and non-current liabilities.

In terms of borrowings, the municipality has finance leases with Toyota entered into in prior years. The outstanding amount as at 30 June 2017 is R 94 719. The municipality did not have new finance lease or borrowing agreements that it entered into during year under review. The table below is a detail of all the finance leases for the year under review:

Actual Borrowings: Year -2 to Year 0 R' 000			
Instrument	Year: 2014/2015	Year: 2015/2016	Year: 2016/2017
Municipality			
Financial Leases	742 445	379 074	94 719
Municipality Total	742 445	379 074	94 719

Municipal Investments R' 000			
Investment* type	Year: 2014/2015	Year: 2015/2016	Year: 2016/2017
	Actual	Actual	Actual
Municipality			
Call Investment Deposits - Bank	83 286 968	22 252 711	9 922 170
Municipality total	83 286 968	22 252 711	9 922 170

COMMENT ON BORROWING AND INVESTMENTS:

The municipality's creditors are paid in line with the Credit Control and Debt Management Policy and By-Law.

FUNDS AND RESERVES

Funds and reserves of the municipality are guided by Funds and Reserves Policy of the municipality. The municipality opens call accounts for each of the grant funding it receives. These earn interest and the interest is transferred to the current account on a monthly basis to maintain a good cash flow.

5.13 PUBLIC PRIVATE PARTNERSHIPS

During 2016/2017, the municipality did not enter into any Public Private Partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS

5.14 SUPPLY CHAIN MANAGEMENT

During the year under review, Council reviewed and adopted the Supply Chain Management Policy. The municipality has established members of the following bid committees:

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

In line with SCM procedure manual, procurement plans by all directorates were developed and adherence was monitored.

CHALLENGES AND REMEDIAL ACTIONS

Auditor General raised irregular expenditure that was incurred by the municipality in 2015/2016 financial year as a result of non-compliance with procurement requirements. Supply Chain Management policy and procedures were reviewed and implemented in line with the regulations.

5.15 GRAP COMPLIANCE

The municipality early adopted GRAP during the 2007/2008 financial year. The Annual Financial Statements for 2015/2016 have been prepared in line with the applicable GRAP standards.

• CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2015/2016

1.1 AUDITOR GENERAL REPORTS YEAR: 2015/2016 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance: 2015/2016	
Audit Report Status*:	Unqualified
Non-Compliance Issues	Remedial Action Taken
The Financial Statements submitted for auditing were not prepared in all material respects in accordance with the requirements of S122 of the MFMA	The municipality will appointed the Service provider to review the AFS before they can be submitted to AG for audit.
Unauthorized, irregular and fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for expenditure as required by Section 32(2)(a) and (b) of the MFMA	No progress made
The municipality did not evaluate its performance in respect of programmes funded by MIG allocation as required by Section 12 (5) of DoRA.	Quarterly Performance Evaluation reports for the last three quarters were submitted to the transferring office as required by the Act.
Goods and Services with a transaction value above R200 000 were procured without inviting competitive bids, contrary to SCM Regulations 19(a)	Checklists are completed for all types of procurement
Capital assets were permanently disposed of without the approval of council, contrary to Section 14(2)(a) of the MFMA.	All assets that are to be disposed are going to be submitted to council before the actual write off is performed.

COMMENTS ON AUDITOR-GENERAL’S OPINION YEAR: 2015/2016

The Auditor General’s opinion is an indication that the municipality has improved from previous Audit opinion. The municipality developed an action plan to address all the findings of the Auditor General.

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

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

(IDP)	
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 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 EPMS 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:	<p>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.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><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></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
				%	%
Councillor T Bikitsha	FT	Executive Mayor, Mayoral Committee.	ANC - PR	100%	0%
Councillor N Sheleni	FT	Port-folio Head Corporate Services Standing committee: Corporate Services, Employment Equity Committee, Mayoral Committee, Institutional development and financial Viability Cluster and OHS & EW Committee and IDP/PMS and Budget Steering Committee	ANC - PR	97%	3%
Councillor Z Layiti	FT	Port-folio Head Community Services, Socio Economic Cluster, Mayoral Committee, Employment Equity Committee Community services Standing Committee, Whippery committee and IDP/PMS and Budget Steering Committee	ANC - Ward 1	99%	1%
Councillor E Goloza	PT	(Deceased during the financial year 2016/2017)			
Councillor Ntshonga	FT	Port-folio Head Infrastructural Planning and Development, Mayoral Committee, Basic Services Delivery Cluster, IDP, PMS and Budget Steering Committee, Infrastructure Standing Committee	ANC - PR	97%	3%
Councillor N Skelenge	FT	Port-folio Head Local Economic Development and LED Standing Committee, Mayoral Committee, Socio	ANC - Ward 26	98%	2%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
				%	%
		economic development Cluster and a member of IDP/PMS and Budget Steering Committee			
Councillor L. Mgandela	FT	Port-folio Head Budget and Treasury Office (BTO) and BTO Standing Committee, Employment Equity Committee, Mayoral Committee, Whippery Committee IDP/PMS, Budget Steering Committee and Institutional Development and Financial Viability Cluster	ANC - Ward 3	98%	2%
Councillor N. Nkamisa	FT	Portfolio head Strategic Management, Mayoral Committee ,Good Governance and Public Participation Cluster and Strategic Management Standing Committee	ANC - Ward	99%	1%
Councillor N. Dube	FT	Portfolio head Land and Housing, Basic Services Delivery Cluster, Whippery Committee, Mayoral Committee, Community Services standing Committee, Infrastructure Standing Committee.	ANC - PR	96%	4%
Councillor Mtsi	FT	Port-folio Head Special Programmes Unit, Mayoral Committee, Good Governance and Public Participation Cluster Community Services Standing Committee, Strategic Management Standing Committee and Whippery Committee.	ANC - Ward	98%	2%
Councillor T Ntanga	FT	Portfolio Head Water and Sanitation, Mayoral Committee, BTO Standing Committee, Infrastructure Standing Committee, Institutional Development and Financial Viability Cluster and Whippery Committee	ANC- PR	97%	3%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
				%	%
Councillor Zolani Siyo	FT	Municipal Public Accounts Committee (MPAC), Rules Committee	Ward 1		
Councillor Separate M. Molosi	PT	Community Services Standing Committee, Infrastructure Standing Committee and Rules and Ethic Committee and Socio economic development Cluster.	Ward 2	100%	0%
Councillor Abegail Bukelwa Madikane	PT	LED Standing Committee, Socio economic development Cluster.	Ward 3	100%	0%
Councillor Yoliswa Mngonyama.	PT	Infrastructure Standing Committee, Rules and Ethics Committee, Basic service delivery Cluster.	Ward 4	100%	100%
Councillor Zodidi Sobekwa	PT	Good Governance and Public Participation Cluster, Strategic Management Standing Committee,	Ward 5	94%	6%
Councillor W Wongalethu Mbadlanyana.	PT	Corporate Services Standing Committee, BTO Standing Committee, and Institutional Development and Financial Viability Cluster.	Ward 6	99%	1%
Councillor Nomfundiso Ria Tshona.	PT	Corporate Services Standing Committee, Institutional Development and Financial Viability Cluster, Rules Committee	Ward 7	98%	2%
Councillor Nokwakha Queen Sukwana	PT	Infrastructural Planning and Development Standing Committee, Basic Service Delivery Cluster.	Ward 8	96%	4%
Councillor Nomonde Jiya	FT	Portfolio Head: Communications, Strategic Management Standing Committee, Mayoral Committee, Rules Committee, Institutional Development and Financial Viability Cluster and Budget and Treasury Standing Committee	Ward 09	97%	3%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
	FT/PT			%	%
Councillor Linda Simon Sobekwa	PT	Community Services Standing Committee, Socio Economic Development Cluster.	Ward 10	98%	2%
Councillor Livingston Mzimasi Mtalo	PT	BTO Standing Committee and Institutional Development and Financial Viability Cluster.	Ward 11	98%	2%
Councillor Nokrismesi Monakali	PT	BTO Standing Committee, Infrastructure Standing Committee and Institutional Development and Financial Viability Cluster.	Ward 12	99%	1%
Councillor Collen Zoyisile Mfazwe	PT	Corporate Services Standing Committee, Institutional Development and Financial Viability Cluster	Ward 13	99%	1%
Councillor Zikhethela Mngokoyi	PT	Good Governance and Public Participation Cluster, Socio Economic Development Cluster, Strategic Management Standing Committee.	ward 14	100%	0%
Councillor Sithembiso Ncethezo	PT	Municipal Public Accounts Committee (MPAC)	Ward 15	98%	2%
Councillor Malungisa Ndungane	PT	Corporate Services Standing Committee, Whippery Committee and Institutional Development and Financial Viability Cluster	Ward 16	99%	1%
Councillor Xolisa Innocent Pupuma	PT	Community Services Standing Committee, BTO Standing Committee Institutional Development and Financial Viability Cluster and Socio Economic Development Cluster.	Ward 17	100%	0%
Councillor Zinzile Gade	PT	LED Standing Committee and Socio Economic Development Cluster.	Ward 18	100%	0%
Councillor Vuyelwa Nkehle	PT	MPAC, LED Services Standing Committee.	Ward 19	99%	1%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
				%	%
Councillor Thembisile H Mpeta	PT	Strategic Standing Committee and Good Governance and Public Participation Cluster	Ward 20	98%	2%
Councillor Thandiwe Carol Nkuthu	PT	Municipal Public Accounts Committee (MPAC)	Ward 21	98%	2%
Councillor Lwanda Tsipha	PT	Local Economic Development Standing Committee and Socio Economic Development Cluster	Ward 22	95%	5%
Councillor Nothulethu Nozinzile Nqolomlilo.	PT	Infrastructural Planning and Development Standing Committee, Corporate Services Standing, Institutional Development and Financial Viability Cluster and Basic Service Delivery Cluster.	Ward 23	96%	4%
Councillor Nomsa Grace Ndongeni.	PT	Institutional Development and Financial Viability Cluster and Corporate Services Standing Committee, LED Standing Committee and Socio Economic Development Cluster.	Ward 24	96%	4%
Councillor Siphwe Lilise	PT	Institutional Development and Financial Viability Cluster and Community Services Standing Committee, Corporate Services Standing Committee and Socio Economic Development Cluster.	Ward 25	97%	3%
Councillor Nozinzile Zaba	PT	Strategic Standing Committee, LED Standing Committee, Socio Economic Development Cluster and Rules Committee.	Ward 26	95%	5%
Councillor Thandeka Ntyinkala	PT	Municipal Public Accounts Committee (MPAC)	Ward 27	98%	2%
Councillor Monwabisi Mxhoko	PT	BTO Standing Committee, Infrastructure Standing Committee, Basic Service delivery Cluster and Institutional Development and Financial Viability	Ward 28	100%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
				%	%
		Cluster.			
Councillor Lawrence Mbentsula	PT	Strategic Standing Committee, Good Governance and Public Participation Cluster.	Ward 29	92%	8%
Councillor Thobela Makeleni	PT	Infrastructure Standing Committee, Basic service delivery Cluster	Ward 30		
Councillor Nelisa Lusizi	PT	Community Services Standing Committee, Socio Economic Development Cluster, Strategic Standing Committee and Good Governance and Public Participation Cluster.	Ward 31		
Councillor Z Mqwazi	FT	Employment Equity Committee, Rules Committee	PR	97%	3%
Councillor Z. Mkiva	FT	Employment Equity Committee, Rules Committee and Whipperry Committee	PR	100%	0%
Councillor Sisa Matutu	FT	Local Economic Development Standing Committee and Socio Economic Development Cluster.	PR	98%	2%
Councillor Zelpha Thandeka Xhongwanga	FT	OHS Committee; Employment Equity Committee, BTO Standing Committee, and Institutional Development and Financial Viability Cluster.	PR	94%	6%
Councillor Mbulelo Mkhilili	FT	Local Economic Development Standing Committee and Socio Economic Development Cluster.	PR	98%	2%
Councillor M.W.Ntongana	PT	Infrastructural Planning and Development Standing Committee, Basic Service Delivery Cluster and Whipperry Committee, BTO Standing Committee, Institutional Development and Financial Viability Cluster, LED Standing committee and Socio Economic Development Cluster.	PR	100%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
				%	%
Councillor Ncumisa Tandaphi	PT	Corporate Services Standing Committee, Institutional Development and Financial Viability Cluster	PR	97%	3%
Councillor Ayanda Army Krakri.	PT	BTO Standing Committee, Institutional Development and Financial Viability Cluster and Whippery Committee.	PR	97%	3%
Councillor Nomawabo Ntolosi	PT	Community Services Standing Committee, Infrastructural Planning and Development Standing Committee, Socio economic development Cluster, Basic Service Delivery Cluster, Employment Equity Committee and Rules Committee.	PR	96%	4%
Councillor Songezo Mafanya.	PT	BTO Standing Committee, Corporate Services Standing Committee, Good Governance and Public Participation Cluster and Institutional Development and Financial Viability Cluster.	PR	99%	1%
Councillor Bandile Kave	PT	Whippery Committee, Rules Committee and Municipal Public Accounts Committee (MPAC)	PR	96%	4%
Councillor Nonqaba Kandle	PT	Infrastructure Standing Committee, Basic Service Delivery Cluster.	PR	98%	2%
Councillor Z.Bomela	PT	Whippery Committee and Municipal Public Accounts Committee (MPAC)	PR	93%	7%
Councillor Gandhi Guqaza	PT	Budget and Treasury Standing Committee, Institutional Development and Financial Viability Cluster	PR	95%	5%
Councillor Siphiwo Tshazi	PT	Budget and Treasury Standing Committee, Institutional Development and Financial Viability Cluster	PR	100%	0%
Councillor Z. Mqolo	PT	Municipal Public Accounts Committee (MPAC), Rules Committee, Whippery	PR	100%	0%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
	FT/PT			%	%
		Committee, Institutional Development and Financial Viability Cluster, and Corporate Services Standing Committee			
Councillor Nomthandazo Lusizi	PT	Whippery Committee	PR	90%	10%
Councillor Khumbuzile Magwaca	FT	Infrastructure Standing Committee and Basic Service Delivery Cluster.	PR	98%	2%
Councillor Nokaka Margaret Mpambani	FT	Community Services Standing Community and Socio Economic Development Cluster.	PR	98%	2%

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance of Council meetings
	FT/PT			%	%

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
<u>Standing Committees</u> Corporate Services Budget & Treasury Community Services Strategic Management Local Economic Development Infrastructural Planning & Development	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
Rules Committee	The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998)
Training & Equity Committee	The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998)
MPAC	The purpose of the committee is necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers in terms of Section 79 of the Municipal Structures Act (Act No 117 of 1998)
Whippery Committee	To discuss and process matters relating to political management of the institution
Technical Training Committee	The purpose of the committees is to assist the executive

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
Local Labour Forum	The purpose of the committee is to strengthen the working relations between the employer and the employee
OHS & EAP Committee	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
Audit Committee	The purpose of the committee is to function in line with section 166 of the Municipal Finance Management Act 56 of 2003
Risk Committee	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
IGR Forum	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
IDP, Budget & PMS Technical Steering Committee	The purpose of the committee to provide technical support towards assisting the executive committee in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
IDP, Budget & PMS Steering Committee	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)
IDP, Budget & PMS Rep Forum	The purpose of the committees is to assist the executive committee or Executive Mayor in terms of Section 80 of the Municipal Structures Act (Act No 117 of 1998)

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Municipal Managers Office	Acting General Manager Legal Advisor Manager Legal Services Manager Internal Audit Programmes Management Officer Manager Risk Management Manager Media Liaison
Infrastructure Planning and Development	Manager Engineering Manager Building and Housing Manager Land use Management
Community Services Directorate	Manager Solid Waste and Environmental Management Manager Public Amenities and Social Development Manager Traffic and Law Enforcement Manager Security Services –Mr Thembinkosi Gila
Local Economic Development	Manager Sustainable Rural Development Manager Tourism Development Manager Investment Promotion Manager SMME and Cooperatives Development
Strategic Management Directorate	Manager IDP & PMS Manager Special Programmes Unit Manager Municipal Relations Manager Research and Policy Development Manager Executive Mayor's Office
Corporate Services Directorate	Manager Human Resources Manager Administration Manager Council & Committee Support Manager Information and Communication Technology Manager Office of the Speaker Manager Public Participation Manager Employee Relations
Budget and Treasury Office	Chief Accountant Manager Expenditure and Payroll Manager Supply Chain Manager Budget Planning and Financial Reporting Manager Revenue and Debt Management Manager Logistics, Assets and Fleet Management

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	No	
Building regulations	Yes	
Child care facilities	Yes	
Electricity and gas reticulation	Yes	
Fire fighting services	No	ADM
Local tourism	Yes	
Municipal airports	No	BCM Metro
Municipal planning	Yes	
Municipal health services	No	DoH and ADM
Municipal public transport	Yes	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	ADM and Private Partners
Stormwater management systems in built-up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	No	ADM
Beaches and amusement facilities	Yes	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	Yes	
Facilities for the accommodation, care and burial of animals	Yes	
Fencing and fences	Yes	
Licensing of dogs	No	SPCA
Licensing and control of undertakings that sell food to the public	No	ADM and DoH
Local amenities	Yes	
Local sport facilities	Yes	
Markets	Yes	
Municipal abattoirs	No	ADM and DoH
Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	
Pounds	Yes	
Public places	Yes	

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions:		
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	
<i>* If municipality: indicate (yes or No); * If entity: Provide name of entity</i>		T D

APPENDIX E- WARD REPORTING

2016-2017 FINANCIAL YEAR WARD REPORTING				
Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of general public ward meetings held during year
1	Cllr .Zolani Siyo Bongiwe, Khala Boniswa, Dumezweni Nosisa, Sityatha Nomthandazo, Baleka Abegail Ndandani Nomvuzo Mtenjana Humphy Myataza Lulama Jafta Sonwabo Noggala	Yes	1	0
2	Cllr .Separate Mondl Molosi Xoliswa Buyana Magaqa, Belekazi Majwara Ndiki Nokubonga Magwentshu Thembeke Kewuti Khanyisa Soganga Lindiwe Dani Siphumelele Mwehle Nomfumaneko Canca Ayanda Ndzenge	Yes	5	8
3	Cllr .Abegail Bukelwa Madikane Zoliswa Khunou Nomaroma Mtungwana Vuyokazi Sihele Nomva Jizana Noluthando Mayekiso Olwethu Ndleleni Nozuko Majokweni	Yes	3	4

2016-2017 FINANCIAL YEAR WARD REPORTING

Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of general public ward meetings held during year
	Vuyani Nocanda Pelisa Mkalali Mzuyeza Sindayi			
4	Cllr .Yoliswa Mngonyama Mxoli Qwabe Nodumo Apleni Tobeka Xungu Nothandekile Kwayi Paliso Nosisi Nobulali Damoyi Kapa Nomvula Thembisa Tshazi Ntombizanele Thuswa Lamla Nkwali	Yes	5	9
5	Cllr .Zodidi Sobekwa Nomthandazo Msila Notemba Dudumisa Lindelwa Mlandu Vuyokazi Fatman Zoleka Nkonde Sisa Mabulu Nozukile B Mqingwane Mzimasi Majambe Faniswa Bekapi Olwethu Mantantana	Yes	3	5
6	Cllr .Welcome Wongaletu Mbadlanyana Luyanda Tenge Bongiwe Nzuzo Nokuzola Luzipho Nobelungu Phikelela Phumla Nqunqa Bulelani Ntakana Ngxabani Nopinki	Yes	3	2
7	Cllr .Nomfundiso Ria Tshona Ntombekaya Fanti Noyise Mdlulwa Ludwe Mahlanza Nonthuzelo Ngoqo Nomzekelo Jonase Namhla Magadlela Nobandla Mzomba Hudson Siyepu Melati Mlenga Martin Nzilile	Yes	1	1
8	Cllr . Nokwakha Queen Sukwana Nokhaya Vitshima Luyolo Ngindana Nosamkelo Pangenji Nosikhungo Plaatjie	Yes	1	1

2016-2017 FINANCIAL YEAR WARD REPORTING

Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of general public ward meetings held during year
	Noludwe Langa Lindani Nxusani Rose Mngeni Nozolile Magangelele Sinyanya Msikeleli Jiya Thembani			
9	Cllr . Nomonde Jiya Ngangabeko Makanjana Adelaide Mciteka Nokubonga Mbotho Nomveliso Makuleni Ntombizine Nombembe Mgcineni Koko Nolith Tyhali Bongiwe Luwaca Bukelwa Nyila Nonyosi Ntombizakhe	Yes	4	2
10	Cllr .Linda Simon Sobekwa Nondyebo Mqushulu Siyanda Ncamane Monwabisi Jafta Lungiswa Mthintsilana Nokhiniya Mbonjeni Cyntheria Magida Siyabonga Ngqangweni Herbet Matshaya Andile Ntshikila Mzuyanda Mvalo	Yes	1	1
11	Cllr . Livingstone Mziyanda Mtalo Nomaphelo Bhongoza Nocingile Silevu Nozukile Ndela Nowest Mndayi Diephu Nowezile Archibald Ngalo Neliswa Kulu Nokondla Makhabane Mzubanzi Ndlombeni Qaba Steven	Yes	4	2
12	Cllr .Nokrismesi Monakali Nolusindiso Mateke Khumbulani Phindela Mandlakayise Silevu Lathiwe Venge Lwaca Futshane Pasika Sibanga Stella Ntshinkila Bongiwe Dilika Nontembweko Mthathi Nomzamo Gowa	Yes	2	1

2016-2017 FINANCIAL YEAR WARD REPORTING

Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of general public ward meetings held during year
13	Cllr .Zoyisile Collen Mfazwe Siphiwo Dekeda Mbulelo Mabengwana Siphokazi Sjemlana Mthetho Makinana Noluthando Lokwe Mboneli Solwandle Ntombizanele Matheza Nomafu Mjacu Nosiseko Sokapase Nosamkelo Maputuma	Yes	1	1
14	Cllr . Sikhethale Mnqokoyi Solomzi Sotomela Zuko Ntshokolwana Ndiphenkosi Maputuma Luzipo Lulama Dumisani Tyandela Nolubabalo Mzukwa Nowethu Govana Bomvane Phuthumani Nolwandle Yase Thabane Jonas	Yes	1	2
15	Cllr . Sithathu Goloza Nontsindiso Madlebe No-answer Twala Kwanele Mayapi Noncedo Maseti Nosiyambonga Sithukazi Mosakhele Majozi Nosiseko Mayapi Vumile Vusani Nosenior Mkhonjwa Bonga Hewu	Yes	1	0
16	Cllr. Malungisa Ndungane Sisa Baninzi Bongeka Monwabisi Nonzwakazi Mafuduka Nomaphelo Khungwayo Nolast Ngxeba Mvuyisi Mndleleni Bukiwe Ndeleleni Ntombothando Xambuza Honjiswa Platyie Yoliswa Gqalangile	Yes	1	1
17	Cllr .Xolisa Innocent Pupuma Babalwa Sobekwa Pumza Maholwana Litha Sokuyela Gcobisa Govuza Nolonwabo Sobinase Ndyebo Pupuma	Yes	4	3

2016-2017 FINANCIAL YEAR WARD REPORTING

Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of general public ward meetings held during year
	Ntombiyakhe Matiwane Noxolo Pongwana Feleza Mthunzi Nowezile Madenyuka			
18	Cllr . Zinzile Gade Nothobile Mpahleni Nompindiso Mgaguli Lunga Dyantyi Mawele Ganjana Nosiphe Gulwa Vuyelwa Noganta Kunjulwa Gulwa Dyani Ntombifikile Mawele Ganjana Nofezile Gwebushe	Yes	1	0
19	Cllr .Vuyelwa Nkehle Malungisa Njengele Nofinish Nxusani Siphe Mboniswa Mziwoxolo Sindondi Menezi Matomela Nosithembiso Mthembu Thandiswa Zele Nosakhele Mathumba Nomfanelo Mayekiso Bongiwe Mpuge	Yes	1	2
20	Cllr .Tembisile Hilton Mpeta Sebenzile Qoko Mandisa Ngubelanga Poziswa Tshaka Bongisile Fipaza Nobelungu Ngxamani Nkululeko Luzipo Tobela Bavu Siyabonga Bhungane Nosisean Mathikinca	Yes	4	3
21	Cllr .Tandiwe Carol Nkutu Zukiswa Soqaga Mpiyosapho Gwangqa Nosandile Makebesane Elsie Nontshakaza Maphelo Dindili Sigadla Nophumzile Siphokazi Nyengule Nokwezi Mavatha	Yes	1	1
22	Cllr .Lwanda Tsipa Ntombekhaya Matshini Nkuthula Maswazi Tobeka Dangazele Nomfuniselo Duluselo Bulelani Ngozi	Yes	1	3

2016-2017 FINANCIAL YEAR WARD REPORTING

Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of general public ward meetings held during year
	Nondumiso Ndaliso Tinntolo nqumba Siphokazi Mpukumpa Phumlani Ntshinga Nowethu Ngwentle			
23	Cllr .Nothuletu Nozinzile Nqolomlilo Thokozile Njoloza Wantumani Manga Noluyanda Landzela Xabiso Mjamba Nomzekelo Sigwadi Nokwanda Zanazo Richard Lukashe Nowongile Maholwana Sidusaka Mpilo Nomsa Ntsomboyi	Yes	1	0
24	Cllr .Nomsa Grace Ndongeni Sabelo Kona Nosiphiwo Pakade Nokwanda Sokowa Amanda Mkume Zukiswa Dabula Nobuhle Mthamzeli Noluthando Benani Monwabisi Ngabayena Thandiswa Gwayi Thobeka Nkwenkwe	Yes	1	5
25	Cllr .Simpfiwe Lilise Zamile Gwele Siyamcela Ndulo Nyameka Sililo Vuyani Gazi Nojongile Makhem Sicelo Yako Hlonitshwa Maqabaza Zanebhodi Kalton Van Zly Gebengu Nikiwe Motikana	Yes	1	1
26	Cllr . Nozinzile Letticia Zaba Vuyelwa Koni Nonelwa Silamba Nolinethi Qangani Akhona Mandende Nkente Zimisele Asavela Madabane Bukiwe Zondani Evelyn Mfafa Jongikhaya Vika Cingelwa Mangco	yes	1	2

2016-2017 FINANCIAL YEAR WARD REPORTING

Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of general public ward meetings held during year
27	Cllr .Thandeka Ntyinkala Zolisa Ntonzima Mesani Fikiswa Nolusindiso Mbiko Nomalizo Mbelembushu yoliswa Nduku Heli Michial Makaneville Mvolontshi Welcome Zina Nopelo Enge Zamile Mba	Yes	1	2
28	Cllr .Monwabisi Mxhoko Buyiselwa Keli Nabeyile Tewu Ngenisile Mbunje Patekile Qayiso Jada Alexa Neziswa Hlabangubo Nozukile Nkatsha Lungiswa Pendu Yonela Maxolo Ntombiyakhe Ludidi	Yes	1	4
29	Cllr .Lawrence Mbentsula Bingile Mpayipheli Azipheli Binta Pumla Ndabambi Prudence Adonisi Themba Ntosana Nolulamile Mntuwaphi Luleka Tolbadi Asanda Nyola Mlungiseleli Thangana Tandiwe Kandeni	Yes	3	4
30	Cllr .Thobela Makeleni Yanga Cele Akona Zaba Sara Zokwina Msukeli Simakuhle Mzwandile Monki Phumza Bhola Nohwi Platyi Nobandla Sanda Zanecebo Nqamra Mkhuseli Krutani	Yes	2	3
31	Cllr .Nelisa Lusizi Ntombizanele Siko Davide Pere Nokwakha Cekiso Bongeka Vovela Noweyitala Mkrwetyana Robert Dofi	Yes	3	3

2016-2017 FINANCIAL YEAR WARD REPORTING

Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of general public ward meetings held during year
	Mfana Elliot Nomasindiso Bene Mzimasi Nyhonyha Xolelwa Ndoda			

APPENDIX F – WARD INFORMATION

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
1	6164	Skiti	Water	Good 1/9				Roads	INITIAL AND SURNAME CLLR SIYO		
		Bhungeni	Sanitation	3/9							
		Ext 6	Electricity	3/9							
		Ext 7	Housing	Fair							
		Eugen	Roads in the ward - Access Roads	State of the access Roads						Sanitation	
				Poor	<input checked="" type="checkbox"/>	Fair	<input type="checkbox"/>	Good	<input type="checkbox"/>		
			Proclaimed Roads	State of the proclaimed Roads							
				Poor	<input checked="" type="checkbox"/>	Fair	<input type="checkbox"/>	Good	<input type="checkbox"/>		
		Ext 2	Community Hall	Fair				Sport Fields	SIGNATURE		
		CBD	Dipping Tanks	Fair							
		Smith	Stock Dams	None							
		Ralway	LED Programmes	Select number of LED programmes in the ward						Housing	
				farming	<input type="checkbox"/>	Tourism/Heritage	<input type="checkbox"/>	Arts and Crafts	<input type="checkbox"/>		
			Schools	Select number of schools in the ward							
				Primary	<input checked="" type="checkbox"/>	Junior	<input checked="" type="checkbox"/>	High school	<input checked="" type="checkbox"/>		
			Clinic	Select type of clinic							
				permanent	<input checked="" type="checkbox"/>	mobile	<input type="checkbox"/>		<input type="checkbox"/>		
			Mode of Transport	Select mode of transport						Electricity-Eugen, Skiti, Bhungeni	DATE CONFIRMED 01 FEBRUARY 2017
				Buses	<input type="checkbox"/>	taxis	<input type="checkbox"/>		<input checked="" type="checkbox"/>		
			Sport Fields	poor							
	Early Childhood Dev Centres	good									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD							TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR	
2	4697	Caravan Park	Water	13/13							TARRED ROADS & MAINTAINANCE	INITIAL AND SURNAME CLLR MOLOSI
		Reservoir Hil	Sanitation	6/13								
		Coloured	Electricity	6/13								
		Zithulele	Housing	6/13								
		Msobomvu TShip	Roads in the ward - Access Roads	State of the access Roads								
				Poor		Fair	x	Good				
		New Rest	Proclaimed Roads	State of the proclaimed Roads								
				Poor		Fair	x	Good				
		Temporary	Dipping Tanks	NO							SANITATION 7 VILLAGES	SIGNATURE
		Simunye s.c	Stock Dams	NO								
		Phumlani	LED Programmes	Select number of LED programmes in the ward								
				Farming	x	Tourism/Heritage		Arts and Crafts				
		Bhaca s.c	Schools	Select number of schools in the ward								
				Primary	1	Junior	2	High school	1			
		Section A	Clinics	Select type of clinic								
		Siyanda SC	Mode of Transport	Select mode of transport								
				Buses		Taxis				X		
			Sport field	1							SPEED HUMPS N2 SIYANDA & MSOBOMVU TOWNSHIP	
	Early Child Development Centres(crèche's)	1										

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
3	7606	MSOBOMVU	Water	5/6			Renovation of Msobomvu Flats	INITIALS AND SURNANME CLLR Madikane			
		MCHUBAKAZI	Sanitation	5/6							
		CUBA PORTION	Electricity	5/6							
		EXTENSION 14	Housing	5/6							
		EXT=TENSION 14 B	Roads in the ward - Access Roads	State of the access Roads				Road Maintanance whole ward	SIGNATURE		
				Poor	x	Fair				Good	
			Proclaimed Roads	State of the proclaimed Roads							
				Poor		Fair	x			Good	
		SMUTS	Community Hall	Msobomvu Community Hall				Sport Ground1			
		MSOBOMVU FLATS	Dipping Tanks	None- Urban ward				Mchubakazi Youth Development			
			Stock Dams	None- Urban ward							
			LED Programmes	Select number of LED programmes in the ward							
				farming		Tourism/Heritage				Arts and Crafts	
			Schools	Select number of schools in the ward				DATE CONFIRMED			
				Primary		Junior	2			High school	1
			Clinic	Select type of clinic							
				Permanent structure		Mobile structure					
			Mode of Transport	Select mode of transport							
		Buses		Taxis		x					
	Sport field										
	Early Childhood Development Centres(Crèche's	Mayekiso Pre School									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR	
04	8242	Roma	Water	9/9				Maitainance of Street Lights & Roads (Whole Ward)	INITIALS AND SURNAME CLLR MGONYAMA
		Extension 15	Sanitation	Cuba, Roma, Ext 15 ,Vuly Vally 4/9					
		Vuly Vally	Electricity	Cuba ,Roma, B –Section EXT 15 4/9					
		New Rest extension	Housing					Sanitation(Pilit Houses)	
		Tenei Skwata	Roads in the ward - Access Roads	State of the access Roads				Speed Humps	
				Poor	x	Fair	Good		
				State of the proclaimed Roads					
		Cuba Flats	Community Hall	N/A				RDP Houses	SUGNATURE
				B-Section	Dipping Tanks	N/A			
		Lindelani	Stock Dams			N/A			
		Skwata Camp	LED Programmes	Select number of LED programmes in the ward				Community Hall	
				farming		Tourism/Heritage	Arts and Crafts		
			Schools	Select number of schools in the ward					
				Primary		Junior	x	High school	x
			Clinic	Select type of clinic				Mobile Clinic	DATE CONFIRMED 27 October 2016
				Permanent Structure		Mobile Clinics	x		
			Mode of Transport	Select mode of transport					
Buses				Taxes	x				
	Sport Fields		1						
	Early Child Development crèche's		N/A						

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
5	9581	Madiba	Water	6/6				Houses	INITIALS AND SURNAME CLLr Z Sobekwa		
		Kwa 7	Sanitation	6/6							
		Ext 24	Electricity	6/6							
		Khayelitsha	Housing								
		Zizamele	Roads in the ward - Access Roads	State of the access Roads							
				Poor		Fair	x	Good			
			Proclaimed Roads	State of the proclaimed Roads							
				Poor		Fair	x	Good			
		Mayekiso Farm	Community Hall	nil				6 Community Hall	SIGNATURE		
			Dipping Tanks	nil							
			Stock Dams	nil							
			LED Programmes	Select number of LED programmes in the ward				Roads			
				farming		Tourism/Heritage				Arts and Crafts	nil
			Schools	Select number of schools in the ward							
				Primary	1	Junior	2			High school	
			Clinic	Select type of clinic				Toilets	DATE CONFIRMED		
						Mobile Clinic				x	
	Mode of Transport	Select mode of transport									
		Buses		Taxis		x					
	Sport field										
	Earl childhood Development Centre (crèche's)			Nil							

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
6	6163	Zazulwana	Water	Yes Zazulwana- mchubakazi 2/3				Khulile J.SS- Sport Field – soccer Field	INITIALS AND SURNAME CLLR WW. MBADLANYANA		
		Upper Mchubazi	Sanitation	Yes Ibika-area1,Area2,Area3 3/3							
		Lower Mchubakazi	Electricity	Yes Bot/Rural have Electricity 2/3-zazulwana, Mchubakazi location							
				Housing	no				Maintainance of streets the whole area 1,2,and area 3, at IBIKA Township	SIGNATURE	
			Roads in the ward - Access Roads	State of the access Roads							
				Poor		Fair	x	Good			
			Proclaimed Roads	State of the proclaimed Roads							
				Poor		Fair	x	Good			
			Community Hall	N/A				Upper Mchubakazi Construction of Access Roads /Bridge	SIGNATURE		
			Dipping Tanks	N/A							
			Stock Dams	N/A							
			LED Programmes	Select number of LED programmes in the ward				Lower Mchubakazi Construction of access road	SIGNATURE		
				farming		Tourism /Heritage				Arts and Crafts	
			Schools	Select number of schools in the ward				Zazulwana Externsion Construction of access Roads	DATE CONFIRMED 31 ST JANUARY 2017		
				Primary		Junior	1			High school	1
			Clinic	Select type of clinic							
				Permanent structure	x	Mobile clinic					
	Mode of Transport	Select mode of transport									
		Buses		Taxes				x			
	Sport Fields	nil									
	Early Child Development(Cre'ches)	yes									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
7	8812	Zagwityi	Water	Yes – but not finished				Roads throughout the ward	INITIAL AND SURNAME CLLR TSHONA	
		Mncuncuzi	Sanitation	Yes- But not finished						
		Mgagasi R5	Electricity	Yes – But not Finished						
		Thanga	Housing	No				Water in 8 villages		
		Mnyamazana	Roads in the ward - Access Roads	State of the access Roads						
				Poor	x	Fair				Good
				State of the proclaimed Roads						
			Proclaimed Roads	Poor	x	Fair		Good		
		Zazulwana	Community Hall	1				Employment through out the ward		SIGNATURE
		BikaA/A	Dipping Tanks	4						
		Bika Township	Stock Dams	11						
		Ezidutyini	LED Programmes	Select number of LED programmes in the ward				Satellite Police station		
				farming		Tourism/Heritage				
			Schools	Select number of schools in the ward						
				Primary		Junior	11			
	Clinic	Select type of clinic				Project- for farming	DATE CONFIRMED 31 October 2016			
		Permanent structure	4	Mobile Clinic				3		
	Mode of Transport	Select mode of transport								
		Buses	x	Taxis				x		
	Sport Fields	-								
	Early Child Centre crèche's	5								

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
8	7181	Cegcwana R1	Water	Yes In Progress				Mgomanzi R7 to R4 access road	INITIALS AND SURNAME Cllr Sukwana		
		Cegcwana R 2	Sanitation	Yes but not Finished							
		Cegcwana R3	Electricity	Yes But not Finished							
		Cegcwana R4	Housing	N/A							
		Ceru ,Nkanini Ngxalathi, Mgomanzi Komashin	Roads in the ward - Access Roads	State of the access Roads						Rhoxeni Access road Ncenjana access road	
				Poor	x	Fair		Good			
			Proclaimed Roads	State of the proclaimed Roads							
				Poor		Fair	x	Good			
		Mgomanzi R6	Community Hall	no						Dworhen to mzantsi Access road and Ceru to for maintainance of access road	SIGNATURE
		Roxeni	Dipping Tanks	No							
		Mgomanzi R4	Stock Dams	No							
		Mgomanzi R4 Mgomanzi R7 Ntabankulu	LED Programmes	Select number of LED programmes in the ward						Community Hall at R4	
				farming		Touris m/Heritage	x	Arts and Crafts			
		Zigodini	Schools	Select number of schools in the ward							
		Ntshamazi		Primary	2	Junior	10	High school	1		
			Clinic	Select type of clinic							
						Mobile clinic			x		
			Mode of Transport	Select mode of transport						Sport Fielad –At Ndabakazi Ecegcwana	DATE CONFIRMED
				Buses		taxes			x		
			Sport fields	none							
	Early Childhood development Centre (crèche's)	8									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
9	7960	Mpenduza	Water	7/10				Water Bongweni Mlisi, Mpenduza lower mpenduza upper	INITIALS AND SURNAME Cllr N JIYA		
		Mission	Sanitation	8/10							
		Mzantsi	Electricity	10/10							
		All ward	Housing	0				Sanition mission mzazi, bonqweni 2 mpenduza mzants			
		Mission –Mzantsi	Roads in the ward - Access Roads	State of the access Roads							
				Poor		Fair	x			Good	
		Proclaimed Roads	State of the proclaimed Roads								
			Poor		Fair	x	Good	x			
		Bongweni-Mzazi	Community Hall	0				Road Mission to Mzantsi to mpenduza	SIGNATURE		
		Mission-Bawa	Dipping Tanks	4							
		Mpenduza mission	Stock Dams	2							
		All villages	LED Programmes	Select number of LED programmes in the ward						Community hall at MUSA mission –mpeduza lower	
				farming	x	Touris m/Heritage		Arts and Crafts			
		All villages	Schools	Select number of schools in the ward							
		Mission, Ngozana, Mpenduza		Primary	3	Junior	7	High school	1		
		Tobotshana upper	Clinic	Select type of clinic						Stock Dams all villages & Dipping Tanks	DATE CONFIRMED 20/10/2016
		Mpenduza Upper				Mobile clinic			x		
Mission	Mode of Transport	Select mode of transport									
Ngozana		Buses		taxes			x				
	Sport Fields										
	Early Childhood Development Centre	9									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
10	6470	Mkrwaqa	Water	No				Sanitation	INITIALS AND SURNAME CLLR LS SOBEKWA	
		Tongwane	Sanitation	No						
		Qewuzana	Electricity	8/8 New Extention outstanding						
		Jojweni	Housing	No						
		Zangwa	Roads in the ward - Access Roads	State of the access Roads						Water
				Poor		Fair	x	Good		
				State of the proclaimed Roads						
		Zangwa	Proclaimed Roads	State of the proclaimed Roads						
				Poor		Fair	x	Good		
		Mthintsilana	Community Hall	1				Roads	SUGNATURE	
		Bawa	Dipping Tanks	3						
		Mqambeli	Stock Dams	8						
			LED Programmes	Select number of LED programmes in the ward						Sports Fields
				farming		Tourism/Heritage		Arts and Crafts		
			Schools	Select number of schools in the ward						
				Primary		Junior	y e s	High school		
			Clinic	Select type of clinic						
				mobile		permanent			x	
			Mode of Transport	Select mode of transport						DATE CONFIRMED
		Buses	x							
	Sport Field	no								
	Early Childhood	Yes								

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
11	7916	Ngquthu A/A	Water	Yes but not finished				2km short road	INITIALS AND SURNAME Cllr LM Mtalo		
		Manqulo A/A	Sanitation	Yes 50%							
		Dyosini	Electricity	97%							
		Mahlubini	Housing	N/A							
		Diya,Kobodi	Roads in the ward - Access Roads	State of the access Roads				Dlephu Access Road			
				Poor		Fair	X			Good	
				State of the proclaimed Roads							
			Proclaimed Roads	Poor		Fair		Good			
		Mangweni	Community Hall	poor				Community Hall	SIGNITURE		
		Dlephu	Dipping Tanks	fair							
			Stock Dams	Fair but need Maintanance				Mbongendlu Road			
			LED Programmes	Select number of LED programmes in the ward							
				farming	x	Tourism/Heritage				Arts and Crafts	
			Schools	Select number of schools in the ward				Mdlungwane farming Agricultural Primary Co-operative Limited	DATE CONFIRMED 22/10 /2016		
				Primary		Junior				High school	
			Clinic	Select type of clinic							
				perma	x	Mobile structure					
	Mode of Transport	Select mode of transport									
		Buses	x	taxes				x			
	Sport Fields										
	Early Childhood Development centres (crèche's)	Great Need									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
12	7458	Ngobozi	Water	9/9				Water- Mambendeni, Ngobozi, Qeqe	INITIALS AND SURNAME CLLR Monakali	
		Tholeni R1	Sanitation	9/9						
		Tholeni-komshin	Electricity	9/9						
		Jojweni	Housing	none				Roads-R1 ,Mahlubini		
		Mambendeni	Roads in the ward - Access Roads	State of the access Roads						
				Poor	x	Fair				Good
			Proclaimed Roads	State of the proclaimed Roads						
				Poor	x	Fair		Good		
		Ndabakazi	Community Hall	None				Electricity-Qeqe Ntlekiseni, Gxakhulu	SIGNATURE	
		Lengeni	Dipping Tanks	few						
		Qeqe	Stock Dams	nil				Sanitation-Toleni R1, Gxakhulu		
		Gxakhulu	LED Programmes	Select number of LED programmes in the ward						
				farming		Tourism/Heritage				Arts and Crafts
			Schools	Select number of schools in the ward						
				Primary	5	Junior	5			High school
			Clinic	Select type of clinic				Projects-Farming and Sewing	DATE CONFIRMED 02/12/2016	
				permanent	1	Mobile clinic				
	Mode of Transport	Select mode of transport								
		Buses		taxis				x		
	Sport fields	none								
	Early Childhood Centres(crèche's)	10								

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
13	7155	Blythwood	Water	12/16				Electrification of Blythwood and Xobo area	INITIAL AND SURNAME CLLR Z.C MFAZWE	
		Maxelegwini	Sanitation	15/16						
		Mzantsi Sokapase	Electricity	15/16						
		Mangondini	Housing	0						
		Ncora Ekuphumleni Mkhobeni Zibondeni Komkhulu	Roads in the ward - Access Roads	State of the access Roads				Water & Toilets installation of Blythwood and Mzantsi Sokapase		
				Poor		Fair	x			Good
		Proclaimed Roads	State of the proclaimed Roads							
			Poor		Fair	X	Good			
		Mkhiva	Community Hall	0				Construction of Komkhulu ,Mahemini to Mzantsi Sokapase,Tyinira and Mzantsi Sopase Roads		SIGNATURE
		Mahemini	Dipping Tanks	6						
		Trust Farm	Stock Dams	8						
		Kwa T	LED Programmes	Select number of LED programmes in the ward						
				farming	1	Tourism/Heritage	0	Arts and Crafts	0	
		Kwa L	Schools	Select number of schools in the ward						
				Primary	1	Junior	8	High school	2	
		Mabheleni	Clinic	Select type of clinic						
				Permanent structure	0	Mobile	0			
			Mode of Transport	Select mode of transport						
				Buses	6	Taxis	4			
			Sport Field	0						
	Early Childhood Development Centres (crèche's)									
								Construction of Sports Fields and Community Halls at Ndakana LTA Grounds and Madopholweni Community Hall.	DATE CONFIRMED	

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
14	7437	Magodla	Water	Few Villages 40%				Water-Ntshatshongo,Mgo bozweni,Nqileni,Nty inira	Initial and Surname Cllr Mqokoyi		
		Mthonjeni	Sanitation	Most Villages 90%							
		Zazela A/A	Electricity	70%							
		Mgobhozweni	Housing	None				Electricity-Dyam dyam,Nyili,Nyili,Voy ini,Ngcingcinikwe			
		Nqileni,Mbiza,Ndenxe,Diphini,N toambo,Mpukane Ngcingcinikwe	Roads in the ward - Access Roads	State of the access Roads							
				Poor	x	Fair				Good	
			Proclaimed Roads	State of the proclaimed Roads							
				Poor	x	Fair				Good	
		Ntandathu	Community Hall	One				Roads-Dyam dyam,Mthonjeni,Nts hatshongo,Ntombo	Signature		
		Magontsini	Dipping Tanks	5							
		Dyam-Dyam	Stock Dams	None							
		Ntandathu	LED Programmes	Select number of LED programmes in the ward				Sanitation-Ntshatshongo,Mtho njeni			
				farming	p o r	Touris m/Heri tage				Arts and Crafts	
			Schools	Select number of schools in the ward							
				Primary	1	Junior	12			High school	
			Clinic	Select type of clinic							
				Permanent	1	Mobile					
	Mode of Transport	Select mode of transport				Community Hall-Zazela	Date confirmed 01 February 2017				
		Buses		Taxi/Bakie							
	Sport Field	None									
	Early Childhood Development Centre(Creches)	5									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
15	6120	Biyana,Rwantsna	Water	21/21				Electricity	INITIAL AND SURNAME CLLR S.E Goloza		
		Hebe-Hebe	Sanitation	6/21							
		Zixhotyeni	Electricity	5/21							
		Lalini,mthonjeni	Housing	N/A							
		Ngunikazi	Roads in the ward - Access Roads	State of the access Roads							
				Poor		Fair		Good			
				State of the proclaimed Roads							
		Proclaimed Roads	Poor								
				Fair	x	Good					
		Diphini	Community Hall		1					Access Roads	SIGNATURE
		Ntywili	Dipping Tanks		6						
		Qolweni	Stock Dams		n/a						
		Mtshabeni, Sivanxa,Mtatshanganeni ,Majamaneni,Ntsitsa,Ndaba	LED Programmes	Select number of LED programmes in the ward							
				farming	1	Tourism/Heritage	yes	Arts and Crafts	yes		
		Nkalweni	Schools	Select number of schools in the ward							
				Primary	8	Junior	9	High school	2		
		Geqeza,Bongitole	Clinic	Select type of clinic							
		Sikhobeni		Permanent	x	Mobile structure					
		Buru,Gqagqa	Mode of Transport	Select mode of transport						Sport Fields	
		Maphakathin	Buses	x	Taxis			1			
Komkhulu	Sport Fields	N/A									
	Early Childhood Development Centres crèche's	1									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
16	7440	Ngojin	Water	1/15				Water: Nobanda, Ngculu, Tyindyi, Nyulula, Komkhulu, Ngcisininde	INITIALS AND SURNAME Cllr M Ndungane		
		Nobanda	Sanitation	40%							
		Ncisininde	Electricity	50%							
		Nyulula	Housing	N/A							
			Roads in the ward - Access Roads	State of the access Roads				Roads: Komkhulu, Nyulula, Komkhulu, Ngcisininde, Qwanguleni, Tyindyi			
				Poor	x	Fair				Good	
			Proclaimed Roads	State of the proclaimed Roads							
				Poor	x	Fair		Good			
			Community Hall	Nil				Electricity: Hilihili, Bolani, Tyindyi, Qwanguleni	SIGNATURES		
			Dipping Tanks	07							
			Stock Dams	20							
			LED Programmes	Select number of LED programmes in the ward				Dam Renovation			
				farming	x	Tourism/Heritage	x			Arts and Crafts	x
			Schools	Select number of schools in the ward				Community Hall: Next to Amabhele Tribal Office	DATE CONFIRMED 24/11/2016		
				Primary	4	Junior	5			High school	1
			Clinics	Select type of clinic							
				permanet		Mobile clinic					
	Mode of Transport	Select mode of transport									
		Buses		taxis			x				
	Sport field			1							
	Early Childhood cent(crèche's)			2							

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
17	10110	Dudumashe	Water	2/11			Water & stock Dams	INITIALS AND SURNAME CLLR X.I PUPUMA		
		Nomaheya	Sanitation	6/11						
		Mjayesi	Electricity	9/11						
		Mngcangcathe lo	Housing	0						
		Mission	Roads in the ward - Access Roads	State of the access Roads					Clinics & Community Halls	
				Poor	x	Fair	Good			
		Mission	Proclaimed Roads	State of the proclaimed Roads						
				Poor	x	Fair	Good			
		Komkhulu	Community Hall	0			Proclaimed Roads & 2 access Roads			
		Kunene	Dipping Tanks	4						
		Murless	Stock Dams	NONE			Farming & Fencing			
		Nkqayi	LED Programmes	Select number of LED programmes in the ward						
				farming	0	Tourism /Heritage	0	Arts and Crafts		
		Sikolweni	Schools	Select number of schools in the ward				Toilets	DATE CONFIRMED 20/11/2016	
		Lalini		Primary	8	Junior	2			High school
			Clinic	Select type of clinic						
				Permanent	0	Mobile	o			
	Mode of Transport	Select mode of transport								
	Bakkie	Buses	0	taxis	0					
	Sport Fields	1								
	Early Childhood Centre	4								

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
18	8603	Mthwaku	Water	60% completed				Roads-mthwaku to Mpahleni, Mpundu to Mkhwezeni access roads & Ngcwazi to Ntwala patch gravelling	Initial and Surname Cllr Gade		
		Ngcwazi	Sanitation	20% completed							
		Ntwala	Electricity	95% completed							
		Mantunzeleni Aa/a	Housing	N/A							
			Roads in the ward - Access Roads	State of the access Roads						Water-Mntunzeleni, Eziflathini, Ntibane	
				Poor	x	Fair		Good			
			Proclaimed Roads	State of the proclaimed Roads							
				Poor		Fair	x	Good		Sanitation-whole ward	Signature
			Community Hall	N/A							
			Dipping Tanks	60%						Community Halls-Thunga A/A	Date Confirmed 01 February 2017
			Stock Dams	None							
			LED Programmes	Select number of LED programmes in the ward							
				farming	poor	Tourism/Heritage		Arts and Crafts			
			Schools	Select number of schools in the ward						Dipping –Upper Ngcwazi and Mekeneni	
				Primary	yes	Junior	yes	High school			
			Clinic	Select type of clinic							
				Permanent	x	Moderate					
	Mode of Transport	Select mode of transport									
		Buses		stallion			x				
	Sport Field	None									
	Early Childhood centres crèche's	5									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD							TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR	
20	7403	MPeta	Water	17/19							Sanitation Mpeta	INITIALS AND SURNAME CLLR T.H MPETA
		Lusutu	Sanitation	17/19								
		Maseleni	Electricity	17/19								
		Mzantsi	Housing	nil								
		Qima	Roads in the ward - Access Roads	State of the access Roads							Water Mpeta	
				Poor	1	Fair	x	Good				
				State of the proclaimed Roads								
		Zinqgayi	Community Hall	Nil								
				3								
		Luxhoma	Dipping Tanks	3								
		Upper Tanga	Stock Dams	18								
		Gxothiwe	LED Programmes	Select number of LED programmes in the ward							Access Road Mpeta	SIGNATURE
				farming	x	Tourism/Heritage	x	Arts and Crafts	1			
		Magenuka	Schools	Select number of schools in the ward								
				Primary	4	Junior	7	High school	3			
		Mtebele	Clinic	Select type of clinic								
				permanent	1	Mobile Clinic						
		Mazizini –Ndela										
		Ngcwazi	Mode of Transport	Select mode of transport								
		Kotane –Peter		Buses	1	taxis				x		
Qongqo,qolweni	Sport Fields	nil										
Sihlabeni,Maseleni	Early Childhood Development crèche's (Centres)	07										
									Sports field whole ward	DATE CONFIRMED		

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR	
21	7737	Emgcwe	Water	Yes 9/9				ELECTRICITY- Sawutana, Emazizini, Tshazibane, Zizingcuka, Lhlangubo	INITIAL AND SURNAME CLLR NKUTU
		Zwelitsha	Sanitation	Yes but not finished					
		Malongweni	Electricity	Yes only new Extensions					
		Etyeni	Housing	none					
		Matolweni	Roads in the ward - Access Roads	State of the access Roads				ACCESS ROADS- Joji to Clinic	
				Poor	X	Fair			
		Gqoloma, Siphahleni Mbanjwa	Proclaimed Roads	State of the proclaimed Roads					
				Poor		Fair	X	Good	
		Mbuqewini	Community Hall	No				TOILETS- Throughout the ward	SIGNATURE
		Ngwanya, Mission	Dipping Tanks	no					
			Stock Dams	Not working					
			LED Programmes	Select number of LED programmes in the ward				DIPPING TANKS	
				farming		Tourism/Heritage			
			Schools	Select number of schools in the ward					
				Primary		Junior		High school	2
			Clinic	Select type of clinic				COMMUNITY HALLS-Etyeni	DATE CONFIRMED 30/01/2017
				Permanent	x	Mobile clinic			
	Mode of Transport	Select mode of transport							
		Buses							
	Sport Field	-							
	Early Childhood Centres (crèche's)	-							

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
22	9694	Qora A/A	Water	No				Maitnance of all Access roads	INITIALS AND SURNAME CLLR TSIPA	
		Cafutweni A/A	Sanitation	3/15						
		Busila A/A	Electricity	Yes only new extentions						
			Housing	-						
			Roads in the ward - Access Roads	State of the access Roads				COMMUNITY Hall- next to Nondwe High School		
				Poor	x	Fair				Good
			Proclaimed Roads	State of the proclaimed Roads				Dipping Tanks at Busila School		
				Poor		Fair	x		Good	
			Community Hall	No				CLINIC		
			Dipping Tanks	No						
			Stock Dams	No						
			LED Programmes	Select number of LED programmes in the ward--				SIGNATURE Date Confirmed		
				farming	x	Touris m/Heritage			Arts and Crafts	
			Schools	Select number of schools in the ward						
				Primary	x	Junior	x		High school	1
			Clinic	Select type of clinic						
	Mode of Transport	Select mode of transport								
		Buses		Barkie		x				
	Sport Field	No								
	Early Childhood Centre (crèche's)	Yes								

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
23	7495	Gantane	Water	All Villages				Electricity	INITIAL & SURNAME CLLR N NQOLOMLILO		
		Myoyo	Sanitation	2/24							
		Mphakathi	Electricity	2/24							
		Mzantsi	Housing	nil							
		Mrawuzeli	Roads in the ward - Access Roads	State of the access Roads							
				Poor	x	Fair		Good			
			Proclaimed Roads	State of the proclaimed Roads							
				Poor		Fair		Good			
		Ncalukeni	Community Hall	Only 1 village has a community hall				Community Hall		SIGNATURE	
		Batayi	Dipping Tanks	1 village							
		Qengqweni	Stock Dams	No dams				Stock Dam			
		Komkhulu, Mangweni, Ngcweba, Mthonjeni, Cingweni, Mdeni, Singeni, Mango komkhulu	LED Programmes	Select number of LED programmes in the ward							
				farming	x	Tourism /Heritage	x	Arts and Crafts	x		
		Krakrayo	Schools	Select number of schools in the ward							
		Mkhaneni		Primary	2	Junior	1	High school	4		
		Ncedani	Clinic	Select type of clinic							
		Sitali		permanent	x	Mobile clinic					
		Komkhulu	Mode of Transport	Select mode of transport							RDP HOUSES
		Silatsha		Buses		taxis	x				
		Yekiso, Dumezeni	Sport fields	No sport fields							
	Early Childhood Development Centre (crèche's)	They are not registered									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
24	5253	TEKO SPRINGS	Water	70%				Roads- Booi Farm, Teko Kona, Teko Fihla, Msintsane, Maqele and Ndlathana AR	INITIAL AND SURNAME NG NDONGENI	
		TEKO FIHLA,	Sanitation	80%						
		HOLELA	Electricity	80%						
		MSINTSANA	Housing	Teko Springs						
		BOOI FARM	Roads in the ward - Access Roads	State of the access Roads						Clinic- Teko Springs
				Poor	X	Fair		Good		
				State of the proclaimed Roads						
				Poor	X	Fair		Good		
		TEKO KONA	Community Hall	1				Community Hall- Msintsana	SIGNATURE	
			Dipping Tanks	3						
			Stock Dams	no						
			LED Programmes	Select number of LED programmes in the ward						
				farming	X	Tourism/ Heritage		Arts and Crafts		
			Schools	Select number of schools in the ward						
				Primary	4	Junior	6	High school	1	
			Clinic	Select type of clinic						
				permanent	1	mobile			1	
			Mode of Transport	Select mode of transport						
				Buses	x	taxis				
			Sport Field	1				Stock dams and dipping tanks–throughout the ward	DATE CONFIRMED 02/11/2016	
	Early Childhood Development Centres(crèche's)	80 %								

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
25	11611	26 villages-Ngunduza	Water	20/26				ROADS- Ngunduza, Mndundu,Mathole	INITIAL AND SURNAME CLLR S.L LILISE		
		Centule	Sanitation	25/26							
		Qqora B	Electricity	23/26							
		Nyithyaba	Housing	Nil							
		Khabakazi A/A	Roads in the ward - Access Roads	State of the access Roads						WATER- Mndundu,Kilondin dwa	
				Poor		Fair		Good			
			Proclaimed Roads	State of the proclaimed Roads							
				Poor		Fair		Good			
			Community Hall	1						ELECTRICITY- Kulondindwa,Mat hole	SIGNATURE
			Dipping Tanks	3							
			Stock Dams								
			LED Programmes	Select number of LED programmes in the ward						SPORT FIELDS- Ndoqa Admin	
				farming		Tourism /Heritag e		Arts and Crafts			
				Schools	Select number of schools in the ward						
				Primary	8	Junior	2	High school	1		
			Clinic	Select type of clinic						STOCK DAMS- Qora B	DATE CONFIRMED 01-11-2016
				Permanent	x	Mobile Clinic					
			Mode of Transport	Select mode of transport							
	Buses			Taxis							
	Sport Fields	None									
	Earl Childhood Centere (crèche's)	1									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR	
26	10489	Macibe	Water	3 / 9				Access Roads-	Initials and Surname Cllr N Zaba
		Njingini	Sanitation	1 / 9					
		Magiqweni	Electricity	2 / 9				Water	
		Nqusi	Housing	NONE					
		MSINTSANA	Roads in the ward - Access Roads	State of the access Roads					
				Poor	x	Fair			
			Proclaimed Roads	State of the proclaimed Roads					
				Poor	x	Fair		Good	
		Nxaxho	Community Hall	None				Sanitation	Signature
		Godidi	Dipping Tanks	None					
		Zingcuka	Stock Dams	None					
		Zibunu	LED Programmes	Select number of LED programmes in the ward				Electricity	
				farming	poor	Tourism/Heritage			
		Nkente	Schools	Select number of schools in the ward					
				Primary	yes	Junior	yes		
			Clinic	Select type of clinic				Houses	Date Confirmed
Permanent	yes			Mobile					
	Mode of Transport	Select mode of transport							
		Buses	Bus & Quantum						
	Sport Field	None							
	Early childhood cent	Yes							

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR	
27	9460	Gqunqe	Water	1				ROADS PROCLAIMED AND ACCESS ROADS	INITIAL AND SURNAME CLLR T.NYINKALA
		Mcelwana	Sanitation	4					
		Zalu	Electricity	3					
		Nyinezelo	Housing	NONE					
		Ndimba	Roads in the ward - Access Roads	State of the access Roads				ELECTRICITY	
				Poor	X	Fair			Good
		Ndimba	Proclaimed Roads	State of the proclaimed Roads					
				Poor	X	Fair		Good	
		Kaba	Community Hall	none				WATER	SIGNATURE
		Felsha	Dipping Tanks	6					
		Xhiba	Stock Dams	none					
		Maqoma	LED Programmes	Select number of LED programmes in the ward				COMMUNITY HALL	
				farming		Tourism /Heritage			Arts and Crafts
		Cebe Deko	Schools	Select number of schools in the ward				CLINIC	DATE CONFIRMED
		Mkhunqwana		Primary	2	Junior	8		
		Lalo, Fihlani, Lusizi	Clinic	Select type of clinic					
				Permanent structure	1	Mobile Structure		0	
		Nqwarha, Thuben	Mode of Transport	Select mode of transport					
		Qolweni		Buses	3	TAXIS			
		Manyube	Sport field	none					
Pensholo	Early childhood Development centre (crèche's)	2							
Gcuna, Esingeni Thubeni, Nqwara									

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
28	8780	Ncizele	Water	7/8				Electricity	INITIALS AND SURNAME Cllr M.MXHOKO	
		Kobonqaba	Sanitation	Unfinished whole ward						
		Nxaxo	Electricity	50%						
		Thakazi	Housing	Nil						
		Ncerana, Kantolo	Roads in the ward - Access Roads	State of the access Roads						
				Poor		Fair	x	Good		
			Proclaimed Roads	State of the proclaimed Roads						
				Poor	x	Fair		Good		
		Macibe/Mgobozi	Community Hall	N/A				Dipping Tanks	SIGNATURE	
			Dipping Tanks	4 but not working						
			Stock Dams	Dams need renovation						
			LED Programmes	Select number of LED programmes in the ward						
				farming		Tourism /Heritage		Arts and Crafts		
			Schools	Select number of schools in the ward						
				Primary	x	Junior		High school	x	
			Clinic	Select type of clinic						
				Permanent		Mobile				
			Mode of Transport	Select mode of transport						
				Buses	x				x	
			Sport Field	N/A						Sport Fields
	Early Childhood Development Centres (crèche's	Moderate								

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR		
29	8893	Qolora by sea	Water	Yes 4/11				Roads- Qolora,Gxara,Kei Farm,Nyumaga	INITIALS AND SURNAME Cllr L.Mbentsula	
		Mcesha	Sanitation	Yes 95%						
		Nontsana	Electricity	Yes 80%						
		Komkhulu	Housing	N/A				Electricity- 9 villages- At New Feni,Mgeni,Golo,Bony oti,Nontshinga Sxhotyeni,Khwane ,Kei Farm and New Maga	SIGNATURE	
		Gontsi	Roads in the ward - Access Roads	State of the access Roads						
			Poor		Fair	x	Good			
		Gontsi	Proclaimed Roads	State of the proclaimed Roads						
				Poor		Fair	x			Good
		Khwane	Community Hall		n/a					
		Vaku	Dipping Tanks		Yes not all					
		Kei farm	Stock Dams		n/a					
		Nontshinga ,Feni	LED Programmes	Select number of LED programmes in the ward						
				farming	x	Tourism /Heritag e	x	Arts and Crafts	x	
		Gxara	Schools	Select number of schools in the ward						
		Nyumaga		Primary		Junior	x	High school	x	
			Clinic	Select type of clinic						
				permanent	x	Mobile clini			x	
	Mode of Transport	Select mode of transport								
		Buses		taxis		x				
	Sport Fields	N/A								
	Early Child Development Centre (crèche's)	Yes but no funding								
							Dipping tank at Nontshinga	DATE CONFIRMED 27/10/2016		

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR	
30	7546	Msento	Water	6/8				Water	INITIALS AND SURNAME Cllr T.Makeleni
		Amambalu	Sanitation	8/8					
		Ngede	Electricity	8/8					
		Nxokwana	Housing	1					
		Xeni	Roads in the ward - Access Roads	State of the access Roads				Roads	
				Poor		Fair	1		Good
		Xeni	Proclaimed Roads	State of the proclaimed Roads					
				Poor		Fair	1	Good	
		Qombolo	Community Hall	1				Clinics	SIGNATURE
		Mdange	Dipping Tanks	3					
		Centane	Stock Dams	0				Access roads	
			LED Programmes	Select number of LED programmes in the ward					
				farming	x	Tourism/Heritage		Arts and Crafts	x
			Schools	Select number of schools in the ward					
				Primary	x	Junior	x	High school	x
			Clinic	Select type of clinic					
		permanent	x	Mobile clinic			x		
	Mode of Transport	Select mode of transport							
		Buses	x	taxis			x		
	Sport Fields								
	Early Childhood	4				Electricity	DATE CONFIRMED 01/11/2016		

WARD NO.	POPULATION	VILLAGES	SERVICES CURRENTLY ACCESSED IN THE WARD				TOP 5 WARD PRIORITIES	CONFIRMED BY WARD CLLR			
31	9348	Seku,Nqganda	Water	Yes but not finished				Electricity at Thala,Matshona,Nkontyweni,Myeki, Mfusini & Manzana A and B	INITIALS AND SURNAME Cllr N.LUSIZI		
		Khobonqaba	Sanitation	Yes							
		NBhatayi	Electricity	Yes But not finished							
		Mtsitsweni	Housing	N/A				Roads at Khobonqaba access roads and Thala access road			
		Zingxala,Luxeni,Jojweni, Kwanayo,Dike,Seyise,M dange, Nonyembezi, Ediphini	Roads in the ward - Access Roads	State of the access Roads							
				Poor		Fair				Good	
			Proclaimed Roads	State of the proclaimed Roads							
				Poor		Fair				Good	
		Samnka	Community Hall					Community Halls at Nqileni Qhina	SIGNATURE		
		Kwazingxa	Dipping Tanks								
		Myeki,Jojweni	Stock Dams					RDP HOUSES			
		Themani,Mathetyeni,Hlangani,Matshona Nkontyweni, Masatilane	LED Programmes	Select number of LED programmes in the ward							
				farming		Tourism /Heritage				Arts and Crafts	
		Manzana	Schools	Select number of schools in the ward							
		Kwabharhumane		Primary		Junior				High school	
		Thala	Clinic	Select type of clinic							
	Mode of Transport	Select mode of transport						STOCK DAMS at Thala,Thembani ,Hlangani,Ngqanda and Mnyameni	DATE CONFIRMED 03/05/2017		
		Buses									
	Sport Field										
	Earl Childhood Development Centre (crèche's)	-									

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 1

Date of Committee	Committee Recommendations	Recommendations Adopted (Y/N)
15 August 2016	<p>The Committee sought assurance that there would be no repeated findings and that the committee will meet on the 23 August 2016 for the presentation of the Annual Report.</p> <p>The Committee noted the 2016/17 Strategic and Operational Risk Registers</p>	Y
23 August 2016	<p>The Committee concluded by requesting that to the framework used to prepare the annual report and the annual report itself should be distributed to the members before it is submitted to the Auditor General.</p> <p>After the presentation of the Annual Financial Statements, the Committee resolved that all comments on AFS be emailed to the CFO and be effected before the submission on Wednesday the 31 August 2016.</p>	Y Y
31 August 2016	<p>The Committee resolved that the CFO should engage with SNG (Service Provider assisting in preparation of the Annual Financial Statements) on the issue of write-offs of debt impairment before the submission of the AFS to the Auditor General.</p>	Y

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote							R' 000
Vote Description	Year -1	Current: Year 0			Year 0 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget	
BUDGET & TREASURY OFFICE	212 498	234 250	263 502	236 946	101%	90%	
CORPORATE SERVICES	69	2 163	5 417	5 087	235%	94%	
COMMUNITY SERVICES	8 620	16 953	18 354	7 731	46%	42%	
INFRASTRUCTURAL PLANNING AND DEVELOPMENT	3 520	105 005	94 627	92 219	88%	97%	
Total Revenue by Vote	224 707	358 371	381 900	341 983	107%	90%	

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3

T.K.1

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	Budget Year 2016/17				
	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE	VARIANCE
R thousands	R'000	R'000	R'000	R'000	%
Revenue By Source					
Property rates	19 472	19 472	9 885	9 588	51%
Service charges - refuse revenue	4 100	4 100	1 062	3 038	26%
Rental of facilities and equipment	2 700	2 700	714	1 986	26%
Interest earned - external investments	4 500	4 500	4 187	313	93%
Interest earned - outstanding debtors	4 525	4 525	7 927	(3 402)	175%
Fines	2 322	2 322	1 293	1 029	56%
Licenses and permits	3 836	3 836	4 047	(211)	105%
Agency services	920	920	697	223	76%
Transfers recognised – operational	217 033	221 897	221 897	-	100%
Other revenue	5 144	5 144	405	4 739	8%
Gains on disposal of PPE	590	590	238	352	40%
Total Revenue Collected	265 143	270 006	252 351	17 655	93%

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

DETAILS	BUDGET	ADJUSTMENT BUDGET	ACTUAL	% VARIENCE		MAJOR CONDITIONS SUPPLIED BY DONOR
				BUDGET	ADJUSTMENT BUDGET	
FMG	1 625 000	1 625 000	1 625 000	100%	100%	
INEP	5 000 000	5 000 000	4 627 589	93%	93%	
EPWP	1 000 000	1 000 000	1 000 000	100%	100%	
TOTAL	7 625 000	7 625 000	7 252 589	95%	95%	

APPENDIX M: CAPITAL EXPENDITURE

Capital Expenditure - New Assets Programme* R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustm ent Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	55 849	52 515	49 112	46 878	60 046	69 108	71 674
Infrastructure: Road transport - Total	55 849	47 515	44 112	42 250	54 646	58 238	61 674
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	5 000	5 000	628	5 400	10 870	10 000
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							

Capital Expenditure - New Assets Programme* R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management Transportation Gas Other							
Community - Total	0	13 668	13 815	14 896	8 014	8 478	8 979
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	0	13 668	13 815	14 896	8 014	8 478	8 979
Table continued next page							

Capital Expenditure - New Assets Programme* R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3

Capital expenditure by Asset Class							
Heritage assets - Total	-	-		-	-	-	-
Buildings							
Other							
Investment properties - Total	-	-		-	-	-	-
Housing development							
Other							
Other assets	4 164	2 042	4 256	2 083	717	759	803
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other	4 164	2 042	4 256	2 083	717	759	803
Agricultural assets	-	-		-	-	-	-
List sub-class							
Biological assets	-	-		-	-	-	-
List sub-class							

Capital Expenditure - New Assets Programme* R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Intangibles	-	0	0	-	-	-	-
Computers - software & programming Other (list sub-class)		0	0				
Total Capital Expenditure on new assets	60 013	68 225	67 183	63 857	68 776	78 345	81 456
Specialised vehicles	-	-		-	-	-	-
Refuse Fire Conservancy Ambulances							

* Note: Information for this table may be sourced from MBRR (2009: Table SA34a) T M.1

Capital Expenditure - Upgrade/Renewal Programme* R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total							
Infrastructure: Road transport -Total							
Roads, Pavements & Bridges							
Storm water Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation Transmission & Reticulation Street Lighting							

Capital Expenditure - New Assets Programme* R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
Community	-	1 368	1 386	040	1	-	-
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		1 368	1 386	1 040			
Heritage assets	-	-		-	-	-	-
Buildings							
Other							
Capital expenditure by Asset Class							

Capital Expenditure - New Assets Programme* R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Investment properties	-	-		-	-	-	-
Housing development							
Other							
Other assets	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
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 (list sub-class)							
Total Capital Expenditure on renewal of existing assets		1 368	1 386	1 040			

Capital Expenditure - New Assets Programme*							
R '000							
Description	Year -1	Year 0			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Specialised vehicles	-	-		-	-	-	-
Refuse Fire							
Conservancy Ambulances							
* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)							T M.2

REPORT ON MUNICIPAL INDICATORS

ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

No.	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
1.	Vacancy rate for all approved and budgeted posts				
2.	Percentage of appointment in all strategic positions (Municipal Manager and Section 56 Managers)	7	7	100%	The Municipal Manager passed on three months before the end of the financial year
3.	Percentage of Section 57 Manager including Municipal Managers who attended at least 1 skill development training course within the FY	0	0	0	There was no training course planned for S54A and S56 Managers
4.	Percentage of Managers in Technical Services with a professional qualification	7	7	100%	All the Managers in Technical Services have a professional qualification
5.	Level of PMS Effectiveness in the Local Municipality	The municipality has managed to cascade performance in all the levels in the institution through implementation of Performance Accountability Agreements and Performance Promises on levels below Section 56 Managers			
6.	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	736	736	100%	Skills audit was done for all the skills audit
7.	Percentage of Councillors who attended a skill development training in the year under review	12	12	100%	
8.	Percentage of staff complement with disability	12	02	17%	The municipality depends on the availability of skills within the equity group
9.	Percentage of female employees	75	5	67%	The municipality depends on the availability of skills within the equity group
10.	Percentage of employees that are 35 and younger	63	63	100%	
11.	Adoption and implementation of a Local Performance Management System	The Municipality adopted the PMS Framework in 2014/2015 financial year			

BASIC SERVICE DELIVERY PERFORMANCE INDICATORS

Annual performance as per key performance indicators in water services

THIS FUNCTION IS PERFORMED BY AMATHOLE DISTRICT MUNICIPALITY

No.	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.	Percentage of households with access to potable water				
2.	Percentage of indigent households with access to free basic potable water				
3.	Percentage of clinics with access to potable water				
4.	Percentage of schools with access to potable water				
5.	Percentage of households in formal settlements using buckets				

Annual performance as per key performance indicators in Electricity Services

No.	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
1.	Percentage of households with access to electricity services	2570	804	123%	
2.	Percentage of indigent households with access to basic electricity services	6815	6815	100%	
3.	Percentage of indigent households with access to free alternative energy sources	9710	9710	100%	

Annual performance as per key performance indicators in sanitation services

THIS FUNCTION IS PERFORMED BY AMATHOLE DISTRICT MUNICIPALITY

No.	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.	Percentage of households with access to sanitation services				
2.	Percentage of indigent households with access to free				

	basic sanitation services				
3.	Percentage of clinics with access to sanitation services				
4.	Percentage of schools with access to sanitation services				

Annual performance as per performance indicators in road maintenance services

No.	Indicator Name	Total number of kilometres (planned for during the year under review)	Achievement level during the year under review	Achievement percentage during the year	Comments
1.	Percentage of households without access to gravel or graded roads	300kms	577.2kms	192.4%%	
2.	Percentage of planned new road infrastructure actually constructed	60kms	64 Kms	106%	All MIG allocation was fully utilised in 2016/2017 financial year
3.	Percentage of capital budget reserved for road upgrading and maintenance effectively used	R59M	R57M	97%	All MIG allocation was fully utilised in 2016/2017 financial year

Annual performance as per key performance indicators in waste management services

No.	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
1.	Percentage of households with access to refuse removal services	9100	9100	100%	Mnquma Municipality is fairly rural in nature and Refuse Removal services are performed on urban wards including informal settlements and there has been 100% access to refuse removal services in all urban wards
	Wards Covered are Ward 8; 11; 15; 18; 19; 20; 26; 27; 28; 31			100%	Ten rural wards are serviced through Community Works Programme. Three Wards

					in Butterworth, three in Ngqamakwe and four in Centane. Each village in a Ward is serviced once a week.
2.	Existence of waste management plan	Mnquma Municipality developed the Integrated Waste Management Plan in 2012 and the plan (with other related plans such as the Integrated Environmental Management Plan) serve as basis for managing waste in the municipality. Waste Management By Law adopted by Council in 2014/2015 Financial Year.			

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

No.	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
1.	Percentage of households living in informal settlements	5520	The municipality updates a housing needs register		
2.	Percentage of informal settlements that have been provided with basic services	5520			
3.	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	None			
4.	Existence of an effective indigent policy	The Municipality developed an indigent policy that was adopted by Council			
5.	Existence of an approved SDF	The Spatial Development Framework for Mnquma Municipality was prepared in accordance with the requirements of the Municipal Systems Act, 2000 and Spatial Planning and Land Use Management Act, 2013 and it was approved by Council in June 2016.			
6.	Existence of Land Use Management System (LUMS)	The municipality has budgeted for the development of LUMS in accordance with the new planning legislation (SPLUMA) during the current financial year.			Terms of reference for the appointment of a service provider have been prepared.

KPA: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK

Annual performance as per key performance indicators in LED

No.	Indicator Name	Target set for the year	Achievement level during the year under review (absolute figure)	Achievement percentage during the year	Comments
1.	Existence of LED Unit	LED unit is in existence with Director and 4 Managers			
2.	Percentage of LED Budget spent on LED related activities	R3 037 000	R1 782 961	59%	
3.	Existence of LED strategy	Mnquma Local Municipality's LED Strategy was reviewed and adopted in 2015/2016			
4.	Number of LED stakeholder forum meetings held	4	4	100%	
5.	Plans to stimulate second economy	Not planned in the year under review			
6.	Percentage of SMME that have benefited from a SMME support program	10 SMME supported during the 2016/17 financial year	10	100%	
7.	Number of job opportunities created through EPWP	2499	2499	100%	The number includes jobs created through EPWP, Community Works Programme, Solid Waste Co-operatives and other programmes
8.	Number of job opportunities created through PPP	In the year under review, the municipality did not enter into any Public Private Partnerships			

No	Indicator Name	Target set for	Achievement level	Achievement percentage
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KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Annual performance as per key performance indicators

No.	Indicator Name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year	Comments
1.	% of ward committees established	310	310	100%	
2.	% of ward committees that are functional	31	31	100%	
3.	Existence of an effective system to monitor CDWs	Community Development Workers are monitored by Councillors; as they are invited in Ward Committee and Ward General Meetings. They participate in IDP/PMS and Budget Representative Forum.			
4.	Existence of an IGR strategy	The municipality established an Intergovernmental Relations Forum in line with the IGR framework Act. Further IGR terms of reference were developed and adopted which outline operations of the forum, frequency and attendance of meetings.			
5.	Effectiveness of IGR structural meetings	IGR meetings are scheduled in the institutional calendar adopted by Council they are also in line reflected in the IDP PMS and Budget Process plan. The IGR meetings have proved to be very effective in the year under review as there has been significant improvement in terms of attendance by government departments and there has been a structured flow of reporting in the meetings			
6.	Existence of an effective communication strategy	Communication and Marketing strategy was reviewed and adopted by Council 30 September 2014. The policy outlines how the municipality communicates with its stakeholders and assigns responsibilities with regards to communication.			
7.	Number of Mayoral Imbizos conducted	4	4	100%	
8.	Existence of a fraud prevention mechanism	The municipality has Fraud and Corruption Prevention Policy which was adopted by Council in 2014/2015 Financial Year			

KPA: FINANCIAL VIABILITY AND MANAGEMENT

		the year R(000)	during the year R(000)	during the year
1.	Percentage of expenditure of capital budget	68 461	66 000	96%
		Target set for the year 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	183 545	188 914	103
		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	69 167	(74 336)	107
		Target se 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	37 600	29 741	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	60%	50%	50%
6.	Percentage of MIG budget appropriately spent	100%	97%	
7.	Percentage of MSIG budget appropriately spent	Nil	Nil	The municipality did not get MSIG grant for the year under review

8.	AG audit opinion	Unqualified	Disclaimer	
9.	Functionality of the Audit Committee	Fully functioning	Non-functional	
10.	Submission of AFS after the end of the financial year	31 August 2017	31 August 2017	

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Attached is Volume II 2016/2017 Annual Financial Statement submitted to Auditor General.