



# O.R. TAMBO DISTRICT MUNICIPALITY

DRAFT ANNUAL REPORT



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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

## COMPONENT A: MAYOR'S FOREWORD

The 2016/2017 financial year has ended and this has been the year where the people of the district were given an opportunity to elect their leaders that will be driving their service delivery agenda in the municipal environment. Overwhelmingly the OR Tambo communities mandated the African National Congress to lead the said mandate for the next five-years. In pursuant of the people's mandate, it is my honour to present to the Municipal Council and to the people of the District, the Annual Report for the 2016/2017 financial year, which is an account of what has been delivered against the set targets in the Service Delivery and Budget Implementation Plan (SDBIP).

The report is an attestation of the collective efforts of both the political and administrative leadership in ensuring that we serve the people of the region with humility. I am proud to report to the council that OR Tambo district has been consistent in successfully spending its grants that include the Municipal Infrastructure Grant (MIG) and the Regional Bulk Infrastructure Grant (RBIG). The achievement demonstrates commitment in delivering basic services as the grants are targeting that. Once more the municipality is demonstrating commitment in instilling good governance and strengthening financial management. In 2014/15 the district moved from the disclaimer to the qualification, and this has been maintained for both the 2015/2016 and the year under review.

The overall institutional performance for the financial year has improved from the 69 % of the 2015/2016 financial year to 75 % and the performance is qualified by the portfolio of evidences based on the SDBIP set targets. The improvement can be attributed from political and administrative commitment in the institution. The sound interface between political leadership and administration is yielding better results. As the Executive Mayor of the O. R. Tambo District Municipality, together with the Municipal Council and the Municipal administration, we commit to ensure that the vision of a "Prosperous, Vibrant, Innovative and People-Centred District" is realized and that people of O. R. Tambo continue to receive services in a sustainable manner.

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**Cllr N. Meth**  
**Executive Mayor**

**1.1. MUNICIPAL MANAGER'S OVERVIEW**

The Municipal Finance Management Act (MFMA) requires that the municipality and its municipal entities prepare an annual report for each financial year. Section 46(1) of the Municipal Systems Act (MSA) requires municipalities to prepare a performance report for each financial year, setting out the performance of the municipality and its external service providers. The report should measure current performance against targets and performance in the previous financial year and outline measures to improve performance in the year ahead. The annual financial report must form part of the annual performance report.

In compliance with these legislative frameworks, the ORTDM presents its annual report that basically reflects its state of affairs as well as its performance 2016/2017. The report is presented as a draft and is in compliance with National Treasury Circular 63. Subsequent to the tabling of this draft annual report to council, it will further be tabled to AG with the annual financial statements for auditing. Once the audit findings have been issued, the report will be finalised and tabled back to council.



## **1.2. EXECUTIVE SUMMARY**

This report presents the OR Tambo District Municipality's performance for the financial year 2016/2017. The report is submitted in line with the objectives, indicators and targets as set out in the 2016/2017 approved Integrated Development Plan aligned with the approved budget, both of which informed the quarterly performance targets set out in the Service Delivery and Budget Implementation Plan (SDBIP). The annual report is tabled as per the five (5) Local Governments Key Performance Indicators as follows (not in the order of priority):-

- a) Basic Service Delivery and Infrastructure Development
- b) Local Economic Development
- c) Financial viability and management
- d) Good governance and public participation
- e) Institutional Transformation and Development

It depicts the level of achievement of the set targets from the period 1 July 2016 to 30 June 2017. It also reflects explanations on deviations where the institution has not met the set targets as well as corrective measures to be implemented, going forward.

### **1.2.1 SOME OF THE HIGHLIGHTS IN 2016/ 2017 FINANCIAL YEAR**

For the year under review the municipality had set some targets at strategic level that include the focus on implementation of the organogram of the institution in order to stabilize operations, sustainment of the sound financial management status that has been demonstrating some improvements and spending of the allocated grants to accelerate service delivery. Moreover the institution had strategic intention to improve its performance for the financial year.

In an effort to attain these set objectives, the leadership of the institution at both political and administrative level joined forces in fulfilling these commitments. As such some positive results are being yielded which are reflected in this report. The municipality had made strides in implementing the organizational structure and this include the placement of staff, internal and external recruitment processes as well as job evaluations across the board. The implementation of the organizational structure is one of the important break-through milestones in the district as this had

been at standstill for five years due to dispute with the labour. Through the implementation of the organizational structure the institution had been able to mobilize and acquire the necessary skills that will assist it in shaping its agenda as well as improving the performance. Also over the year efforts were made to fill the Senior Management positions that were vacated due to resignations and expiring of contracts. Towards the end of the financial year one senior manager (Director Water and Sanitation) assumed duties whilst four senior management positions were at the stage of selection process (i.e. Director Human Settlement, Technical Services, Internal Audit and Executive Mayoral Services).

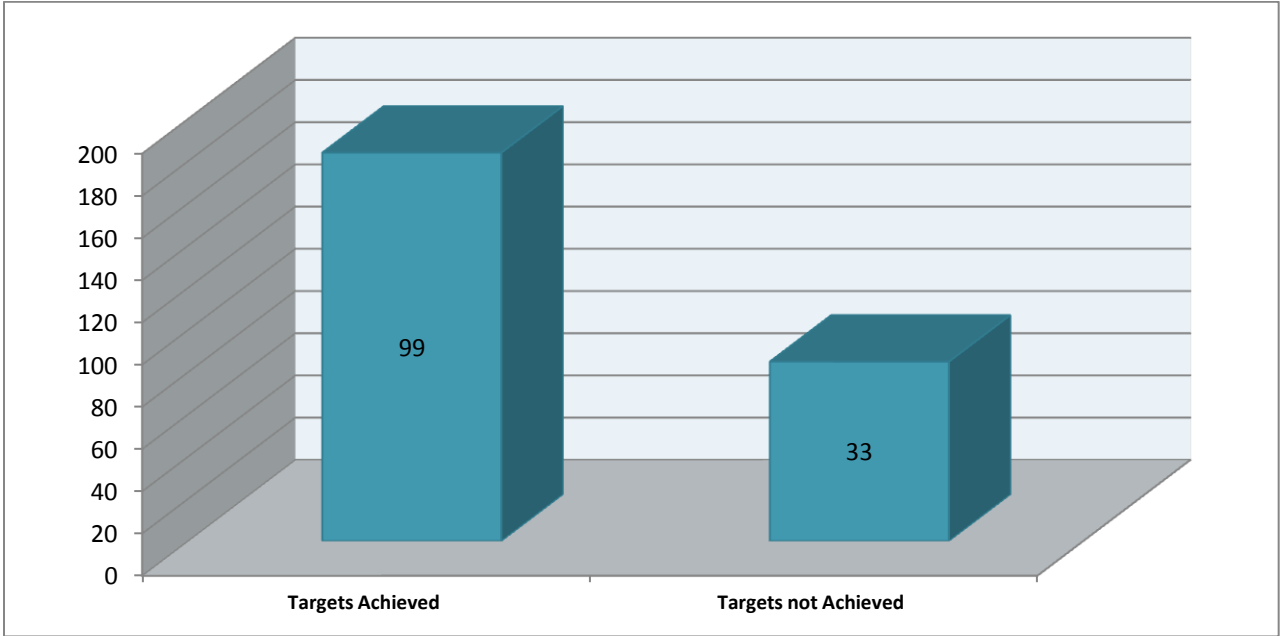
With regard to the fully expenditure of the grants, OR Tambo continued to fully spend the MIG and RBIG grant allocations for the financial. It further forged relations with the affected parties that include Treasury, Cooperative Governance at the national and provincial level as this had been yielding to the mistrust and misinterpretation of information towards the grant expenditures. Important to the performance is the implementation of the system that yield to the production of credible Portfolio of Evidences. This portfolio of evidences qualifies the broader implementation of the system which is monitored through Technical Indicator Descriptors that clearly describe what will be delivered and means of verifications.

### **1.2.2 SERVICE DELIVERY PERFORMANCE**

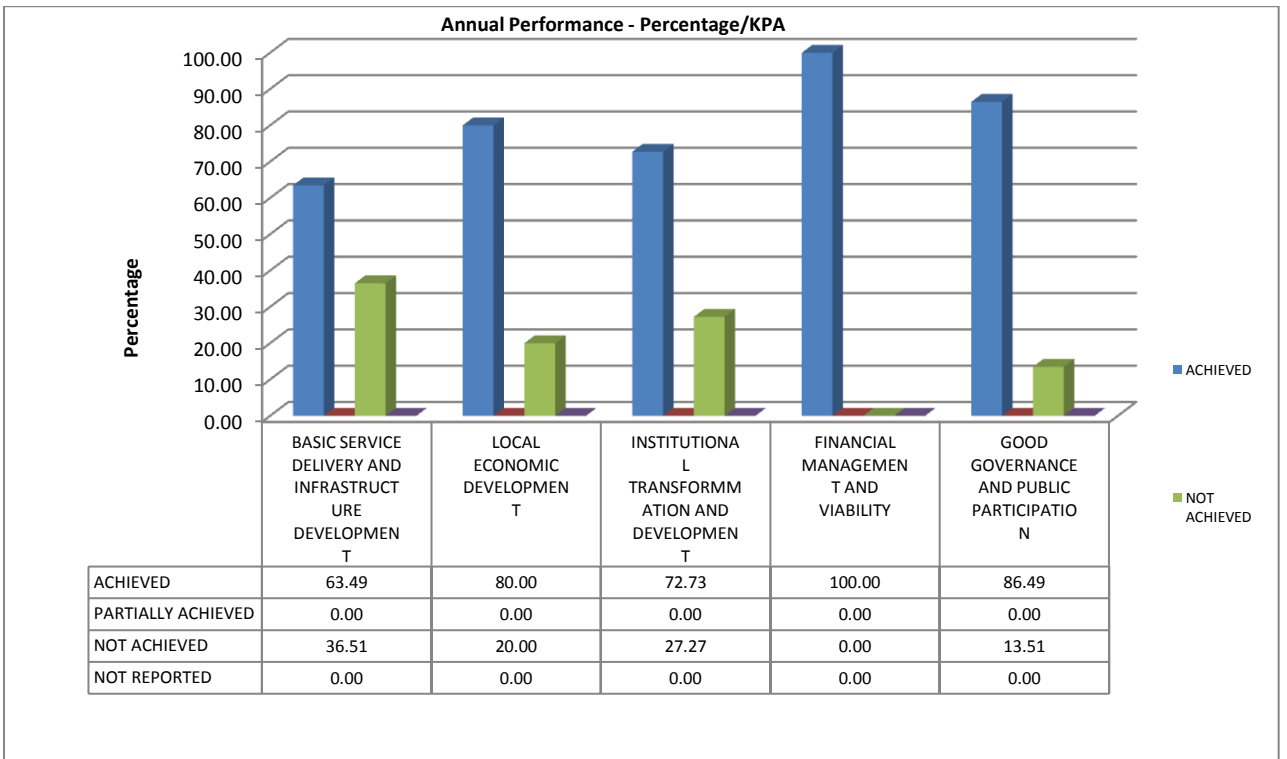
The report depicts the level of achievement of the set targets for the period 1 July 2016 to 30 June 2017. Where targets have not been achieved, reasons for deviation are given with corrective measures to be implemented by each department.

The overall institutional performance reflects 132 targets set for the institution across all the Key Performance Areas, of which 99 are reported to be achieved with 33 not achieved. This brings the overall institutional performance to 75 % for the 2016/2017 financial year. The performance illustrates improvement from the 2014/2015 and 2015 /2016 financial years. Key to the improvement is the quality of the report the deliverables and how these can be verified and tested. The charts below give details of performance in the municipality per key performance area as well as per department.

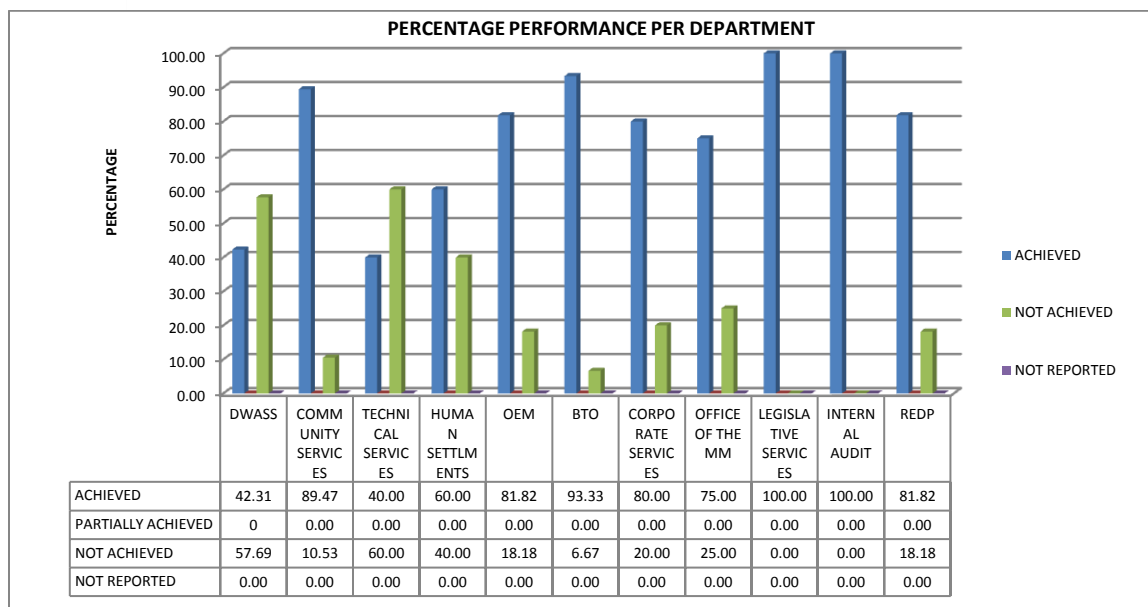
**Figure 1: 2016/2017 Overall Institutional Performance**



**Figure 2: 2016/2017 Overall Institutional Performance per KPA**



**Figure 3: 2016/2017 Overall Institutional Performance per Department**



The year's overall performance shows an increase from achievement of 2014/2015 and 2015/2016 financial years.

### 1.3. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

According to the Statistics of South Africa, Community Survey 2016, the population of the Eastern Cape is reflected to be approximately 6,996,976, which is the third highest in the country following KwaZulu Natal and Gauteng respectively. The O.R. Tambo District Municipality population accounts for 1,457,382 people and this is the highest in the Eastern Cape Province. O.R. Tambo District Municipality is relatively densely populated compared to most rural municipalities. The population density of all the local municipalities under the district is higher than the set standard of 42.39 persons per square kilometer. King Sabata Dalindyebo Municipality, which is the primary node of the district has a population estimated at 161 persons per square kilometer. The high density influences household infrastructure provision, quality of services such as education, medical care, and access to resources. Table 1 reflects the summary of Headline Demographic Data.

*Table 1: Summary of Headline Demographic Data*

	Ingquza Hill	PSJ	Nyandeni	Mhlontlo	KSD	O.R. Tambo District	EC
<b>HOUSEHOLDS</b>							
<b>Census 2011</b>	56,213	31,715	61,647	43,414	105,240	298,229	1,687,385
<b>Community Survey 2016</b>	60,974	33,951	61,867	40,855	116,243	313,890	1,773,395
<b>PERSONS</b>							
<b>Census 2011</b>	278,185	156,063	290,191	188,070	451,009	1,363,518	6,562,053
<b>Community Survey 2016</b>	303,379	166,779	309,702	186,860	490,207	1,456,927	6,996,927
<b>HOUSEHOLD SIZE</b>							
<b>Census 2011</b>	5.0	4.9	4.7	4.3	4.3	4.6	3.9
<b>Community Survey 2016</b>	5.0	4.9	5.0	4.6	4.2	4.6	3.9

In 2011 the district was estimated that 646,892 people were living in poverty 21.1% of the total population. The number of people living in poverty has increased to 758,816 which is 19.2% of the population in 2016 and only the KSD that has poverty levels closer to those of the province as a whole. All the other municipalities have poverty rate of up to 28.2% and with numbers living in poverty increasing. Ingquza Hill and Port St Johns have higher poverty levels than the other municipalities. Table 2 presents the number of people living below the poverty line per local municipality.

*Table 2: Number of People Living Below the Poverty Line per Local Municipality*

Region	2011	2012	2013	2014	2015
Ingquza Hill	122,738	124,252	121,895	124,338	120,331
Port St Johns	72,937	77,076	77,050	78,927	76,176
Nyandeni	125,024	127,014	122,386	121,566	116,317
Mhlontlo	72,073	71,167	67,148	66,387	62,463
KSD	147,653	151,710	150,195	154,368	150,000
<b>OR Tambo</b>	<b>540,425</b>	<b>551,219</b>	<b>538,673</b>	<b>545,687</b>	<b>525,586</b>
<b>Eastern Cape</b>	<b>1,938,323</b>	<b>1,973,581</b>	<b>1,943,692</b>	<b>2,014,849</b>	<b>1,951,837</b>
<b>South Africa</b>	<b>11,106,734</b>	<b>11,657,182</b>	<b>11,669,295</b>	<b>12,172,032</b>	<b>11,979,708</b>

Table 3 summarises the GINI Coefficient per local municipality, Human Development Index, functional literacy, poverty levels, poverty gaps rand per meal and poverty gap per household. It further reflects the unemployment rate, proportion of households with no income, proportion of population with low skills, HIV/AIDS prevalence and illiterate people older than 14 years.

**Table 3: GINI Coefficient, HDI per Local Municipality**

Local Municipality Name	GINI Coefficient	HDI	Functional Literacy	Poverty Levels	Poverty Gap Rm	Poverty Gap per household
King Sabata Dalindyebo	0.67	0.49	59%	66.0%	572	R5, 281
Ingquza Hill	0.61	0.38	42%	73.3%	404	R7, 032
Mhlontlo	0.62	0.43	49%	71.8%	294	R5, 894
Nyandeni	0.61	0.4	46%	76.3%	450	R6, 817
Port St John's	0.63	0.38	36%	76.1%	235	R7, 009
<b>ORTD - Total</b>	<b>0.64</b>	<b>0.42</b>	<b>47%</b>	<b>72.2%</b>	<b>2560</b>	<b>R6, 343</b>
<b>EC PROVINCE</b>	<b>0.67</b>	<b>0.53</b>	<b>64%</b>			

YEAR	Unemployment rate	Proportion of households with no income	Proportion of population with low-skilled employment	HIV/AIDS prevalence	Illiterate people older than 14 years
2011/12	68.1	72.2 %	17%	28%	24.4%

#### 1.4. SERVICE DELIVERY OVERVIEW

O.R. Tambo District Municipality is a Water Services Authority as prescribed by the Water Services Act of 1997. The district municipality is also given the responsibility by the Municipal Structures Act, section 84 (1) (i) and (j) to provide Environmental Health and Fire Services throughout the district. The adopted SPLUMA of 2013 further mandates the district to coordinate land use management in its jurisdiction. The coordination of land use management is done in partnership with other spheres of government. Table 4 presents the overview of services rendered by the district municipality over a five year period.

**Table 4: 5 Year Service Delivery Statistics of the O.R. Tambo District Municipality**

<b>5YR SERVICE DELIVERY STATS - ORTDM</b>					
<b>Water Distribution</b>	<b>2011/2012</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>
Piped water inside dwelling	27 986	29 378	30 770	32 162	33 554
Piped water inside yard (but not in dwelling)	27 720	28 242	28 764	29 286	29 809
Using public tap (at least in-service level)	42 442	43 763	45 085	46 406	47 727
Minimum Service Level and Above sub-total	98 148	101 383	104 619	107 854	111 090
Using public tap (< in-service level)	21 700	21 014	20 327	19 641	18 954
No water supply	195 782	195 133	194 484	193 835	193 186
Below Minimum Service Level sub-total	217 482	216 147	214 811	213 476	212 140
<b>Total number of households</b>	<b>315 630</b>	<b>317 530</b>	<b>319 430</b>	<b>321 330</b>	<b>323 230</b>
<b>Sanitation/Sewerage:</b>					
Flush toilet (connected to sewerage)	27 986	29 378	30 770	32 162	33 554
Flush toilet (with septic tank)	18 302	19 337	20 373	21 408	22 444
Pit toilet (ventilated)	207 819	215 402	222 985	230 569	238 152
Minimum Service Level and Above sub-total	254 107	264 117	274 128	284 139	294 150
No toilet provisions	61 523	53 413	45 302	37 191	29 080
Below Minimum Service Level sub-total	61 523	53 413	45 302	37 191	29 080
<b>Total number of households</b>	<b>315 630</b>	<b>317 530</b>	<b>319 430</b>	<b>321 330</b>	<b>323 230</b>
<b>Free Basic Service - Water</b>					
<i>Number of HH receiving this type of FBS</i>	100 754	102 740	104 248	105 757	–

## 1.5. FINANCIAL HEALTH OVERVIEW

## 1.6. ORGANISATIONAL DEVELOPMENT OVERVIEW

## 1.7. AUDITOR GENERAL REPORT

## 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 Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 <sup>th</sup> quarter Report for previous financial year	
4	Submit draft 16/17 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 assesses draft 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	December
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	January
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	

## 1.9. WATER SUPPLY SERVICE



OR Tambo District Municipality is both a Water Services Authority and a Water Services Provider. Authority is therefore vested in it, in terms of the Municipal Structures Act 118 of 1998 or the ministerial authorizations made in terms of this Act, to ensure that water resources and infrastructure are well managed and maintained in order that the service may be provided in an equitable, sustainable and efficient manner.

The primary responsibility for Water Services Authority includes:

- **Ensuring access:** To ensure the realisation of the right of access to water services, particularly basic water services (subject to available resources) by seeing that appropriate investments in water services infrastructure are made;
- **Planning:** To prepare water services development plans to ensure effective, efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development;
- **Provision:** To ensure the provision of effective, efficient and sustainable water services (including water conservation and demand management) either by providing water services themselves or by selecting, procuring and contracting with external Water Services Providers.



## **2.1. FUNCTIONALITY OF COUNCIL**

The O.R. Tambo District Municipality Council's primary role is that of political oversight of the municipality's functions, programmes and the management of the administration. All of the powers of local government are vested in the municipal council. The council has the power to make by-laws (legislative authority) and the powers to put those laws into effect (executive authority). The Council of O.R. Tambo adopted a Separation of Powers governance model, with the executive arm of council led by the Executive Mayor and the legislative arm of council led by the Speaker.

The legislative arm of council is constituted of committees established in line with the provisions of Section 79 of the Municipal Structures Act, No. 117 of 1998, as Section 79 Standing Committees and Section 79 Portfolio Committees. The Section 79 Standing Committees play an important role in ensuring good governance, accountability and public participation. The Section 79 Portfolio Committees are established in line with the municipal departments to play an oversight role over the performance of the departments as to improve service delivery related matters. The O.R. Tambo District Municipality council has executive and legislative authority over the matters set out in Part B of schedule 4 and Schedule 5 of the Constitution. In administering the matters assigned to local government, the municipal council strives within its capacity to achieve the Constitutional objects of local government.

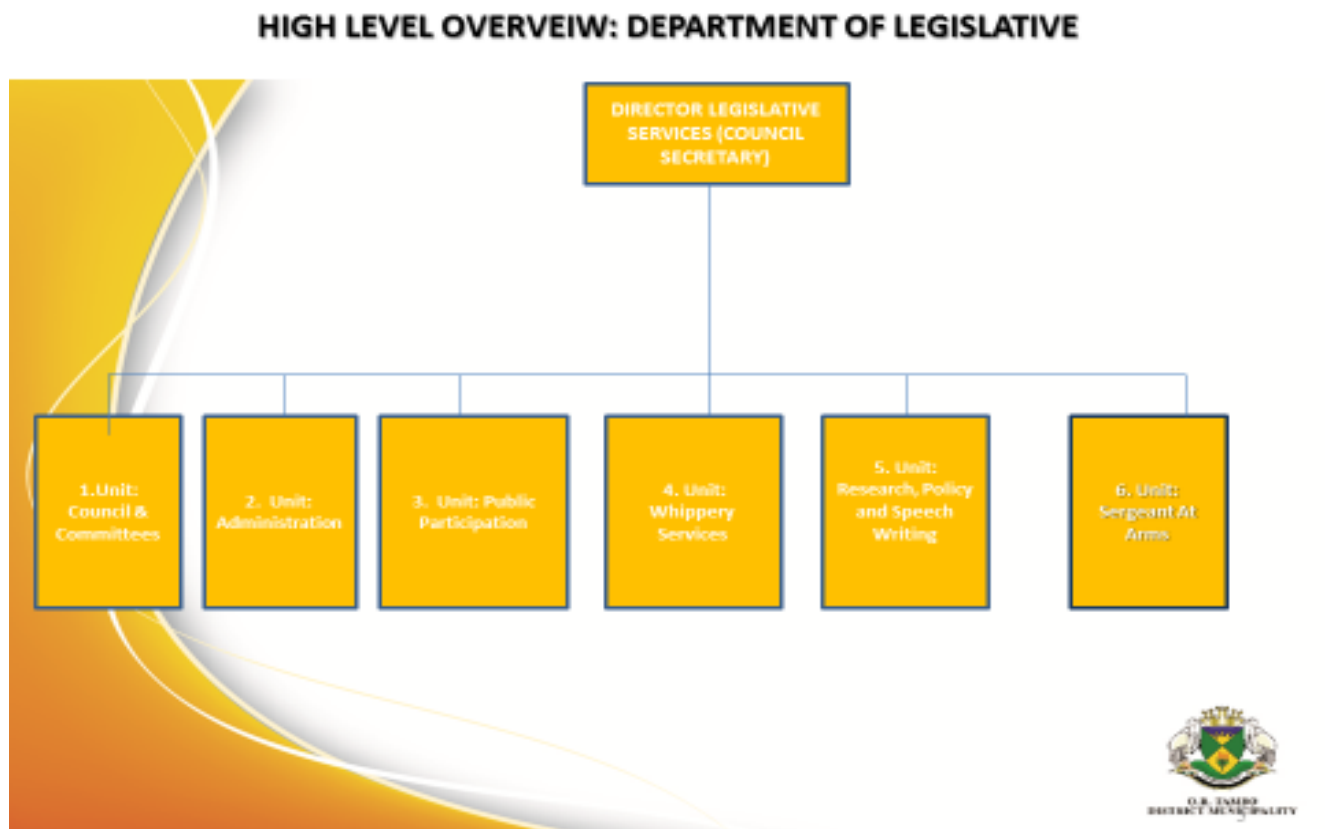
The new council for the term 2016\2021 was inaugurated during its First Council Meeting held on the 24<sup>th</sup> August 2016, wherein the Speaker, Cllr X. Nkompela, the Executive Mayor, Cllr N. Meth and the Chief Whip, Cllr T. Sokanyile were elected. In the same meeting, the Speaker was delegated by the council to appoint Section 79 Committee Chairpersons and members as per the Municipal Oversight Model adopted by council on the 30<sup>th</sup> September 2016. The new council was inducted on the 29<sup>th</sup> August to 01<sup>st</sup> September 2016 followed by the Section 79 Committee Workshop conducted on the 5<sup>th</sup> September 2016 to 6<sup>th</sup> September 2016. During the 2016\17 financial year, the Council successfully held seven (7) Council meetings, one open council meeting outside the chamber, the Inauguration of the Executive Mayor, four Special Council Meetings and two Ordinary Council meetings in terms of Section 29 of Local Government: Municipal Structures Act, No. 117 of 1998, and all of these meetings were publicized to enhance accessibility to the

public.

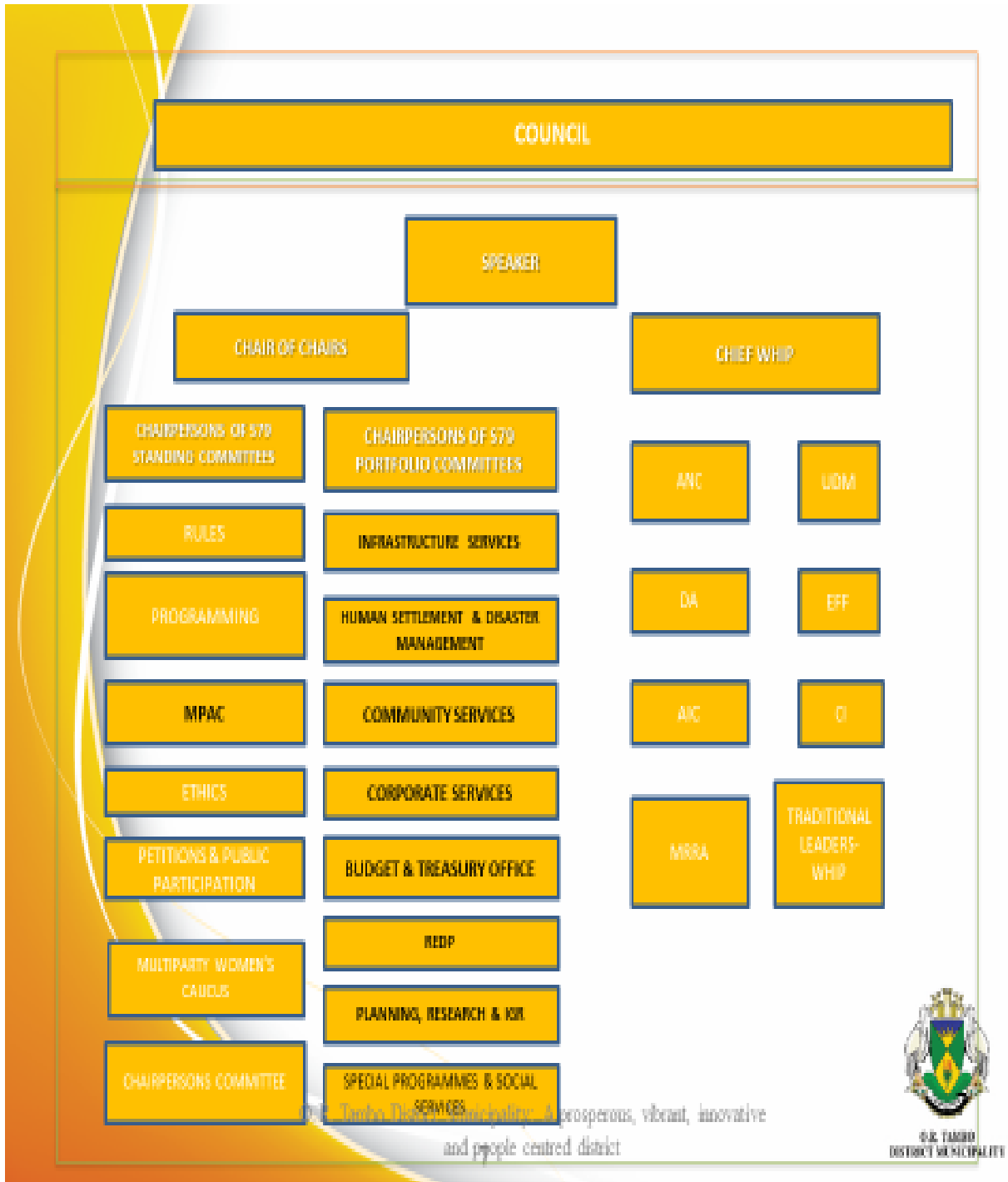
The core mandate of the Legislative Arm of Council is focused on five themes:

- Accountability, Oversight and Scrutiny
- Strengthen capacity of the Legislative Arm of Council
- Public Participation to safeguard local democratic processes
- Monitoring and evaluation, and
- Sound Financial Management

Figure 4: Organisational Structure- Legislative Services



**Figure 5: O.R. Tambo District Municipality Political Structure**



### 2.1.1. COMPOSITION OF COUNCIL

In terms of Section 12 Notice of Local Government: Municipal Structures Act No. 117 of 1998, O.R. Tambo is a category C municipality which consists of **59** Councillors representing various political parties as shown in the table below:

*Table 5: O.R. Tambo District Municipality Composition of Council*

PARTY	TOTAL NO. OF CLLRS	PART-TIME CLLRS	FULL-TIME CLLRS	NUMBER OF FEMALE CLLRS
	59	35	24	36
ANC	49	44	18	28
UDM	05	3	2	1
DA	4	3	1	-
EFF	2	1	1	1
AIC	1	-	1	1
CI	1	-	1	-
MRRA	1	1	-	-

*Table 6: O.R. Tambo District Municipality Local Municipal Councillors*

Local Municipality	No. of Councillors	No. of Males	No. of Females
King Sabatha Dalindyebo (KSD)	12	6	6
Nyandeni	7	1	6
Port St John's	4	1	3
Ingquza Hill	7	3	4
Mhlontlo	5	3	2

### 2.1.2. COUNCILLOR REPLACEMENTS AND RESIGNATIONS IN 2016\17

1. Cllr Maqoko from KSD Local Municipality was replaced by Cllr Mkontwana
2. Cllr Sobahle from KSD Local Municipality was replaced by Cllr Mcimbi
3. Cllr N.P. Mkontwana from Mhlontlo Local Municipality was replaced by Cllr Dambuza
4. Cllr Kupelo who was appointed as the Chairperson for Planning, Research and IGR Portfolio.

## **2.2. GOVERNANCE FRAMEWORK: SEPARATION OF POWERS MODEL (SOP) & MUNICIPAL OVERSIGHT MODEL (MOM)**

In the with the Separation of Powers Governance Model, adopted by council in September 2013, the council on the 30<sup>th</sup> September 2015, adopted a Municipal Oversight Model (MoM) for strengthening the functionality of the Section 79 Portfolio Committees of council established to play an oversight role. The council adopted the council standing orders in line with the afore stated governance frameworks on the 24<sup>th</sup> August 2016.

### **2.2.1. PETITIONS & PUBLIC PARTICIPATION COMMITTEE**

The Petitions & Public Participation committee is constituted in terms of Section 79 of the Municipal Structures Act 117 of 1998 as a Section 79 Standing Committee of the Council of O.R. Tambo District Municipality. The main objectives of the Petitions & Public Participation Committee entails the following:

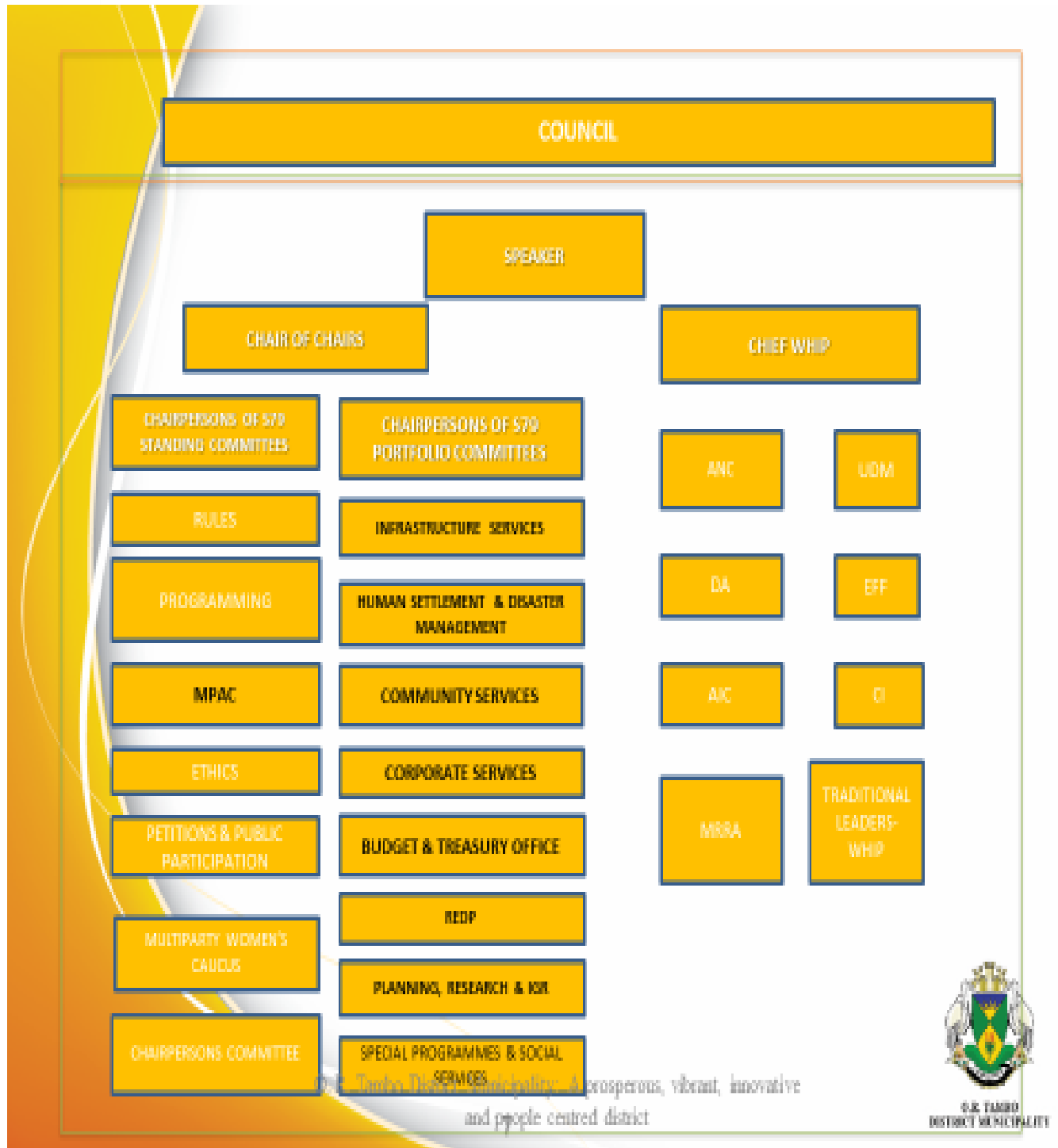
- (a) To encourage the involvement of Communities and Community Organisations in the matters of local government.
- (b) The development of systems to monitor and track petitions received in an accurate and effective manner.
- (c) The development of a feedback system for petitions received
- (d) To increase the effectiveness of public participation in the Council.
- (e) To develop and/or update a policy for public participation.
- (f) To diligently perform its power and functions in terms of these terms of terms of reference.

O.R. Tambo District Municipality is involved in public participation through ward committees. Capacity building programmes were taken to ward committees in order to strengthen ward committee leadership in about 100 Ward Committee Members from KSD; Nyandeni; Port St Johns and Ingquza Hill Local Municipalities were trained on Report Writing; Minute Taking and Conflict Management Skills. The Municipality monitors the functionality of ward committees within the district by using the Ward Committee Monitoring Tool. On a quarterly basis, the Local Municipalities submits reports on the functionality of ward committees in line with Ward Committee Monitoring Tool.

Community participation is of high importance in all municipal programmes; including IDP/Budget process wherein IDP/Budget roadshows were conducted in all local municipalities. Public participation aims at encouraging people to participate in municipal programmes for the improvement of service delivery. Community members are encouraged to raise their petitions and concerns to the municipality through Petitions Committee. More than 70 petitions were submitted to the Petitions and Public Participation Committee, of which 47,2% of the petitions were successfully resolved as per the Complaints and Petitions Handling Policy and the 52,8% of the petitions were submitted to the respective departments for response. The committee managed to conclude 17 petitions and gave feedback to petitioners.



## 2.2.2. POLITICAL GOVERNANCE



### 2.2.3. OVERSIGHT ROLE OF COUNCIL AND SECTION 79 COMMITTEES

The council committees are established in terms of Section 79 of the Municipal Structures Act 117 of 1998 as Standing and Portfolio Committees. Section 79 Standing Committees are chaired by non-executive fulltime councillors and the Section 79 portfolio committees are chaired by non-executive part time chairpersons.

The district municipality has seven Section 79 Standing Committees and eight Section 79 Portfolio Committees which are managed and coordinated by the Office of the Speaker as per the Separation of Powers Model that was adopted by Council on the 06th September 2013.

*Table 7: S 79 Standing Committee Achievements*

SECTION 79 STANDING COMMITTEE	CHAIRPERSON'S NAME	ACHIEVEMENTS
1. Rules Committee	<b>Cllr. X. Nkompela</b>	1. Adoption of Reviewed Council Standing Orders 2. Three Progress reports tabled to council 3. Study tour for all political party whips and delegates for the Executive Arm of council
2. Programming Committee		Effective sittings of all council meetings due to prior consideration of all items for council by the Programming Committee. Tabling of 4 Progress Reports to Council
3. Chairperson's Committee	<b>Cllr A. Gantsho</b>	Tabling of S79 Standing and Portfolio Committee Quarterly reports to Council 2. Four Quarterly Progress Reports tabled to council 3. Study tour for Oversight Committee Chairpersons
4. Municipal Public Accounts Committee (MPAC)	<b>Cllr N. Pepping</b>	1. Workshop on the: Consideration of Annual Reports and Annual Financial Statements, Implementation of Circular 63 of the MFMA

SECTION 79 STANDING COMMITTEE	CHAIRPERSON'S NAME	ACHIEVEMENTS
		2. Tabling of Three reports to council: Second Quarter 2016\17 Progress Report; Oversight Report on the Unaudited and Audited Annual Report 2015\16 and the 4 <sup>th</sup> Quarter 2016\17 Progress Report
5. Ethics and Members Interest Committee	<b>Cllr Gcinindawo</b>	Workshop on all councillor benefit\welfare policies Provision of working tools for councillors Tabling of 4 Quarterly Progress Reports to Council
6. Multiparty Women's Caucus	<b>Cllr Cwecwe</b>	Conduction of Awareness Campaign for Prevention of Violence against Women Tabling of 4 Quarterly Progress Reports to Council
7. Petitions and Public Participation Committee	<b>Cllr N. P. Mkontwana</b>	Tabling of 5 Quarterly reports to council

SECTION 79 PORTFOLIO COMMITTEES NAME	NAMES OF DEPARTMENTS OVERSIGHTED	CHAIRPERSON	OVERSIGHT REPORTS ADOPTED BY COUNCIL
1. Infrastructure Services Portfolio Committee	Water and Sanitation Services and Technical Services	Cllr Z. Gusana	Five Oversight Reports: (4 <sup>th</sup> Quarter 2015\16, 1 <sup>st</sup> Quarter 16\17, 2 <sup>nd</sup> Quarter 2016\17, Midterm 2016\17 & 3 <sup>rd</sup> Quarter 2016\17) and 1 Focused Intervention Study Report
2. Human Settlement and Disaster Management	Human Settlement <b>and</b>	Cllr N. Fono	Five Oversight Reports: (4 <sup>th</sup> Quarter 2015\16, 1 <sup>st</sup> Quarter

SECTION 79 PORTFOLIO COMMITTEES NAME	NAMES OF DEPARTMENTS OVERSIGHTED	CHAIRPERSON	OVERSIGHT REPORTS ADOPTED BY COUNCIL
Portfolio Committee	Disaster Management Section under Community Services		16\17, 2 <sup>nd</sup> Quarter 2016\17, Midterm 2016\17 & 3 <sup>rd</sup> Quarter 2016\17)
3. Corporate Services	Corporate Services	Cllr L. Mziba	Five Oversight Reports: (4 <sup>th</sup> Quarter 2015\16, 1 <sup>st</sup> Quarter 16\17, 2 <sup>nd</sup> Quarter 2016\17, Midterm 2016\17 & 3 <sup>rd</sup> Quarter 2016\17)
4. Community Services	Community Services	Cllr M.I. Nkungu	Five Oversight Reports: (4 <sup>th</sup> Quarter 2015\16, 1 <sup>st</sup> Quarter 16\17, 2 <sup>nd</sup> Quarter 2016\17, Midterm 2016\17 & 3 <sup>rd</sup> Quarter 2016\17)
5. Budget & Treasury Office (BTO)	BTO & Internal Audit	Cllr K. Mandita	Five Oversight Reports: (4 <sup>th</sup> Quarter 2015\16, 1 <sup>st</sup> Quarter 16\17, 2 <sup>nd</sup> Quarter 2016\17, Midterm 2016\17 & 3 <sup>rd</sup> Quarter 2016\17)
6. Planning, Research and Intergovernmental Relations	Office of the Municipal Manager	Cllr Kupelo	Five Oversight Reports: (4 <sup>th</sup> Quarter 2015\16, 1 <sup>st</sup> Quarter 16\17, 2 <sup>nd</sup> Quarter 2016\17, Midterm 2016\17 & 3 <sup>rd</sup> Quarter 2016\17)
7. Special Programs and Social Services Portfolio Committee	Office of the Executive Mayor	Cllr T. Mgaweni	Five Oversight Reports: (4 <sup>th</sup> Quarter 2015\16, 1 <sup>st</sup> Quarter 16\17, 2 <sup>nd</sup> Quarter 2016\17, Midterm 2016\17 & 3 <sup>rd</sup> Quarter 2016\17)

SECTION 79 PORTFOLIO COMMITTEES NAME	NAMES OF DEPARTMENTS OVERSIGHTED	CHAIRPERSON	OVERSIGHT REPORTS ADOPTED BY COUNCIL
8. REDP	LED, Ntinga Development Agency & Kei Fresh Produce Market	Cllr N. Kuluta	Five Oversight Reports: (4 <sup>th</sup> Quarter 2015\16, 1 <sup>st</sup> Quarter 16\17, 2 <sup>nd</sup> Quarter 2016\17, Midterm 2016\17 & 3 <sup>rd</sup> Quarter 2016\17)

**Table 8: S79 Committee Allocations**

COMMITTEE'S NAME	NO. OF MEMBERS	ANC	TOTAL OPPOSITION	UDM	DA	EFF	AIC	CI	MRRA	TL	VACANCY
Rules Committee	16	8	5	-	1	1	1	1	1	3	-
Programming Committee	15	8	6	1	1	1	1	1	1	1	-
Chairperson's Committee	13	13	-	-	-	-	-	-	-	-	2
MPAC	14	8	4	1	1	1	-	-	1	2	-
Petitions & Public Participation	16	9	3	1	1	-	1	-	-	4	1(Chairperson)
Ethics & Members Interest Committee	14	6	5	1	1	1	-	1	1	3	-
<b>Women's Caucus</b>											
Infrastructure Services	17	9	6	1	1	1	1	1	1	2	-
Human Settlement & Disaster Management	14	9	4	1	1	1	-	1	-	1	-
BTO	16	9	5	1	1	1	-	1	1	2	-

COMMITTEE'S NAME	NO. OF MEMBERS	ANC	TOTAL OPPOSITION	UDM	DA	EFF	AIC	CI	MRRA	TL	VACANCY
Planning, Research & IGR	16	9	5	1	1	1	-	1	1	2	1 (Chairperson)
Corporate Services	14	9	5	1	1	1	-	1	-	1	-
Community Services	14	9	3	1	1	1	-	-	-	2	1 (ANC-member)
Special Programs & Social Services	13	9	2	1	1	-	-	-	-	2	1 (ANC-member)

## **2.2.4. PARTICIPATION OF TRADITIONAL LEADERS IN COUNCIL**

Additional to 59 councillors, O.R. Tambo District Municipality has been joined by 12 Traditional Leaders who were also sworn in on the 24<sup>th</sup> August 2016. Section 212 (1) of the Constitution of the Republic of South Africa refers to the recognition of the institution of Traditional leadership by stipulating that national legislation may provide for a role for the institution of traditional leadership at all local communities. Section 81 of Local Government: Municipal Structures Act, No.117 of 1998 as well as section 4 of the Traditional Leadership and Governance Framework, Act No.43 of 2003 give effect to section 212 (1) of the Constitution by allocating a role to the institution of traditional leadership on governance and development issues at the sphere of local government. Section 81 (2) of the same Act further stipulates that:

- (a) The MEC for local government in a province, in accordance with Schedule 6 and by notice in the Provincial Gazette, must identify the traditional leaders who in terms of section (1) may participate in the proceedings of a municipal council.

The Traditional Leaders participating in council have played an essential role in guiding all the decisions taken regarding any matter. All Traditional Leaders participate effectively in Council debates. They are represented in all Section 79 Council Committees (Standing and Oversight Portfolio Committees).

## **2.2.5. PUBLIC MEETINGS**

### **2.2.5.1. Ordinary Council Meetings**

1. 30 September 2016
2. 08 December 2016
3. 30 March 2017
4. 29 June 2017

### **2.2.5.2. Open Ordinary Council Meeting- out of the council chamber**

1. 13 October 2016- Inauguration of the Executive Mayor
2. 2<sup>nd</sup> June 2017- State of the District Address (SODA)

### **2.2.5.3. Special Council Meetings**

Eleven Special Council meetings were held as follows:-



**Quarter 1 2016\17:**

1. 29 July 2016
2. 24<sup>th</sup> August 2016
3. 07<sup>th</sup> September 2016

**Quarter 2 2016\17:**

4. 28<sup>th</sup> October 2016

**Quarter 3 2016\17:**

5. 13<sup>th</sup> January 2017
6. 29<sup>th</sup> January 2017
7. 28<sup>th</sup> February 2017

**Quarter 4 2016\17**

8. 11<sup>th</sup> April 2017
9. 18<sup>th</sup> May 2017
10. 31<sup>st</sup> May 2017
11. 15<sup>th</sup> June 2017

### 2.3. INTERGOVERNMENTAL RELATIONS

#### 2.3.1. NATIONAL INTERGOVERNMENTAL STRUCTURES

The O.R. Tambo District Municipality is one of the national pilot sites for the Presidential Intervention Programme that is specifically implemented in the King Sabata Dalindyebo. The Municipality forms part of the Presidential Intervention Programme which involves various national departments with a particular focus on infrastructure development in the district's major economic hub i.e. KSD local municipality. The programme facilitated the upgrade of the National Road (N2) road and various streets in Mthatha and surrounding areas, the Bulk Water and Waste Water Infrastructure around Mthatha, the Mthatha Airport as well as the construction of a new bridge in Mthatha. There are various work streams and working groups that are coordinated and convened for the acceleration of the programme and the district is one of the key stakeholders. The following are the structures that coordinate the programme:

- National Working Group
- Provincial Working Group
- Project Management
- The Work Streams- Water; Economic Development, Health and Social services; Human Settlement, Transport

#### 2.3.2. PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The O. R. Tambo District Municipality attends and participates in the provincial intergovernmental structures. These include:-

- Premier's Co-ordinating Forum (PCF)
- Technical Support Group to the PCF
- Political Munimec comprising of Province and all local municipalities in the Province
- Technical Munimec
- Provincial Speakers Forum
- Provincial Steering Committee on EPWP

The meetings of the above structures are convened by the provincial government. In addition to

these provincial forums the district Council is represented in the SALGA working groups. Moreover, as the district is the Water Services Authority it also participates in the Provincial Water Forum which is the provincial IGR structure for water services in the province under the leadership of the MEC for Local Government and sector department (Department of Water and Sanitation).

### **2.3.3. DISTRICT INTERGOVERNMENTAL STRUCTURE**

In order to comply with the legislative requirements and fulfil its obligations in terms of co-operative governance and intergovernmental relations, O. R. Tambo District Municipality developed and adopted the District Intergovernmental Relation Framework Policy. Over the 2016/2017 financial year the policy framework was reviewed. The policy Framework established a number of internal structures that include:

- The District Mayors Forum (DIMAFO).
- The Technical Support Group which is composed of the Municipal Managers of the District and District Directors of sector department, is serving as a technical support to the DIMAFO;
- Sector forums such as:
  - Local Economic Development, Spatial Development and Environmental Management,
  - Infrastructure Development Forum,
  - Social Sector Forum,
  - Corporate Affairs Forum,
  - Financial Viability Forum,
  - Good Governance Forum,
  - Speakers Forum,
  - District Communications Forum,
  - IDP Representative Forum and Safety and Security Forum.

Over the year all these forums have been functional and able to coordinate and accelerate service delivery in the district. These forums are the basic structures that coordinate planning, implementation and monitoring of programmes across the sectors within the region. Though the district IGR structures have been in operations there are some that did not sit as per requirements. This therefore necessitates the review of the policy and structures in line with the terms of

reference. The review tabled the minimization of the forums to three clusters in order to be aligned to the provincial model.

Subsequent to the district Intergovernmental Relation structures and its implementation the OR Tambo committed to implement the Integrated Service Delivery Model (ISDM) referred to as Masiphathisane as was adopted by National and Provincial government. As part of the implementation of the model War-rooms were to be established per each municipal ward and these serve as structures of coordinating service delivery from the ward-base level. In deed the municipality prioritized to facilitate the establishment of war rooms in all its wards that is 146. Over the financial year the district managed to establish the war rooms as per the following:-

- Ingquza Hill LM, 33 War Rooms established out of 33 wards.
- Mhlontlo LM, 26 War Rooms established out of 26 wards.
- KSD LM, 36 War Rooms established out of 36 wards.
- Port St Johns LM, 20 War Rooms established out of 20 wards.
- Nyandeni LM, 32 War Rooms established out of 32 wards.

In addition to the coordination of the establishment of the War Rooms the district provided support in the form of operational material. These include the procurement of the 146 Pull-up banners and provision of the register of service delivery issues to be considered by various government departments/ sectors. The procurement of the material serves to popularize the War Rooms as government service delivery structures and to ensure that they are functional.

## **COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

### **2.4. PUBLIC MEETINGS**

#### **2.4.1. COMMUNICATION, PARTICIPATION AND FORUMS**

The District Municipality is coordinating communication across district and sectors. This is part of the adopted IGR policy framework and the communication strategy. The policy prescribes for the establishment of the District Communicators Forum that serves to coordinate communication and promote participation in the municipal affairs. The OR Tambo had established the district communicator's forum constituted by the local municipality communication practioners, provincial

communicators from Office of the Premier, Cooperative governance and Traditional Affairs and the Government Communication Information Services with all other sector departments. Over the year the District Communicators forum has been functional and it executed its work that includes the development and implementation of the annual communication plan. The plan necessitated the implementation of various initiatives that include media briefings, production of newsletters, initiating slots in the radio shows and etcetera.

Through the district communicators forum the municipality further interface with other municipalities and sector departments through Provincial Local Government Forum that sit on quarterly bases. The forum serve to share lessons across municipalities as well as provide the necessary support with regard to the provincial matters that need to be taken into account into the municipal affairs. The forum also serves as mechanism to align the district, provincial and national priorities and agenda.

Over 2016/2017 financial year the OR Tambo District made some strides in improving communication with its customers towards the delivery of the core function (Water Services). It forged partnership with Vodacom South for the development of the Thethanathi system that responds to service delivery challenges. The model provides gargets and APP for reporting of water leakages, breakages as well as outages. It further generates reports on how the municipality is addressing these matters. The system/ model is mechanism that provide a two way communication system between municipality and its consumers.

#### **2.4.2. WARD COMMITTEES**

#### **2.4.3. RELATIONSHIPS WITH MUNICIPAL ENTITIES**

The DM established Ntinga O.R. Tambo Development agency, a utility company and a special purpose vehicle responsible for spearheading Local Economic Development in the district. The entity has the Chief Executive Officer as the accounting officer and a board of directors, in which the political and administrative structures of the DM are represented. The entity was established to be the implementing agent of the O.R. Tambo District Municipality's (ORTDM) LED programmes focusing on:

- Strategic Infrastructure such as rail dams, electrification, roads (priority surfaced and rural access roads)
- Agriculture and Food Production
- Mari culture and Tourism
- Social Infrastructure ad Services
- Institutional Building
- Any other functions delegated to Ntinga by ORTDM in terms of its powers and functions.

The council, following engagements with the National Treasury has taken a decision to review the mandate and refocus of Ntinga towards the core function of the District Municipality. It is in this regard that the O.R Tambo District Municipality took a resolution that Ntinga be converted from currently a Service Utility type of a municipal entity which was established through a municipal by-law in terms of section 86H of the Municipal Systems Act to a State owned company as enshrined by the Companies' Act. Over the financial Ntinga was successfully converted and this serve to ensure that it addresses some deficiencies.

Apart from the relations with the municipal entity the district provide support to its local municipalities as per Section 88 of the Local Government: Municipal Structures Act. Over the financial year various support areas have been identified and initiated and these include performance management, risk management, communication and internal audit. There has been a particular support to planning especially the coastal areas where the district supports for the development of the spatial development Frameworks in order to spearhead the development.

## 2.5. IDP PARTICIPATION AND ALIGNMENT

Table 9 presents the IDP participation and alignment criteria.

**Table 9: IDP Participation and Alignment**

IDP Participation and Alignment Criteria*	Yes/No	Comment
Does the municipality have impact, outcome, input, output indicators?	Yes (except for impact indicators)	The municipality is not yet at level of impact assessment
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes	These are product of the strategic planning
Does the IDP have multi-year targets?	Yes	Five year targets are capture in the IDP
Are the above aligned and can they calculate into a score?	Yes	Performance is measure based on the targets
Does the budget align directly to the KPIs in the strategic plan?	Yes	The budget is KPI based
Do the IDP KPIs align to the Section 57 Managers	Yes	Contracts of S56 are aligned to KPIs
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes	SDBIP has been developed
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes	12 outcomes are bases for IDP priorities
Were the indicators communicated to the public?	Yes	Through the IDP roadshows that took place across the locals municipality.
Were the four quarter aligned reports submitted within stipulated time frames?	Yes	All quarter reports were tabled to council at the stipulated time.

## **2.6. RISK MANAGEMENT**

The Municipal Finance Management Act section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management. The municipality implements risk management so that it is in a position to take corrective action on possible obstacles towards the attainment of set objectives. In compliance with the legislative framework OR Tambo district municipality developed a risk management policy. It recognizes that risk management is a function of senior management of the municipality. Also the Chief Risk officer was appointed during the financial year to execute work pertaining risk management.

During the 2016/2017 financial year a strategic risk assessment exercise was conducted to identify and prioritize risks. Also effectiveness of current Controls were assessed and measures to improve them were identified and the implementations of such controls were assigned to various people in the municipality. As part of the oversight processes over risk management, management is required to prepare reports at-least once a quarter on progresses made on the implementation management actions and as such the risk unit follows up with the respective departments on a monthly basis and collects portfolio of evidence for all those actions that have been achieved for internal audit purposes and the audit committee has an oversight responsibility over risk management.

Risk management strategy has been developed and the policy together with the terms of reference of the risk and compliance committee have been reviewed and shared with councillors in the strategic workshop. However, the implementation of these is currently under way. The culture of risk management has not yet matured, it is in its infant stage and as such though there has been a positive shift in terms of understanding its importance from the institution; Risk management continues to be viewed as a compliance matter rather than being embedded on the day to day business and organizational culture. The focus is still at institutional and departmental assessment and has not yet reached or addressed project risk management.



The top ten (10) risks that have been identified in the municipality are the following:

KPA	RISK	RESIDUAL RISK EXPOSURE	RISK OWNER	COMMENTS
Basic Service delivery	Failure to Meet Blue & Green status	15	Director WSA	All actions committed not yet implemented
	Inability to provide access to sanitation services	16		
Local Economic development	Lack of contribution to economic development through Aqua-culture industry	16	Director: REDP	Actions committed are due on 31 Dec 2017
	Insufficient economic research and develop capacity in the district.	16		
	Failure to achieve a spatial equitable economic growth	16		
Financial Viability	Inability to meet set revenue targets	15	CFO	Some of the actions committed have been implemented: <ol style="list-style-type: none"> <li>1. Staff has been appointed to capacitate BTO</li> <li>2. Ongoing MSCOA meetings</li> <li>3. Policies have been reviewed and workshops on them were held.</li> <li>4. . MSCOA compliant system has been procured</li> </ol>
	Ineffective and inefficient implementation of sound financial management system	16		
	Non-compliance to Mscoa requirements	20		
Good Governance	Ineffective oversight	20	Municipal Manager	Some of the actions committed are still in progress:

				2.8.1 Appointment of researchers
	Non implementation of recommendations of internal and external auditors	16		Management Action plan is followed up on a monthly basis, however there is a slow response to actions committed (consult report by IA on MAAP)
Institutional transformation	Failure to provide adequate ICT systems	20	Director: Corporate services	We could not get evidence that actions committed have been implemented.

These top ten risks have mitigating controls in place to reduce impact of these risks if they may occur and the mitigating controls are allocated to individuals to implement them.

## 2.7. ANTI-CORRUPTION AND FRAUD

Anti-fraud and anti-corruption policies are in place. These policies will yield positive results when fully implemented. A policy on declaration of conflict of interest by staff is in place. Incidents of suspected corruption are reported via the Presidential Hotline. Currently the municipality is developing its fraud hotline and the work on the conceptualisation of this has been initiated during the year under review. The following activities have been undertaken:

- Fraud awareness sessions have been held with various departments who are by nature prone to fraud such as SCM, HR; Human settlements and Community services. A plan for fraud prevention has been developed for the 17/18 financial year and shall be fully implemented.
- Staff have signed declaration of interests
- Workshop on the policies have been conducted
- There is a process which is still in progress to ensure that risk management unit works with labour relations to ensure that staff have signed the code of conduct.
- The institution has an internal audit unit who on an annual basis conduct audits in areas with high risks, this is also a means of testing the existing controls to ensure that they are

strengthened to detect, prevent and mitigate any fraud risks identified. Through internal audit reports the institution is able to set action plans to improve the status quo.

Challenges that need to be addressed are as following:

- Non-reviewal and non-implementation of policy;
- Reported incidents not followed up, no internal disciplinary measures;
- Policies of the municipality not entrenched to the operations of the institution;
- Insufficient will by both political and administrative to resolve fraudulent activities, resulting in potential whistle blowers getting discouraged to report incidents that may not be pursued;
- No protective measures for whistle blowers;
- Backlogs on prosecution of reported incidents;
- No preventative and detective internal measures against fraud and corruption; and
- False alarms on fraud and corruption with a purpose to hide own corruption (camouflage).

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## **2.8. SUPPLY CHAIN MANAGEMENT**

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## **2.9. BY-LAWS**

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## **2.10. WEBSITES**

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## **2.11. PUBLIC SATISFACTION ON MUNICIPAL SERVICES**

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## **2.12. LEGAL SERVICES**

The Municipal Finance Management Act 56 of 2003 prescribes the responsibilities of the Municipal Officials in financial management functions. Section 60 -76 gives financial management responsibilities to the Accounting Officer. In outlining the general financial management matters

Section 63 of the Act prescribe that the Accounting Officer of a municipality is responsible for the management of the assets of the municipality, including the safeguarding and the maintenance of those assets and liabilities of the municipality. The Act further note that Accounting Officer must take reasonable steps to ensure that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality. The municipality has and maintains a system of internal control of assets and liabilities, including an assets and liability register.

As per the legislation the municipality has been in compliance to the requirements as it established within the legal services a register of litigations (contingencies and liabilities). The municipality therefore declare and reflect these matters in its annual financial statement and these have to be audited. Over the financial year the municipality targeted to ensure that it eliminates its litigation by 25%, and as such this was achieved by attaining 71% improvement. Furthermore the institution targeted to improve the compliance by ensuring that all the agreements and contractual obligations are in vetted for compliance to the legislation.



### 3.1. WATER PROVISION

O.R Tambo District Municipality was not immune to drought, persistent heat and lack of rain which adversely affected water supply to the community of ORTDM. This was a major setback as its impact was felt by the community. The District has over the years moved with speed to expedite the provision of water to fight off backlogs. For the year in review, we planned to increased access to water through the connection of bulk infrastructure lines through the Mqanduli Corridor, Libode and Ngqeleni Corridor. We managed to connect up to 21339 households through communal tap system. In addition to the connections that were made, we managed to fix about 54 non-working schemes and we refurbished 4 schemes, purified schemes and spring protections.

The District is experiencing challenges of land claims, which impact on the completion of most of our projects. In a move set to unblock bottlenecks that delay completion of water projects, we managed to put spanner in the works and surmount all challenges to complete rollover projects in the new financial year.

Amongst other things that were a priority and have been achieved for the financial in review was to absorb temporal workers through the process of placement, the appointment of Managers in the operations of the offices in our 5 Local Municipalities and the capacitation of the Project Management Unit.

### 3.2. WASTE WATER (SANITATION) PROVISION

The sanitation provision within the district is compounded by the fact that our district is rural in nature and over 80% of our district population depends on pit latrine, chemical toilets and bucket system. For the year in review we have provided ventilated improvement pit to 9216 households out of a target of 16000 toilets. In addition we have upgraded the KSD sanitation from 12 mega liters to 24 mega liters and constructed pump stations with the capacity of 50 mega liters.

As the district in implementing all the water and sanitation projects, we managed to employ 1800

people through labour intensive programmes.

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### **3.3. HUMAN SETTLEMENTS**

The mandate to build houses is a legislated Provincial competency and thus falls beyond the parameters of the OR Tambo District Municipality authority of services. However, the District Municipality is deeply rural and is a disaster prone area, which has prompted the District Municipality to adhere to the Disaster Management Act 52 of 2002 by providing relief at the face of Disaster and emergency.

#### **3.3.1. SUSTAINABLE HUMAN SETTLEMENTS**

In response to the plague of homelessness of the vulnerable and destitute, the District Municipality has developed a business plan or an implementing strategy, yet to be tabled to Council, for the distribution of temporary structures which will be submitted to the Provincial Department of Human Settlements for consideration. The business plan aims to bestow on the municipality a prerogative to provide houses without waiting on the Provincial Government. It further aims to catapult the construction of temporal shelters in response to the government Constitutional mandate to provide 'access to adequate housing'.

During the 2016/17 financial year, the District Municipality targeted to build 7 houses for the destitute. One house for was built for a beneficiary at Ingquza-Hill Local Municipality, Zinkumbini Location in Ward 14 and the other 6 houses were pledged to an area that has been riddled with service delivery protests at KSD local municipality, Mqanduli Ward (21). The District Municipality has handed over five structures with the remaining two to be handed over to beneficiaries in the 2017/18 financial year.

The ORTDM Human Settlements conducts consumer education on housing policies in villages of destitute individuals that have been identified as beneficiaries for houses and/or temporal structures. Enlisted below are the villages that received consumer education in the 2016/17 financial year:

Table 10: Consumer Education beneficiary communities

Local Municipality	Village	Ward
Ingquza Hill LM	Zinkumbini	14
King Sabata Dalindyebo LM	Mqanduli	21
Ingquza Hill LM	Jimbinxiwa	30
Ingquza Hill LM	Esiphaqeni	9
Ingquza Hill LM	Buhlanyana	12
Ingquza Hill LM	Umanzi	10
Enyandeni LM	Emahlatyana	18
Enyandeni LM	Ngqanda	23
Enyandeni LM	Ntsimbini	26
Port St Johns LM	Esihlanjini	2
Port St Johns LM	Mthumbane	6
Port St Johns LM	Mabalane	1
Port St Johns LM	Magebevu	1
Mhlontlo LM	Lower Rhoza	14
Mhlontlo LM	Magutywa	24
Mhlontlo LM	Gabazi	13
Mhlontlo LM	Entsheleni	12

The National Housing Code of 2009, requires that all houses built must be registered with the National Home Builders Registration Council (NHBRC). This means that the contractor itself must be registered with the NHBRC. This fact has posed the biggest constraint in soliciting service providers within the O.R. Tambo Region that comply with the National Housing Code, as none have produced verifiable NHBRC registrations. In hindsight, the NHBRC in conjunction with the District Municipality has a programme that serves to develop the youth in construction. The District Municipality has additionally developed a strategy that will developmentally train Previously Disadvantaged Individual (PDI) Contractors, and enroll them in an incubation programme within the KSD area as a pilot. The initiative has produced 641 PDI Contractors within the 2016/17 financial year.



The District Municipality is also currently involved in a project to develop, refurbish and/or erect 23 houses for the Adam Kok farm employees. During the 2016/17 financial year, the project met all its stages of planning to finality and is ready for execution in the 2017/18 financial year. An NHBRC registered service provider will be appointed for the project in the first Quarter of the 2017/18 financial year and will commence work, as per specification.

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### **3.4. ENVIRONMENTAL MANAGEMENT AND WASTE MANAGEMENT**

The White Paper on Environmental Management Policy emphasizes the need for implementing an effective information management system that makes environmental information accessible to all interested and affected parties responsible for and/or interested in effective environmental management. In this regard the O.R. Tambo DM developed an Environmental Management Plan (EMP), which provides a baseline assessment of the main environmental issues and challenges facing the District.

Based on the information obtained from the reviewed EMP, the District Environmental Management and Spatial Planning Technical Forum, working in partnership with DEDEA, has managed to prioritize programs and develop appropriate action plans and sector plans to respond to the most pressing and threatening issues of environmental management. These are plans such as IWMP, AQMP and CMP, and it is in the process of developing two sector plans, which are climate change strategy, as well as biodiversity sector plan. The ORTDM planned a number of training workshops focusing on environmental education so as to disseminate this environmental information together with practical programs on how to face these environmental challenges and ensure effective environmental management. One of these programs is the greenest municipality competition that start from the district, provincial and ends nationally. This competition takes place on annual bases and the district has conducted at least 8 competitions till this year.

The aspect of refuses collection from households, waste disposal and street cleaning is done by the Local Municipalities. The O.R Tambo District Municipality mainly focuses on co-ordination of waste planning and recycling activities in the district. A regional recycling facility through the IWMP has been identified as the major priority program within the district, which is having its own build-up processes. The involvement of communities in recycling through recycling cooperatives is one of

the priority programs building up to the establishment of to the regional recycling facility as well as creating jobs in the communities.

There are nine (9) landfill sites in the district and all of them are licensed (For Operation) and 2 landfill sites are licensed for closure (Mthatha and Lusikisiki). Ngqeleni landfill site is converted to a transfer station and is has already been registered with norms and standards. Only one that is partially complying with Minimum Requirements for Waste Disposal by Landfill or to Environmental Conservation Act 1989, it is the one in PSJ.

The largest capital project that has been planned is the regional recycling program, which is in the implementation stage. The program is aiming at employing more than 500 people with direct and indirect jobs. For now that program has already employed more than 40 permanent jobs and more than 60 indirect jobs.

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### **3.5. FREE BASIC SERVICES AND INDIGENT SUPPORT**

### 3.6. QUALITY ROAD INFRASTRUCTURE

The Technical Services Department constructed a 2-kilometre-long road in Southernwood, Mthatha which comprises of the formerly dilapidated Errol Spring, Zanemali and Progress Streets. The tarred 2 kilometre road has a four kilometer sidewalk (2 kilometers on either side of the road) and 2 kilometers of storm water drainage. The Errol Spring stretch of the road had the department construct 8 taxi/bus stops (4 on either side) as the street serves as a public transportation route.

The department has embarked on a mission to develop rural communities by prioritizing their need for quality road infrastructure. The initiative has had the department start with KSD, Ward 27, where there was a construction of a virgin road in Ekukwezeni. The initiative is one of many, with the construction of more virgin roads in areas without no road access.

#### 3.6.1. ARRIVE ALIVE PROGRAMS

Due to an increase in road deaths, the department joined arms with the national government in raising awareness by launching the Arrive Alive Campaign. The campaign is premised on cautioning and training road users on road carnage high risk factors. The campaigns also involved the training of individuals in after-crash care, so as to reduce disabilities and deaths attributed to road accidents.

The nature of the campaigns is two fold: with the Pedestrian training and awareness in the summer (December) and Animal Safety in the Winter (June/July). This is because pedestrian accidents are usually in the rise during summer where pedestrians are generally out more in the road longer because it gets dark much later in the day. The training campaign has introduced the distribution of bright coloured t-shirts with reflectors in order to raise awareness in the importance of being visible when walking on the side of the road. The Winter campaign is for Animal Safety which focused on training animal owners on the importance of having cattle grazing in a fenced space so that the animals do not stray. The other importance of the campaign was the erecting banners on the N2 and R61, cautioning drivers of the existence of stray animals on the roads that may endanger lives. The campaigns have been robustly introduced in the District with the use of media, community

prayers, the branding of community roads and many other activities.

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### **3.7. DISTRICT INTEGRATED TRANSPORT PLAN**

The development of the District Integrated Transport Plan has allowed a comprehensive planning of the district transport system. The document is a sector plan which focuses on the transport system, mobility and the increasing needs of communities. The plan utilizes inferences drawn from data collected within and around the district for the development of an integrated transport plan. The plan allows for an integrated approach in picking out priority projects; this is done by looking at, amongst other things, the status quo as well as stakeholder feedback.

The development of the plan has allowed the municipality to respond to the highly publicized taxi violence that reared its ugly head in the region. The department made a concerted effort in developing a Taxi Assistance Program that works in controlling taxi channels, licensing, operating times et cetera. This has allowed the district to work together with the Department of Transport in issuing taxi licensing moratoriums when the need arises.

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### **3.8. WASTE WATER (STORMWATER DRAINAGE)**

### 3.9. PLANNING

O.R. Tambo District Municipality's Planning Unit is charged to provide support to local municipalities with insufficient planning capacities and seeks to provide, co-ordinate and assist local municipalities with Town And Regional Planning Services in respect of policy formulation, proper land use development taking into account social, economic, and physical factors, the aim being to establish the basis on which one can create a positive environment for development initiatives; and to ensure sustainable and orderly land utilization and development through the development of SDF.

#### **Progress made**

The O.R. Tambo District Municipality's Spatial Development Framework was then reviewed in line with the new municipal demarcation and was adopted in the 2011/2012 financial year. All five Local Municipalities of the District are planning to update their SDFs in line with the Spatial Planning and Land Use Management Act No.16 Of 2013 (SPLUMA). Local municipalities are also undertaking processes to develop Comprehensive land Use Management Systems (LUMS) for their areas of jurisdiction in line with the SPLUMA. Some of the achievements that have been identified through the DM's SDF implementation include:

- Enhanced Interventions and co-operation by the national and provincial spheres of government
- KSD O.R Tambo DM declared a presidential node
- Lubala -Mhlontlo rural development initiatives
- Mthatha Town facelift
- R5bn capital injection for KSD & the Mthatha town
- Mthatha airport Development
- The Lusikisiki Town Planning,
- Ngqeleni Town Precinct Plan
- Libode/Ntlaza LSDF
- Langeni LSDF

- Viedgesville/Mqanduli LSDF
- Western Mthatha LSDF
- Coffee Bay LSDF
- Port St Johns Tidal Pool planning in progress
- Secondary towns awards

### **Key Challenges**

There is still a challenge for the municipalities to implement their SDFs, LSDFs and Precinct Plans. Lack of funding is one of the reasons that projects identified through these strategic frameworks are rarely implemented. Lack of commitment and consistency by Government on its identified programs, and especially catalytic projects usually render strategic frameworks developed to guide such projects being useless. The other challenge projects from National Government tend to have no coordinators placed at a District and Provincial level, resulting into poor coordination, and alignment.

The SPLUMA requires that Local Municipalities should develop Land Use management Systems (LUMS) covering the area of their jurisdictions, within five years from the 1<sup>st</sup> July 2015. One of the challenges for the municipalities is the lack of funding to undertake such activity. Another challenge, which hampers municipalities, is a phenomenon of relating to complex land administration. Land administration in the district vests in different structures (Municipal commonages, State land/communal land, and private land) and some of the challenges that have been noted are as follows:-

- Unclear Land Management Roles & Responsibilities
- LMs have limited planning and LUM capacity
- LMs have limited authority in rural areas (No policies means no enforcement)
- Un-managed settlement formation as a result of in land “Informal” trading.
- No link between planned development and sustainable provision of services
- Environmental Management not taken seriously thereby threatening natural resources that are a critical comparative advantage in ORTDM

Another challenge is that areas that fall out of commonages are still not well managed as a result

of the past planning systems, which were only urban biased. It envisages that the full SPLUMA implementation in the form of comprehensive wall-to-wall LUMS will rectify this situation.

Despite the above listed challenges there are strategies that are planned for the next financial year. Those include the SDF updates by all LMs, LSDFs for catalytic projects (Mzimvubu Dam), and strategic Nodes. Planned LSDFs include, Ntabelanga Dam, Laleni Dam, Mnganzana LSDF, Mpande LSDF, and Ntlangano LSDF. A Precinct plan is also planned for Ntlaza Node. Other strategies that have been encouraged include the infill development, locating settlements near the existing road networks, nodal and corridor development.

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### **3.10. LOCAL ECONOMIC DEVELOPMENT**

LED in the O.R. Tambo Region seeks to promote sustainable socio-economic community driven programs. The O.R Tambo District further operates on principles that are focused on pursuing and building on the district's latent strengths and competitive advantages. Latent strengths relate to those forms of economic activities that the district has a significantly untapped developmental potential such as its landscapes and tourism potential.

LED in the district therefore seeks to grow the economy based on presently unrealized, under-realised and unexploited development potential, which represent a low hanging fruit. It is through such a perspective that factors such as local knowledge and skills, as well as communal aptitudes and capabilities are prioritised to drive economic growth and development.

LED for O.R Tambo also seeks to provide support for the needs of local communities in pursuance of improving the quality of life within the district through facilitation of local economic development. Whilst micro-enterprises have absorbed large numbers of unemployed people, they are in themselves not always able to generate appropriately remunerated long-term jobs.

Ntinga O.R Tambo Development Agency is the O.R Tambo DM municipal Entity, which is mainly focusing on implementing the district's key LED initiatives for poverty alleviation and business development and support. The district municipality utilized its capital budget to undertake the following critical activities as per the IDP targets:

- I. LED Strategy development

- II. Securing a quarry and sand mining permit license for the District so as to take advantage of raw materials required for infrastructure developments within the municipality.
- III. Development of the feasibility study and business plan for Massive Egg Production through a CPPP in partnership with the ECDC.
- IV. Development of an Integrated District SMME and Cooperatives Development Strategy.

Access to agricultural facilities for emerging farmers is one of the key initiatives in tapping on the Comparative advantage of the District. Ongoing consultations and assistance with the informal trade sector including street trading is gaining momentum through the District's partnership with the Region of Tuscany, Italy which has since seen the District implementing an informal trade project in Ingquza Hill Local Municipality. In the long run the programme is to be introduced in all the five local municipalities. Training and awareness workshops are planned to ensure improved regulation of the informal trade sector through review and development of by-laws.

### **3.10.1. LED INFRASTRUCTURE**

As part of the District coordinating work, the Regional Investment Promotion Forum (RIP) was established to identify sectors with low hanging fruit and attract investors to those arrears whilst dealing with medium and long-term LED matters. The RIP forum is adding to the LED forum, which sits quarterly to co-ordinate all the economic sectors and development agencies. Besides seedlings, fertilizer and other imputes, Co-operatives were supported in renovating their structures; provide water tanks, installation of boreholes, electric pumps, fencing etc. as a program, which intends to uplift our Co-ops within the District.

### **3.10.2. AGRO-PROCESSING & FACILITIES**

As part of revitalizing and promoting agricultural development within the District, the District Agri-Parks Operational Task Team (Dapott) has been established with the collaboration of Department of Rural Development and Land Reform to spearhead implementation of Agri-Parks programs which are a National Government initiative to revive Agriculture in all District municipalities across the country. As a result, farmers across the District have been brought together to form a structure called 'District Agri-Parks Management Committee' (DAMC) whose purpose is to advise on the



implementation of Agri-Parks programs. The program has three elements i.e Farmer Production Support Units (FPSUs) which will in all LMs, Hub center in Lambasi and Rural Urban Market Centre (RUMC) which the Dapott agreed to locate it in KSD LM. This is an infrastructure program designed to promote Agri-Prossecing program within the District. In collaboration with farmers, LMs, DRDAR and DRDLR and DM, FPSUs site have been identified and farmer mobilization program held.

### **3.10.3. FORESTRY & TIMBER PRODUCTION**

As the IDP and other Strategic documents of the DM have identified Forestry and Timber, a Forest Development Strategy is being developed and is now awaiting to adopted by Municipal structures. The document provides implementation plan and clear projects proposal, which would take the District forward in terms of developing this sector and create job opportunities for our communities. As a result, the RIP forum has identified this sector for an incubation program with low hanging fruits and ten people have been trained with FENTEK with a collaboration of KSD LM, ECDC and DM. The program will be intensified in the year 2017/18 financial year.

### **3.10.4. MARI-CULTURE & AQUACULTURE INDUSTRY**

The District strategic documents identified this sector as one among others, which has not yet been used to its full potential yet it has a major opportunity of boosting the economy of the District. As such 26 enterprises on this sector have been trained in the year 2017. In taking the advantage of N2 Wild Coast Road and in collaboration with partners on this sector, a process of producing/ developing a strategy is underway and will be completed in 2017/18 financial year.

### **3.10.5. MAXIMIZE LOCAL EMPLOYMENT**

The municipality is in a processes of implementing Expanded Public Works Program (EPWP) which is aiming job creation and poverty alleviation for the needy people of O.R Tambo by establishing projects and programs that are labour intensive. The district has adopted a policy that

says all its infrastructure projects should be 100% EPWP compliant and all directors have signed performance contract that are binding them to create job opportunities in their daily activities and programs. In the 2016-17 financial year the district targeted to create 300 EPWP job opportunities and yet achieved 460. In the implementation of the infrastructure projects the municipality have achieved 1701 which is a bit lesser than what was targeted. However the municipality is planning to improve in this achievement through assistance from the various stakeholders and the departments within the municipality.

### **3.10.6. TOURISM DEVELOPMENT AND MARKETING**

Tourism marketing is critical to the competitiveness of the tourism sector. The key focus is Marketing of O.R Tambo as a tourism destination. Research information and management systems, visit arrivals, trends, destination marketing (print media, website, social media, exhibitions, shows, and identify platforms) Encourage participating of local stakeholders in tourism planning, by creating platforms like regional and local tourism forums, wherein experiences, challenges and solutions are shared. Facilitate establishment of associations, forge linkages to marketing, assist tourism SMMEs to attend exhibitions and shows e.g. Tourism Indaba Trade Shows.

#### **Tourism Education and Awareness**

Campaigns to create awareness focusing on host communities (where there are tourist activities), use of media (print and electronic) to engage learners and public to debate and support the cause for tourism. Holding tourism and cultural events, safety and security related activities with SAPS.

#### **Visual Arts and Craft Development**

The program enables members of the visual arts and craft community to promote their work and showcase their product to national and international markets and it also stimulate and strengthen the local economy. The program also aims at promoting and providing opportunities for visual artists and crafters in all disciplines to develop their art and talent in order to improve economic and other development opportunities. Access to markets is facilitated through the exhibitions, craft hubs, flea market events, cultural events as well as a business linkages program. Identifying potential projects, new marketing opportunities. Assessment of skills, improving quality of craft

products, capacity building, facilitating the setting up cooperatives, institutional arrangements, facilitate establishment of permanent production centers and provision of equipment, access to markets, quality control. Resource mobilization, liaising with sector departments and stakeholders. Development of a unique branding to allow potential customers to easily distinguish authentic regional visual arts and craft products. Working hand in hand with local municipalities and DSRAC regional office to avoid the repetition of services.

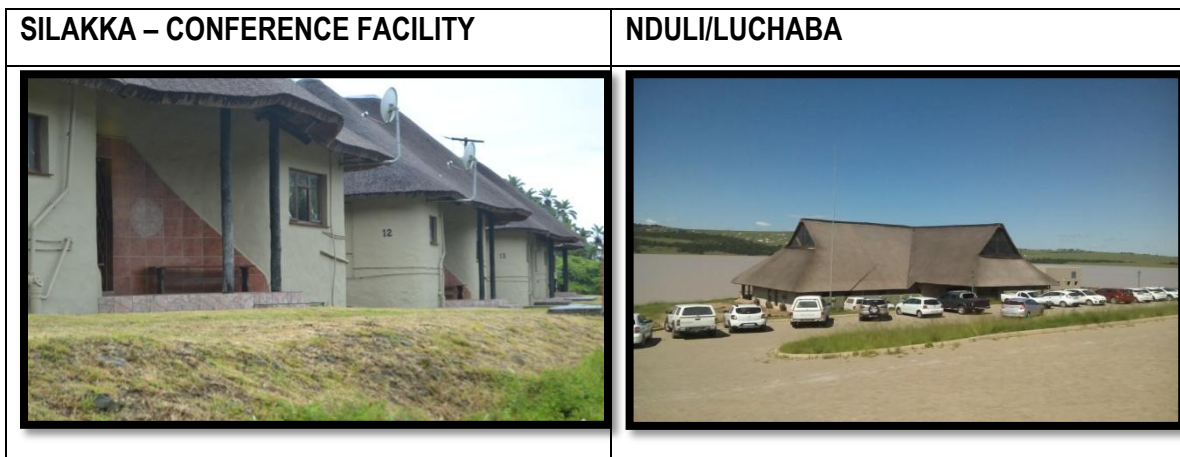
In terms of tourism development support, the ECPTA provides partnership on events support (Signature events and Regional Events) such as the Isingqisethu Wild coast Cultural Festival. Organizers are usually requested to submit proposals. The agency also supports SMME in the following ways:-

- Facilitating capacity building for tourism products
- Create marketing platforms for SMME's during exhibition shows i.e. Tourism Indaba; gateway travel show
- Facilitate quality assurance through grading for accommodation and camping sites thereby ore providing 50% subsidy
- Increase tourism, environment and conservation awareness in schools and communities
- Facilitating and hosting the Provincial Tourism Career Expo which assist learners doing tourism as a subject with transport and accommodation
- Community tourism support – institutional guidance and operations using viable models like Community Public Partnership (Chwebeni Cultural village)
- Create partnerships with SMME's around nature reserve so that they can provide services
- Provide necessary support to municipalities on tourism related activities
- Development of a business plan for Amatyengqina Horse racing centre in Qunu
- Upgrade of the Wild Coast hiking trail from Port St John's to Coffee Bay ( construction of a check in office in Port St John's, construction of hikers huts at Mngazana and Mpande, renovation of hikers huts at Hluleka and alien clearing, signage on the trail)
- Nelson Mandela trail development i.e. Qunu, Mqhekezweni and Mvezo sites

Some of the major challenges with regards to tourism in the district is the poor access roads to tourism destinations and nature reserves; inadequate bulk services; inadequate intergovernmental

relations and the lack of co-operative marketing efforts for the region. Although there are some challenges, the district also poses a number of investment potential with the district unique selling position being the convergence of the biodiversity and coast puts the Wild Coast in a clan of its own. The pristine environment favoured by the suitable climate contributes to the uniqueness of the offering. These investment opportunities include;

- **Mkhambathi** – 7700 ha (agreement signed to expand by 3500ha) and potential of 5 development nodes:-
  - Phase 1 concluded R65mil private sector investment
  - Phase 2 is currently underway to investment opportunity.
  - Game offerings and those to be introduced
- **Silaka Nature Reserve** - 400 ha located in Port St John's has 18 chalets and is a 3 star graded accommodation and has conference facilities. Opportunity to provide (food & meals).
- **Hluleka Nature Reserve** - 7 Chalets, 10 campsites, Hiking trail and 5 hikers huts and game: Redhartebeest, Zebra, Blesbuck, Reedbuck. The design of the new chalets for expansion is complete.
- **Nduli/Luchaba Nature Reserve** - 84 seat conference facility and restaurant the next phase being the development of chalets is underway.



One of the responsibilities of the ECPTA is the management of Marine Protected Areas (MPA). MPAs are important areas for biodiversity conservation as they protect representative samples of

genetic diversity. They protect ecosystems and ecosystem processes and often they are important fish spawning areas. Protecting these waters therefore lead to increased fish growth, increased fish reproduction and survival. Adjacent areas benefit due to a spillover effect. This leads to high biodiversity value (species diversity) and economic value (tourism, sustainable use of resources). MPAs serve as benchmark areas against which any environmental change can be measured. It is important to balance conservation priorities with sustainable livelihoods of surrounding communities for effective management of MPA's.

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### **3.11. SPATIAL PLANNING AND LAND USE MANAGEMENT**

The O.R. Tambo District Municipality is located in the eastern part of the Eastern Cape Province, bound by the Indian Ocean to the East and the Mhlahlane and Baziya mountains behind Tsolo, and Qumbu to the west. The District encompasses diversity in physical landscape, land use and access to economic opportunities. Agricultural development forms part of the DM's competitive advantage due to its temperature and soil. The coast is an excellent tourist attraction, with a number of resorts and hotels already in existence. Some of the challenges faced by the district with regard to economic development and physical planning include: Lack of skills resulting to unemployment in the key sectors of the economy, high illiteracy rate, diseases such as HIV/AIDS, poor infrastructure, lack of incentives to industries, land claims, crime and an inefficient public transport system & network.

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

Community Services as a Department is responsible for the advancement of basic service delivery objectives and outcomes within the District Municipality. The community services department focuses on areas that provide a sustainable improvement in the welfare of human beings and their basic livelihood. The department focuses on an array of services which are: Sports, Recreation, Arts, Culture & Heritage; Libraries, Education and Information services; Community Safety; Disaster & Fire Services; Municipal Health Services et cetera.

### 3.12. SPORTS, RECREATION, ARTS, CULTURE & HERITAGE

Sports, Recreation, Arts, Culture and Heritage are pillar mechanisms in nation building and creating a better life for people. Great talent and stories are hidden behind those that lack resources to recognise spaces that will allow them to grow. The municipality has passionately formed partnerships with communities and key stakeholders to recognise marginalised individuals and help qualify their talents. Communities have a shared passion to realise the development of sports, recreation, arts, culture and heritage by building sustainable environments that promote the realisation thereof. These areas of focus are instrumental in restoring and strengthening human dignity, self-esteem and the pride of our people. The District Region boasts of a rich history that needs to be jealously protected and celebrated. This is why the municipality has invested in the region to make sure all facets of its beauty and talents are showcased and nurtured. Investment in transformation should take a bottom-up approach which has demanded an investment from the municipality to develop talent in rural and township communities.

#### 3.12.1. SPORTS

The OR Tambo District is deeply rural and is in dire need of social infrastructure in rural areas. The municipality had committed in building and maintaining sports fields for the youth in communities. Sports facilities are also extremely important as they serve as a deterrent in criminal activities amongst the youth. Crime has become prevalent in many communities and has become the order of the day for many young persons. There are numerous contributing factors to this fact, however one of them is a lack of activities that consume the youths time. Sporting facilities range from soccer, boxing, netball et cetera develop aspiring sports stars at grass roots level.

The department has been involved in the Steve Vukile Tshwete Championship games which are provincial games that are coordinated by the Local Government in partnership with DSRAC and sport federations. These are developmental games played by under 19's. The games start at ward level up to local municipality level through the Mayors cup programme. These culminate to O.R Tambo Cup games at District level. Where the winners represent the District at Provincial level. The OR Tambo teams won the provincial champions in Table Tennis both in the Girls Doubles and Singles; as well as the Girls Volley Balls teams.

The department has also looked at previously marginalised groups in sport. People in disability have been marginalised and not given enough opportunity to grow in sport. Xolani Bomvana has been consistently supported by the O.R Tambo District Municipality in his sporting career in Javelin. Mr Bomvana is the current South African holder in Javelin and Discus. Ms Pumza Makiva, an OR Tambo resident, participated in the Steve Tshwete Games with the support of the municipality. She represented the Eastern Cape during the national table tennis championships, at which she victoriously qualified to represent South Africa at the Continental Championships in Tunisia.

O.R Tambo District Municipality supports the Mthatha Bucks F.C a local soccer team participating in the National First Division League. The team contributes on the growth of KSD Growth Development plat as it attracts visitors to Mthatha. The team also attracts Sport Tourism and this ploughs back into the economy of the country. Mthatha Sport supporters are rated No 1 in the National First Division as the Mthatha Stadium is always filled to its capacity every time Mthatha Bucks hosts a match. This has allowed Mthatha soccer supporters to patriotically gather on Sundays to collectively support their favourite team.

### **3.12.2. ARTS, CUTURE AND HERITAGE UNIT**

In preserving the districts heritage, the municipality has supported the Mhlonlto traditional leadership by providing Grass cutting machines for the maintenance of Mhlonlto Grave Site as a Heritage site. The municipality has also proudly supported the fallen heroes of the 1960 Pondo Revolt massacre. A slab and sculpture monument representing the victims of the Pondo Revolt community members that were killed in the base of the hill was constructed. Currently the battle

field slab is being fenced and landscaped to be a tourist destination. Tourism sites raise investor confidence within a space and allow for the growth of the towns economy.

The District established and launched the O.R Tambo Cultural and Creative Industry Federation of South Africa. The federation is responsible for controlling and managing all CCFSA related initiatives in partnership with relevant spheres of Government. The O.R Tambo Arts and Culture industry has been exposed to and participated in National Arts Festival. The District has taken numerous groups annually to perform during the festival, while also showcasing the diversity in the District's talents.

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### **3.13. LIBRARIES, INFORMATION AND EDUCATION UNIT**

The District Municipality in partnership with JB Marx Trust Foundation hosted 6<sup>th</sup> JB Max Career Expo at KSD Airport hangers. The event was attended by 8000 learners from two Department of Education Districts (O.R Tambo Inland and O.R Tambo Coastal). The career expo was a great success and assisted majorly in informing learners of numerous career options they can explore and the diverse sources of funding they can solicit. Education is an area of focus in the district so the department has started with the construction of community public libraries in Nyandeni Local Municipality. Amongst the many initiatives the department has invested in education, it is also supporting under performing schools with educational material that will assist in schools getting better marks.

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### **3.14. MUNICIPAL HEALTH SERVICES**

Municipal Health Services is about creating and maintaining sustainable healthy environments. The unit promotes good public health systems by supporting already existing services or forming partnerships to establish good health care in spaces that it lacks. The District Environmental Health Services includes a package of Municipal Health Services as defined in the National Health Act No 61 of 2003. The municipality is however going through a devolution process for municipal health services and this process is 95% achieved.



Health care in the district is extremely important to the municipality, this is why the municipality solicited authority to enforce the Food Cosmetic and Disinfectant Act. The purpose of the act is to 'control the sale, manufacture and importation of foodstuffs, cosmetics and disinfectants, and to provide for incidental matters.' The municipality takes the duty by the Act seriously and conducts checks in all retail stores within the District. This is to make sure that the quality of the food sold to O.R. Tambo Region persons is uncompromised and meets all health standards. The municipality is in the process of establishing and launching the National Health Insurance (NHI) Forum to catapult health standards within the district.

The department has introduced a cleaning and greening initiative in all local municipalities. The program is aimed at cleaning communities and maintaining its grounds. The program is an ongoing initiative working together with the Extended Public Works Program (EPWP) to keep communities green. The program has been done in the following communities:

- Ward 29 Mqanduli - Phangindlela Junior Secondary School – KSD LM (Mqanduli)
- Ward 27 Zwelodumo High School - KSD LM (Viedgesville)
- Ward 9 Sihlabeni - Mangqukwana Junior Secondary School – NyandeniLM
- Ward 6- Port St Johns Junior Secondary School – PSJ LM)
- Ward 6 - Langa High School – Ingquza Hill LM (Flagstaff)
- Ward 5 - Tsolo High School – Mhlontlo LM

The municipality has passionately supported O.R. Tambo learners in institutions of higher learning with financial and academic aid. The initiative has paid for or assisted in practical learning at least 13 students at the Nelson Mandela Metropolitan University, Mangosuthu University of Technology and the Durban University of Technology in the 2015/16 financial year.

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### **3.15. COMMUNITY SAFETY**

The O.R. Tambo Region runs on a coastal plateau as thus has vastly utilised oceans. The oceans are used for recreational as well as other reasons which is why the municipality has made an effort in coastal safety. The initiative is the sole responsibility of the municipality and it employs 160 people for five months. The initiative is the Coastal Safety Programme which employs 80 patrollers and 80 Life Guards during the festive and Easter seasons. The program was previously funded by

the Extended Public Works Program. The other 160 jobs were created for 5 months in the Coastal Safety programme: 80 patrollers and 80 Life Guards during the 2016/17 festive season including the Easter period. Council has approved funding for these programmes through the District municipality 2017/18 budget, as there are no current funds within EPWP grant.

In line with the Community Safety Initiative, the municipality has a Draft Crime Prevention Strategy which was developed and is undergoing a process of review for Council approval. The Department has been involved in the safer schools programmes, which are done hand in hand with the Department of Education and the Department of Safety & Liaison in improving safety within the District schools. The District has formed partnerships with communities, law enforcement agencies and Safety & Liaison. The partnerships have mitigated the prevalence of crimes within schools and the youth. This has created a positive perception that the district is becoming safer and law enforcement agents have become strict in bringing alleged perpetrators to court.

The implementation of the safer schools programs has proven to be a great deterrent in the youth committing crime, as it has introduced sporting activities as well as after school initiatives to keep the youth occupied and catapulting their talents. The district municipality together with the District Department of Sport has positively implemented programs in the Mthontsasa area, Flagstaff (Sports against Crime – February 2017), and with equipment and kits for Sports against Crime in Lusikisiki.

An allocated budget of R98 000 for the Community Safety Forum was exhausted in the training of 28 CPF members through Safety & Liaison.

The unit has employed an additional body of staff comprising of 5 junior posts and 2 senior level employees within the department through the internal interview process.

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### **3.16. SOCIAL DEVELOPMENT SECTION**

This section ensures coordination of Early Childhood Development, Life Skills Programmes to Youth; Moral Regeneration, Social Relief of Distress and Child Protection engagements for the District. The unit seeks to protect and promote the rights of families and individuals under distress.

### 3.16.1. EARLY CHILDHOOD DEVELOPMENT

The unit coordinated an Early Childhood Development summit for the 2016/17 financial year. The following objectives were a focal point of the Summit:

- To strengthen the voice of all critical role – players in the advancement of Early Childhood development in O.R. Tambo, through equal engagement and dialogue process
- To explore and adopt accessible guidelines that are relevant and applicable to the situation within O.R. Tambo district municipality.
- Explore funding and resource mobilization opportunities towards an enhanced community based ECD.
- Ensure that all children in O.R. Tambo district municipality are accessing quality and risk free ECD through an improved ECD Practice.

This Early Childhood Development Summit was a planning session which was graced by the presence of the Honourable Minister of Basic Education, Minister Angie Motshekga. The summit was a platform for Public-Private sectors to commit on the crucial development of O.R. Tambo District Region children as the time is ripe to invest in them. The summit yielded positive results as each stakeholder committed to a role to play henceforth.

In all five (5) Local Municipalities two (2) Early Childhood Development Centers were visited for profiling purposes. The following spaces were visited:

1. KSD LM: Mthatha (Zwelivelile preschool) & Coffee Bay (Ikhaya Labantwana preschool)
2. Nyandeni LM: Ngqeleni (ngqeleni preschool) and Libode (sinethembe preschool)
3. Mhlontlo LM: Qumbu (Mbutho preschool) & Tsolo (nkcalukeni preschool)
4. Ingquza Hill LM: lusikisiki (Palmerton) & Flagstaff (candle-light preschool)
5. Port St Johns LM: Mdovu & Mhumbane

The Summit arrived at numerous factors that may have a negative bearing on children and the youth. The sub-standard level of foundation phase education may be negatively impacting on the mental development of a child. Cooperative Social Responsibility has to be strengthened in the District; this raised much interest with private partners like Standard Bank pledging to contribute towards the regeneration of social cohesion and Early Childhood Development (ECD). Professionalism in the ECD field needs to be strengthened & thereby standardised. Walter Sisulu

University, one of our own Institutions of Higher learning, is embarking on developing an academic career path premised on ECD that is projected to take off by 2019.

### **3.16.2. MORAL REGENERATION SERVICES**

Twenty (20) young individuals were trained in life skills in local municipality's. Topics discussed by the facilitator and young people were issues around behaviour, decision making and substance abuse. Life skills training was meant to equip young people on making the right life choices and eliminating moral decay.

Moral Regeneration life skills training was implemented in the following arrears:

- Ingquza Hill Local Municipality, in Lusikisi Palmerton.
- Port ST Johns Local Municipality in Chaguba village.
- Nyandeni LM, Thabo Mbeki village.
- Mhlontlo Local Municipality at Lower Malepelepe village.
- Life skills training for KSD LM is still under way.

### **3.16.3. SOCIAL RELIEF OF DISTRESS**

Eleven families in distress received material support during 2016/17 financial year. Port St Johns has been confronted with multiple brutal incidents that warranted the municipality to response in the form of amenities based on the specific need. Port St Johns local municipality has been an area of focus as numerous incidents that emanated from the area prompted a huge public outcry both at a national and local level.

### **3.16.4. CHILD PROTECTION**

Child Protection activities were coordinated in all local municipalities. There were National, Provincial and Local Activities that took place in the District within the 2016/17. These programs have been instrumental in uplifting the urgency of care, support and protection of children; and to make a concerted effort in fighting against abuse on children. The activities aimed to deliver an important message that, the best interests of the child are of paramount importance; and that the welfare of a child should be the order of the day and not an event based thing.

Various activities took place in all Local Municipalities but the District is currently focusing on KwaNtsila, PSJ where an act of Cannibalism took place. The community's morality is to be regenerated and a promise of an effort to strengthen the safety of individuals, by also alerting community members on their role in ensuring the welfare of individuals.

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### **3.17. DISASTER RISK MANAGEMENT & FIRE SERVICES**

The disaster management centre has engaged in a number of activities and the implementation of specific projects. The unit has been extremely eager in working on set targets, and where time and resources allowed, over achieved on some.

The disaster centre has trained 50 volunteers on hazard specific risk avoidance and response with emphasis on:

- (a) Dealing with emergency situations.
- (b) Understand psychology of disaster management.
- (c) Conflict resolution, and
- (d) Scene management

The centre also orientated 48 new Councillors on Disaster Management an exercise which was aimed at equipping political leaders, as elected custodians of communities, on ways in which to deal with and mitigate disaster. The workshop was a good success and was instrumental in laying a foundation for the integration of disaster risk reduction on municipal programmes. This workshop was held at the Garden Court Mthatha in March 2017.

The issue of skills and capacitation is extremely important in the municipality. The municipality is a strong believer in elevating the educational capacity of its employees so that they are better equipped in executing their duties. As a result, the department sent four officials within the department to the University of the Free State to attend a course on Climate Change. The capacitation has allowed the employees to be more knowledgeable in issues affecting and around the ecosystem, environment and infrastructure. This course was a certificated training focused on:

- a) Identification of hazards caused by climate change;
- b) Undertaking community based risk assessment with a practical exercise in one of the informal settlements of Bloemfontein.
- c) Use of GIS and spatial data to map where specific hazards and vulnerabilities are located

- in the area of study.
- d) Calculations and presentation of resilience reports for management purposes.

During January 2017, the district had an unexpected weather event which resulted in the damage of over 3800 households and left 1387 families homeless. The disaster was a *vis-major*, which prompted the municipality to provide relief within its available resources. The disaster was of great magnitude that it demanded the attention of the country. The municipality then solicited numerous resources through stakeholders such as SASSA, DSD, SANDF, AL IMDAAD, REDCROSS, CHECKERS, MTHATHA BUSINESS CHAMBER, KSD Local Municipality, etc. Relief costing in excess of R500 000 in the form of warm meals, food parcels, blankets and heating/cooking stoves were issued to the disaster victims.

- (a) The disaster in itself cost numerous millions, funding the municipality could not provide alone.
- (b) Eskom foundation through the Red Cross Society injected R700 000 to assist additional victims with relief.
- (c) The department of Rural Development and Land Reform assisted with R26 million specifically to intervene in the housing and education infrastructure that was damaged. This project was a joint initiative between DRDLR and DoHS which saw 297 households being provided with temporal shelters.
- (d) The Premier's office also contributed with R70 million to intervene in assisting households who were left homeless. This exercise of distribution and providing shelter to the homeless is still ongoing.

The centre has also been engaged in establishing itself in all local municipalities by seeking land to establish disaster management facilities. The local municipalities of Mhlontlo, Nyandeni, Ingquza Hill have already donated suitable land, with KSD and PSJ local municipalities promising to also donate land. A service provider has been contracted at a cost of R4.8 million to supply park homes to Ingquza Hill, Nyandeni, Mhlontlo and KSD. A further R 950 000 has been requested as a variation to the existing order to include fencing and security systems for the sites.

The centre has also been engaged in public awareness campaigns either alone or with other stakeholders. These campaigns of community engagements have been hazard specific to targeted

wards. Volunteers have been used initially in the campaigns but satellite centres took over after all enlisted volunteers were redeployed to the fire service.

### 3.18. EXECUTIVE MAYORAL SERVICES

The Executive Mayoral Services as a department specific to the Executive Mayor is instrumental in identifying the needs of the community; identifying and developing criteria for the evaluation of strategies, programmes and services due to the community. The Executive Mayoral Services serves communities on basic amenities, provides mayoral support on societal issues and strengthens stakeholder engagement with the municipality.

The Mayoral Services department has several units within it which carry out duties that are specific to vulnerable groups, groups of interests, previously disadvantaged and the mandate of the Constitution of the Republic of South Africa, 1996. The Special Programmes Unit within the office of the Executive Mayor is the pillar unit of the department with numerous subsections within it. The unit spearheads the mainstreaming of programs that are aimed at vulnerable groups and groups that South Africa deems to have been previously disadvantaged.

The department is responsible for the sitting of the Mayoral Committee meetings, a section 80 committee that executively holds the administration accountable. The Mayoral Committee is the first reporting committee when the Management Committee has signed them off. Mayoral Committee are legislated to sit monthly, which the department objectively complied. The Department has also held a Mayoral Lekgotla session, where the entire department together with the relevant stakeholders, were invited to a session that was spread over numerous days to discuss departmental plans, strategies, find amicable solutions to issues, engage on pertinent topics and basically outline a clear plan on the programs the Executive Mayor is to head.

The Executive Mayoral Office has held Mayoral Imbizo's which were aimed at strengthening public participation and the accountability to the public. The Mayoral Imbizo's are generally premised on urgent social issues that arise and demand urgent attention by the custodians of communities. The Imbizo's were held across the district, in three local municipalities, Nyandeni, Port St Johns and KSD, which were the main areas that were riddled with grave communal social issues and disaster concerns.



### **3.18.1. SECTORAL ENGAGEMENTS**

The Executive Mayoral Office supports a number of sectors that are instrumental in the livelihood of communities and business interests. The office convenes sector meetings with the: Business Sector; Traditional Leadership and the ORTDM Chaplaincy. The Business Sector is focused on uplifting service providers, to create a platform and support system in which business owners share information on expertise, successes and issues. The sector also allows the municipality to engage in ways in which the business sector may be better supported by the municipality. The traditional leadership, as born custodians of communities are important stakeholders. They meet with the municipality on communal projects and ways to better understand the needs of communities and ways to bring projects that will not only develop communities but will empower individuals. The OR Tambo District Chaplaincy led the Arrive Alive Campaign prayer and has been instrumental in leading campaigns of Moral Regeneration in the communities.

### **3.18.2. HIV/AIDS PROGRAMME**

The District has had an escalating HIV/AIDS containment prevalence in the 2016/17 financial year. This has raised much concern and the municipality has had to strengthen its quest to reduce the growing numbers. The Eastern Cape Province has recorded a weekly infections rate of 299 for young women between the ages 15-24 years old. A number of 71 in the 299 has been from the OR Tambo District Region alone. This places the district at the highest rate recorded per week in the Province and 7<sup>th</sup> in the country. HIV/AIDS has numerous contributing factors, which none the District takes for granted, this why the District has made a concerted effort in fostering cordial relations with key stakeholders in combating the disease and providing adequate information on the disease.

The District Aids Council and Local Aids Council have tirelessly worked to try and make sure the number decreases rapidly. Ward Aids Forums have been established to try get communities to take initiative and ownership in programs that alleviate the prevalence of the disease. Three Ward Aids Forums have been established in KSD local municipality, with four in the Port St Johns area and two in Ingquza-Hill local municipality.

Numerous HIV/Aids awareness campaigns were conducted in all five local municipalities. The campaigns incorporated ABC awareness, PMTCT awareness and youth educational programs that were held in numerous schools. The campaigns were conducted in conjunction with AmaKhomkhulu, Imbumba Yamakhosikazi Akomkhulu, eNyandeni, Ndluzula, Emcwerheni and Ndimakude.

### **3.18.3. INKCIYO AND ULWALUKO PROGRAMMES**

The Executive Mayoral Services launched the Inkciyo Programme which was held at Nyandeni Great Place. The Inkciyo programme has had awareness campaigns and fundraising initiatives for community benefit. The Inkciyo initiative is a cultural practice that celebrates virgin girls. The program is part of a campaign to instill pride in young girls for their decision to remain virgins. The program celebrates the existence of young girls and validates their power in a society does not consistently nurture young girls.

Ulwaluko is a male circumcision ceremony, a cultural practice that symbolizes the transition from being a boy to being a man. The process of circumcision has jealously claimed the lives of many young men, through ignorance or negligence. The Eastern Cape remains province has the highest number of lives claimed by circumcision and/or induced by the process. The number of deaths have attracted national intervention programs with stringent rules regulating the process. Numerous campaigns have been held on the training of qualified Incibi, safe and healthy amaboma to house the young men. The Emacwerheni Traditional Authority in Mhlontlo Ward 12; Nyandeni Great community; Port St Johns and Hombe Ward 20 in Ingquza-Hill communities have launched their awareness campaigns. The number of deaths have significantly been reduced through this initiative, with circumcision is summer and on boys younger than 18 years being prohibited.

### **3.18.4. FOCUS GROUPS**

The District Municipality has been a leader in uplifting men and women through training and capacitation initiatives. The district has trained 100 individuals on free range egg production; 100 on project management, 50 young women were trained on various components of company registration, 50 women from KSD were trained on beading.

A women's dialogue was held to discuss issues and challenges facing women. The aim of the dialogue was to allow women to reclaim their space in society. The dialogue was an upliftment program to give women a space to devise ways in which they will unapologetically exist and dominate without feeling inferior to men. To discuss issues that are specific to women and how to find space for those issues to be resolved.

The District holds awareness on illnesses that are prevalent in society. These illnesses are Alzheimer, Dementia, Parkinson's et cetera. These illnesses are common in our societies and are extremely misunderstood with accusations of witchcraft when a person had fallen prey to the disease. The district municipality educated communities so that they are able to seek the needed help and be able to handle the conditions. Elderly people were accused of witchcraft

Cancer campaigns were held so as to educate individuals on the importance of going for constant checks at local clinics so that the disease is contained or eliminated at an early stage. The advancement of cancer in people demands the lives of people and has risen at an alarming rate. Cancer, just like HIV/Aids, has had a negative stigma in society and hence people shun away from getting help. The awareness campaigns allow individuals to own these conditions and seek the treatment the government proudly provides for its people.

The Miss OR Tambo Initiative has recorded a resounding success in developing and contributing to building a bright future for young women in O.R Tambo district as most of the contestants have completed a tertiary qualification and are working as professionals in their various disciplines. All winners over the years were given a car on top of many other hampers, compliments of Vodacom. For the 2016/17 pageant, all 15 contestants were given the full wardrobe of all costumes they wore in the competition.

The Executive Mayor pronounced that all 2016 contestants be eligible for financial academic assistance and as such at least seven of them (7) out of 15 qualified and were awarded. Of the 7 that qualified, six (6) passed to next level in 2017 and one (1) received an academic exclusion for having failed a major subject.

## SPU – CHILDREN

Elevating the literacy rate within the district is one of the municipality's greatest passions. The Eastern Cape has the lowest matric pass rate with an extremely compromised standard of education. The matric pass rate can be attributed to numerous factors which the district municipality is committed to solving piecemeal. The Executive Mayor's Office has formed partnerships with stakeholders such as Anglo-Gold Ashanti to invest in numerous schools and making sure matric results are improved.

The partnership started in 2013, with a focus on 21 schools from different local municipalities. The programme is for the benefit of all mathematics, physical science and English in grade 12 from the selected schools. The schools enrolled a number of 120 students, of which 116 acquired Bachelors passes, while 4 received Diplomas. The District received top achievers from 3 KSD schools, 1 in Mhlontlo and 1 in Ingquza-Hill local municipality. One of the learners from Holy Cross High School received a National Recognition Award.

The initiative supports the following schools:

- KSD local Municipality
  - Attwell Madala School; St Johns College; Luthubeni School; Ngwayibanjwa School; Dudumayo School; Holy Cross High School and Sinolwazi Senior Secondary School (SSS).
- Mhlontlo Local Municipality
  - Shawbury School; Little Flower School; Somagunya School; Thandanani School and St Barths School
- Nyandeni Local Municipality
  - Ndimakude High School, Phangalele High School; Sandi School and St. Patricks School
- Port St. Johns Local Municipality
  - Port St. Johns High School and Gcinumthethe High School
- Igquza-Hill Local Municipality
  - Toli SSS; Parlmerton SSS and Phambili SSS.

In addition to the Star Schools programme, the office of the Executive Mayor and Former Speaker

identified 18 schools from around the District in pursuit of improving matric results and the high-school turnover rate. School learners were awarded with scientific calculators, professional tutorials, home cells and on-site counselling to assist learners to manage exam anxiety.

The following schools were supported:

- Qumbu Town: Welsh School; Jongilizwe School; Daluhlanga School; Mchasa School and Somagunya School.
- KSD LM: Sea View School; Gengqe School; Upper Mpeko School; Zwelibangile School; Dalibaso School; Kwanobuhle School and Khulanathi School.
- Libode Mega: Ngqeleni School; Smuts Ndamase School; Vakele School; Mabhulana School; Nogemane School; Mangala School and Nyangilizwe School.
- Lusikisiki Town: Zwelibongile School; Botha Sigcawu School and Bodweni School.

Partnerships with Anglo-Gold Ashanti include the Career Exhibition where 2500 learners from over 36 schools from around the District are invited to learn on the various career options and opportunities available to young people. The career Expo aims to motivate young individuals to explore as many career options as they opt to. The South African National Defence Force and Military Veterans Ncise Military Base sent over 3000 learners to attend the career expo, so as to broaden the knowledge of the learners.

The Tourism Sector together with the Department of Education also conducted a career expo at the airport hangers where over 2500 learners were in attendance. The department also drives the back to school campaign where more than 140 learners are provided with schooling garments and schooling equipment. The awarded schools were: Gilindoda JSS; Coza JSS; Mdingi JSS; Cetywayo JSS; Ngqwarha JSS and Lands And JSS.

An initiative to distribute reusable sanitary towels to young girl learners from indigent families that cannot afford monthly sanitary wear. The initiative demand is extremely high and the municipality has provided only but a fraction of young ladies because of a limit in resources. Sanitary Towels were also distributed to school learners during the 67 minutes for Mandela. The municipality continues to solicit partnerships in this regard, as reclaiming the dignity of our young ladies remains of paramount importance.

The protection and general welfare of children is extremely important. As legislation prescribes that the best interests of the child are more important, and generally outweigh any other subordinate right. The district together with the Department of Social Development led a Child Protection Week in Ingquza-Hill local municipality. The SAPS and Department of Health also joined arms in the initiative, by providing awareness on the importance of keeping a child safe and taken care. The initiative further highlighted to care-givers that neglecting the safety of the child is a chargeable offence.

## **SPU – DISABILITY**

The district municipality partnered up with Ingquza-Hill Disability Forum in training and conducting awareness campaigns for people with disabilities. Disabled people within the district are negatively stigmatised by being made to feel inadequate. These initiatives aimed at creating a voice for the disabled and empowered them to be able to realise that their disability does not make them inferior. The initiatives handed out nine wheelchairs to people within KSD and Mhlontlo LMs. During the 67 minutes in honour of Nelson Mandela, family groups were also targeted, where a family in KSD with 3 disabled children were provided with aid. The EFATA school for the Deaf is also an area of focus where the municipality supports their initiatives and art works by exhibiting their craft during the Deaf International Conference in Johannesburg.

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### **3.19. ACADEMIC FINANCIAL ASSISTANCE FOR TERTIARY STUDENTS**

The Council approved to have a Bursary Committee within the OR Tambo District Municipality to award bursaries to deserving individuals from families that cannot afford tertiary education. The bursary committee awards bursaries only to students in South African accredited tertiary institutions.

The education bursary is in response to a national crisis that saw the rise of the 'Fees Must Fall' campaign around the country which not only destabilised education but also halted educational practises for a while. The bursary is further in response of the extreme need of educational funding by deserving students that face the wrath of financial exclusion although they maintain excellent grades. The bursary realises the Constitutional right to education by making South Africans realise that education is not a right to be exercised by those who are economically independent. The

bursary fund has taken to tertiary ±170 students within the district, with numerous success stories and no leniency on academically non-performing students who do so with no justifiable attributing factors.

**3.20. EXECUTIVE AND COUNCIL**

**3.21. FINANCIAL MANAGEMENT**

The Budget and Treasury Office has a duty, amongst other things, to keep the municipality financially viable in order to carry out its mandate as a Water Services Authority and other emanating service delivery needs. The department works in compliance with the Generally Recognized Accounting Practices, Municipal Finance Management Act (MFMA) No. 56 of 2003, its related circulars and regulations.

The department has been instrumental in the improved spending on the allocated Municipal Infrastructure Grants (MIG), Water Services Infrastructure Grant (WSIG) and Regional Bulk Infrastructure Grant (RBIG), by instilling sound financial mechanisms that complement the demand in service delivery. The 2016/17 financial year, the municipality has depleted a total of 100% of the MIG, 100% of WSIG and 100% of RBIG.

National Treasury introduced the Municipal Standard Charts of Accounts (mSCOA), a model of financial reform that requires a multi-dimensional recording and reporting of every transaction across seven segments. Five work streams were established to fully integrate and assimilate mSCOA within the municipality, so as to ensure it will be in full motion come July, 1<sup>st</sup>, 2017, as per National Treasury, MFMA SCOA Circular(s). The District Municipality pulled all stops to ensure the adherence to circulars, by being mSCOA compliant, and having an mSCOA compliant Council adopted Budget for 2017/18. The District Municipality scored second in the country in terms of being mSCOA compliant and ready.

The department has revamped its Revenue Collections Unit to a more customer-care-friendly look. The project is yet to be completed as it began in the 2016/17 financial year.

**3.21.1. REVENUE COLLECTION**



With regards to municipal revenue, water supply remains a viable cost recovery mechanism and a primary source of revenue. Insufficient collection of revenue affects the growth of the municipal budget adversely hence the introduction of cost recovery measures. The aforementioned cost recovery measures will be enhanced by the review and development of financial policies that are to be tabled to Council for adoption.

In the quest to catapult revenue collections, a Revenue Enhancement Strategy was introduced, launched and implemented in all five local municipalities. The purpose of the initiative was to invite all rate payers to join in arms with the municipality, in surmounting their debt owed to the DM, while also introducing and incentivizing a culture of rate paying. The initiative saw much success with revenue collections improving by 100% in the 2016/17 financial year.

The department has sought for alternative sustainable sources of revenue generation to boost the municipality's cost recovery mechanisms; to reduce reliance on grants; and improve budget growth. The department has utilized high-earning investments, with an amount of R35million reported in returns in the 2016/17 financial year.

### **3.21.2. EXPENDITURE AND LIABILITY MANAGEMENT**

Expenditure and Liability management is the responsibility of the accounting officer of the municipality, the Municipal Manager. Upon the instance where a municipality incurs unauthorized, irregular or fruitless and wasteful expenditure; the municipality must investigate the cause and hold a person responsible. According to section 32 of the Municipal Finance Management Act, the municipal council must elect/nominate a council committee to investigate the unauthorized, fruitless and wasteful expenditure.

OR Tambo currently sits at an inflated amount of unauthorized, irregular or fruitless and wasteful expenditure, which has been historically accumulated since time immemorial. The accumulation of this amount is the reason the 2017-2022 council elected a council committee to investigate the deliberate or negligent authorization of a fruitless and wasteful expenditure.

The council will then make findings on the expenditure and hold a person responsible for the expenditure. The council may either make recommendations on mechanisms to recover or rectify such expenditure or to write off the expenditure as irrecoverable. The accounting officer of the

municipality must then make recommendations on ways in which the reoccurrence of the unauthorized, irregular or fruitless and wasteful expenditure can be subverted.

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## **3.22. CORPORATE SERVICES**

This report is intended to be a 2015/16 annual report of the Corporate Services department. The report is prepared in the context of corporate services being a transversal function that supports all departments in the municipality, that is, the department provides its services to support all other departments and provides them with the environment conducive to the maximization of service delivery efforts.

### **3.22.1. PLACEMENT OF EMPLOYEES IN THE NEW ORGANISATIONAL STRUCTURE**

The department drafted and presented the policy for placement in the Local Labour Forum. The policy was adopted and it is used to place the employees into the new organogram. The process of placement is continuing and is scheduled to be completed in the first quarter of 2016/17 financial year. Central to the placement process is the participation of all stakeholders in the process. These stakeholders include the HODs, IMATU, SAMWU and Corporate Services Department (providing technical support). Placement has been completed for these Departments:

- Office of the Municipal Manager
- Executive Mayoral Office
- Executive Mayoral Services
- Corporate Services
- Legislative Services
- Rural Economic Development and Planning
- Human Settlements
- Engineering
- Community Services
- Water Services

### **3.22.2. RECRUITMENT AND SELECTION**

The recruitment of strategic and compliance posts is currently underway. The following posts form part of the posts that have to be filled in the short term. These posts are:

- Manager HRD
- Skills Development Facilitator
- Occupational Health and Safety Officer
- Director Water Services
- Manager: WSA
- PMU Manager
- Manager Communications
- Chief Risk Officer
- Manager IDP
- Manager Corporate Performance, Reporting and Monitoring and Evaluation
- Legal Advisor to Council and Proceedings
- Manager LED
- GM: GL Revenue, Budget Reporting and AFS
- GM: SCM, Asset Management and Municipal Support.

Advertisements were done for the above posts. Recruitment for them is scheduled to be concluded in the first quarter of 2016/17 financial year.

The municipality is further issuing an internal advert in order to address inconsistencies that were identified during the placement process. The internal advert is also issued as a means of eradicating salary disparities that has been plaguing the municipality resulting in prolonged work stoppages and strikes by employees. After internal advertisement, the municipality will then begin to issue external adverts in order to recruit best talent available nationally.

### **3.22.3. IMPLEMENTATION OF EMPLOYEE SELF SERVICE (ESS)( Automated Leave)**

The Municipality is currently using the leave-book system for leave applications. This has resulted in poor management of leave as it is very difficult to control and reconcile leave book in an

institution as big as OR Tambo District Municipality. The department is now converting from the leave-book management system to an automated version.

The automated system has been installed, training of leave champions per Department has been done. The system is fully implemented in the Corporate Services and Legislative Services Departments. The two departments were used as pilot departments in the implementation of the ESS program. The system software has also been rolled out to the Office of the Municipal Manager and the Office of the Executive Mayor. The Human Resources Unit is currently making preparations to roll out the system to the rest of the departments.

#### **3.22.4. REGULATION OF ACTING APPOINTMENTS**

The Municipality has been appointing employees on acting capacity for periods in excess of three (3) months, in contravention of the provisions of the Collective Agreements and Basic Conditions of Employment Act. All such acting appointments were terminated and new requests, where necessary, are being processed in line with these pieces of legislation. The system has now been cleaned of these irregular acting appointments. All acting appointments are now currently done according to applicable legislation.

#### **3.22.5. JOB EVALUATION**

The process of Job Evaluation has long been a problematic issue in the institution. At one time the process came to a standstill because of challenges that included problems of capacity in the Job Evaluation Unit. In May 2016 the project was resurrected with the help of a service provider. The project is at a stage where the job descriptions have all been finalized. These have been quality checked in preparation for the grading exercise. The service provider has had to rewrite some of the job descriptions that were either missing or non-existent from the pool in the municipality's archives. The municipality is in the process of reviving the Job Evaluation Committee in order to begin the process of grading the jobs from both the district municipality and the 5 local municipalities.

### **3.22.6. EMPLOYEE WELLNESS**

The department is currently prioritizing the wellness of all municipal employees. The department recognises the fact that employees of OR Tambo District Municipality are currently working under very stressful conditions in the light of unfinished programmes of placement, job evaluations and salary disparities in general. To this end, the department has lined up a number of programmes and projects aimed at giving relief to employees. These include the revitalisation and putting adequate equipment in the gymnasium of the municipality at Government Printers, wellness events, debt counselling, medical screenings and promotion of sporting activities.

In line with this philosophy, the department held a Wellness Day event on the 11th of May 2016 at the Walter Sisulu Stadium. The event incorporated health screenings, aerobics, fun walk and various sporting activities. The day was organised in collaboration with wellness and health companies, such as, LA Health, Bonitas, SAMWU MED and Devine Healing Centre.

The section also conducted personal financial management awareness in December 2015. The awareness was conducted for employees from all departments. It was done in collaboration with Capitec Bank. The project benefited 30 employees.

To improve physical wellness of employees, the section undertakes sporting activities. To this end the municipality is affiliated to the Southern African Inter-Municipal Sport Association (SAIMSA) through Inter Municipal Sport of South Africa (IMSSA). The municipality sent a delegation of 80 consisting of councillors and employees to these games in Lesotho in September 2015. The municipality will also be sending employees to these games in 2016. The 2016 games will be held in MAHIKENG.

### **3.22.7. SAFETY AND SECURITY**

The Municipality is currently a victim of break-ins, theft of municipal assets, information leakages, misuse of vehicles and abuse of fuel cards that results in serious financial losses due to lack of proper control measures.

The following table highlights these incidents and measures that have been taken to minimise them:

INCIDENT	CONTROL	PROGRESS
01. None availability of Security Policy	Submission of Policy to Council for Adoption	Achieved
02. Misuse of Fuel Cards	Improvement and revitalization of investigative capacity in the safety and security section	Achieved. Drivers have been arrested and disciplinary proceedings have been implemented against them.
03. No Security Screening and vetting on employees and Service providers	Submission of Policy for Council adoption	Achieved

### 3.22.8. TRAINING AND DEVELOPMENT

The purpose of the training and development section is to improve the capacity of employees and communities in the OR Tambo district Municipality. The trainings are consolidated in the Workplace Skills Plan that is compiled and submitted to the Local Government SETA every year. The trainings are also implemented in compliance with the minimum competencies as identified by National Treasury in respect of Senior Managers, Finance and Supply Chain Officials. The following table is a highlight of targeted training interventions in pursuance of the above criteria:

TRAINING INTERVENTION	NUMBER OF EMPLOYEES
1. CPMD with Wits and UFH	48
2. Local Government Law and Administration	6
3. TLB operators training	15
4. NQF Level 7 in Municipal Governance	3
5. NQF Level 8 Diploma in Management (Post Graduate)	16
6. Pipe Laying	20
7. Training on Disciplinary Hearings and Leave Management	45
8. Students for In- Service Training	17
9. Health and Safety	15
10. First Aid Level 1,2,& 3	15
11. Protocol and Communication	11
12. Advanced Environmental Management	1
13. Advanced and Basic Plumbing	15
14. Environment Law for Environmental Manager	1

15. Computer literacy course for unemployed funded by Department of Telecommunications and Postal Services (DTPS) and conducted by NEMISA	65
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The municipality has submitted the Workplace Skills Plan to the LG Seta as required by the Skills Development Act. Implementation of the plan started on the 1<sup>st</sup> of July 2016.

The Training Committee already exists in the municipality, but it needs revitalization and re-launch as it has not held meetings for a long time.

### 3.22.9. GEOGRAPHICAL INFORMATION SYSTEMS (GIS)

The aim and purpose of the section is to document and provide access to all tangible and intangible resources of the District Municipality including those that belong to the Local Municipalities of the OR Tambo District Municipality. These resources include infrastructural projects and facilities, databases in hard and soft format. The following are the highlights of what the section has achieved to date.

Project	Description	Progress
Capture District Municipality projects and facilities	Water and Sanitation projects have been captured on the GIS System.	A lot of information still has to be collected and captured and be posted in the website for consumption by interested stakeholders
Link deeds information with the municipal debtors	The aim was to link all municipal debtors to the municipal systems	KSD debtors have been linked to the system in the municipality.
Conduct User Requirements analysis	The project here will look at the status quo of the District Municipality and Local Municipalities and document the findings. The aim is to establish a steering committee to deal with all GIS related matters for the whole district.	Requirements analysis was done and a report was produced. Two meetings were held with Provincial and National COGTA Departments.
Upgrade ArcGIS Server	The project here is upgrade the current system into Corporate System or Enterprise system with much bigger capacity to handle all the data that is anticipated from the whole district wide.	Planned for first quarter 16/17 Financial Year

The GIS unit has since been placed under the Department of Water Services.

### 3.22.10. EMPLOYEE RELATIONS

#### Policies and Procedures

Grievance procedure currently exists and is available to all employees; the mission of the section is to create awareness around its availability and utilisation.

#### Current Cases

There are 3 misconduct cases currently running.

- The first case is between O.R. Tambo DM and employee in Finance. The case still continues. The case is at the stage of hearings.
- The second is a case involving a number of employees who are alleged to be abusing fuel cards. Three employees have already been suspended. The case has also been handed over to the SAPS.
- The third case is involving 2 employees from Water Services who absented themselves from work without an approved leave.

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### 3.23. OVERSIGHT FOR SERVICE DELIVERY

The Legislative Services Department acts as the legislative arm of the municipality by being the home of the District Municipality Council. The Council is the highest decision making body within the municipality and remains independent to the executive arm.

One of the instrumental role(s) the Legislative Department plays is that of municipal oversight in all service delivery initiatives implemented by the executive.

The department is segmented into numerous oversight committees that are answerable to Council.

The role of the committees is to ensure:

- Policies are implemented and adhered to;
- Budget is adequately allocated and utilized;
- Executive departments carry out their mandate as prescribed; and
- Service delivery and accountability are uncompromised.

The Municipal Public Accounts Committee (MPAC) remains at the helm of oversight and



accountability with a mandate to ensure good governance in the municipality. The committee has legislated sittings that summon executive departments to account on the implementation of programs in a manner that is consistent with the approved municipal plans, allocated budget and legislation (and circulars). All executive departments are answerable to the MPAC and each department is invited at least once a month to account on the departments activities of the preceding month.

Every single executive department has a portfolio committee which is headed by a political head. Each portfolio committee sits every single month with the departmental head to decipher on programs, projects and matters relating to the department. The committees play an oversight role by making sure that the department adheres to and plays its role in the quest of delivering on services par excellence.

Every department has a role of doing physical verification of programs and projects. These projects are picked at random and/or when the need warrants a visit for verification. This happens throughout the year when committees go on site visits to verify the authenticity of implemented projects and programs. Physical verification remains the most credible oversight mechanism as it allows for greater stakeholder involvement.

The legislative department has an inescapable mandate to ensure stakeholder relations are always maintained and enhanced through public participation. The petitions unit has a role of going to communities and dealing with petitions handed in to the Council Speaker's office. Petitions generally raise administrative concerns that emanate through communities concerns in service delivery. The petitions unit relays the concerns to the relevant departments, which then get responded to and provide a way forward in solving concerns raised.

The department has also held two Open Council with the theme 'Taking Council to the People.' The role of the Council was to go to a community and hold Council in a transparent and accountable fashion. During the Council, petitions that were handed in were dealt with, and an open dialogue session opened with members of the public being able to raise questions and have them answered.

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### **3.24. COMMUNICATION, PARTICIPATION AND FORUMS**

The District Municipality is coordinating communication across district and sectors. This is part of the adopted IGR policy framework and the communication strategy. The policy prescribes for the establishment of the District Communicators Forum that serves to coordinate communication and promote participation in the municipal affairs. The OR Tambo had established the district communicator's forum constituted by the local municipality communication practitioners, provincial communicators from Office of the Premier, Cooperative governance and Traditional Affairs and the Government Communication Information Services with all other sector departments. Over the year the District Communicators forum has been functional and it executed its work that includes the development and implementation of the annual communication plan. The plan necessitated the implementation of various initiatives that include media briefings, production of newsletters, initiating slots in the radio shows and etcetera.

Through the district communicators forum the municipality further interface with other municipalities and sector departments through Provincial Local Government Forum that sit on quarterly bases. The forum serve to share lessons across municipalities as well as provide the necessary support with regard to the provincial matters that need to be taken into account into the municipal affairs. The forum also serves as mechanism to align the district, provincial and national priorities and agenda.

Over 2016/2017 financial year the OR Tambo District made some strides in improving communication with its customers towards the delivery of the core function (Water Services). It forged partnership with Vodacom South for the development of the Thethanathi system that responds to service delivery challenges. The model provides gargets and APP for reporting of water leakages, breakages as well as outages. It further generates reports on how the municipality is addressing these matters. The system/ model is mechanism that provide a two way communication system between municipality and its consumers.

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### **3.25. MONITORING, REPORTING AND EVALUATION**

The Integrated Development Plan (IDP) and the Performance Management, Monitoring and Evaluation units fall within the office of the Municipal Manager. The main responsibility, amongst

others, is to ensure credible processes for service delivery planning, monitoring and evaluation.

A municipality is mandated by section 38 of the Municipal Systems Act 32 of 2000 to 'establish a performance management system that is proportional with its resources; best suited to its circumstances; and in line with the priorities, objectives, indicators and targets as contained in its Integrated Development Plan (IDP). To promote a culture of performance management among its political structures, political office bearers, councillors and in its administration. The municipality must administer its affairs in an economical, effective, efficient and accountable manner.'

The management of performance in the municipality is instrumental in monitoring and ensuring that the municipality's mandate is fulfilled par excellence. This ensures the mitigation of risks and risk causing agents, thus being able to foster timeous and effective turn-around strategies where needed. Performance management also allows accolades to be granted where the results allow, thus serving as an incentive to supersede set targets.

## **MUNICIPAL REPORTING**

The Performance Management Unit has made a concerted effort in strengthening the compliance culture within the institution. The unit introduced various forms of reporting mechanism for information sharing within and across departments in the municipality.

Reporting templates were given to departments to factor in information on programs as per SDBIP, so that service delivery targets are constantly worked on. Section heads are to sit with their subordinates on a weekly basis, so as to share information; while Directors sit with section heads on a monthly basis. The meetings with Directors are formal, and the filled in reporting templates are to be sent to the PMS unit for monitoring and evaluation monthly.

### *Performance Management Systems Platforms*

According to section 83(2) of the Municipal Structures Act 117 of 1998 'functions and powers (1) must be divided in the case of a district municipality and the local municipalities within the area of the district municipality...'. The district municipality in subsection (3) is mandated 'to seek to achieve the integrated, sustainable and equitable social and economic development of its area as a whole by, building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking.'

The OR Tambo District Municipality sought to foster cordial relations with its local municipalities, with the aim to amicably debunk compliance issues. The district together with its local municipalities established platforms in which challenges and success stories are shared, with the aim to support one another.

The platforms discuss notions related to municipality's functions and powers, compliance (including mSCOA), having credible IDPs and SDBIP such that functions are not duplicated between the district and local municipalities. The platforms forge ways of dealing with and mitigating risks, for which the risk register remains of paramount importance.

## COMPONENT G: ORGANISATIONAL PERFORMANCE SCORECARD

### 3.26. BASIC SERVICES AND INFRASTRUCTURAL DEVELOPMENT

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
Human Settlements	Coordination of planning and Development of Sustainable Human Settlements	Accreditation of O.R Tambo DM as an implementing agent for housing development	BSDI - 1	Number of Council approved Human Settlements Business Plans submitted to the Department of Human Settlements	N/A	N/A	0	1	0	<b>Performance not fully effective</b>	Policy presented to Mayco and recommended that Councillors must be workshopped, workshop conducted on the 26th of June 2017 and recommended for Council adoption but it was not included to agenda items for Council of 29 June 2017.	Policy to be included in Agenda Items of the next Council sitting for adoption in the next financial year	Council Register Acknowledgement receipt

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		Construction of houses for destitute and vulnerable families	BSDI - 2	Number of housing units for destitute and vulnerable groups constructed	R 2,100,000	N/A	7	7	5	Performance not fully effective	Unavailability of building material in the region resulting to delays to the contractor, and the area where the contractor is building houses is a hotspot area whereby the community protests is a norm demanding service delivery (KSD Ward 21)	The Department to form partnership with the manufactures of approved building material.	Happy letters Completion Certificates
		Construction of houses for Adam Kok farm workers	BSDI - 3	Number of housing units for Adam Kok farm workers constructed	R 4,050,000	N/A	0	100%	100%	Fully effective	N/A	N/A	Happy Letters and Completion Certificates
		Conducting Human Settlements awareness and education campaigns in the region	BSDI - 4	Number of reports for the upgrades of informal settlements projects submitted	N/A	N/A	New Indicator	1	1	Fully effective	N/A	N/A	Acknowledgement of Receipt Reports (signed)

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
Community Services	To increase community participation in Sports, recreation, arts, culture and heritage programmes	Expand and maximize the value and utility of community service centres and community facilities (including sports fields, libraries etc.)	BSDI - 5	Number of community sports fields maintained	R 550,000	N/A	1	1	1	Fully effective	N/A	N/A	Pictorial Evidence, Proof of Payment, Happy Letters
		Maintain, Preserve and Promote heritage sites including those within liberation route	BSDI - 6	Number of initiation schools supported	R 550,000	N/A	2	4	9	Outstanding performance	Joint training for all traditional nurses from all Local Municipalities in one venue enabled the District Municipality to reach more than planned.	N/A	Evaluation Report
			BSDI - 7	Number of Heritage Programmes implemented	R 250,000	R 300,000	New Indicator	7	7	7	Fully effective	N/A	N/A

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			BSDI - 8	Number of Sports-related partnerships formed	N/A	N/A	New Indicator	1	1	Fully effective	N/A	N/A	Signed Partnership Agreements
	To increase community participation in educational governance and training	Integration of school and community libraries	BSDI - 9	Number of initiatives undertaken for promotion of library services	N/A	R 300,000	5	4	4	Fully effective	N/A	N/A	Pictorial Evidence, Report, Delivery Notes
			BSDI - 10	Number of partnerships established for community Library development	N/A	N/A	1	1	1	Fully effective	N/A	N/A	Attendance Register, Signed MOU
	To contribute to the reduction of preventable health risks in the district	Compliance with and enforcement of relevant environmental health regulations and standards	BSDI - 11	Percentage completion of the devolution of the Environmental Health function	R 7,150,000	N/A	0	100%	0%	Performance not fully effective	No authentic list of assets and environmental health practitioners from KSD local municipality. The transfer agreement has not yet been concluded by the ORTDM & KSD LM.	Fastrack signing of the existing transfer agreement and, authentic list	Copies of letters of staff transfer
			BSDI - 12	Percentage of notifiable medical conditions investigated within 24hrs of reporting	R 50,000	N/A	100%	100%	100%	Fully effective	N/A	N/A	Investigation Reports



Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			BSDI - 13	Percentage of reported illegal dumps cleared	R 100,000	N/A	100%	100%	100%	Fully effective	N/A	N/A	Pictorial Evidence, Inspection Reports
	To improve the well-being of all vulnerable groups and general welfare of indigent.	Provide Social Safety net	BSDI - 14	Percentage of households supported in disaster affected areas	R 230,000	N/A	New Indicator	100%	100%	Fully effective	N/A	N/A	Disaster Report, Pictorial Evidence, Happy Letters
	To reduce the risk and mitigate the impact of disasters, fires and emergencies to communities	Ensure proactive, during and post disaster strategies and measures are in place.	BSDI - 15	Number of Disaster Integrated information management portal linked with O.R. Tambo Information Management Systems	R 1,500,000	N/A	New Indicator	1	1	Fully effective			Information System Integration Report
BSDI - 16			Number of Road Incident Management System Task Groups facilitated	R 1,350,000	N/A	1	3	3	Fully effective	N/A	N/A	Road Incident Management System Report, Attendance Registers	
BSDI - 17			Number of District Disaster Risk profiles tabled to Technical task Team	R 500,000	R 500,000	1	1	1	Fully effective	N/A	N/A	District Disaster Risk profile,	

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
													Attendance Registers, Minutes
			BSDI - 18	Number of Municipal Disaster Risk Management Plans submitted to Council			1	1	0	Performance not fully effective	All departments failed to develop Municipal Departmental Disaster Risk Management Plans despite training and numerous reminders written to them	2017/18 Performance Agreements of all Directors includes this as one of the targets in their Annual Plans.	Municipal Disaster Risk Management Plan, Council Minutes, Attendance Registers
		Reduce the occurrence of fires and emergencies	BSDI - 19	Number of Disaster Community Awareness campaigns conducted	R 558,620	N/A	10	60	60	Fully effective	N/A	N/A	Programmes, Attendance Registers, Pictorial Evidence, Fire Awareness Report
			BSDI - 20	Number of fire fighting vehicles purchased	R 13,000,000	N/A	3	3	3	Fully effective	N/A	N/A	Inspection Report, Pictorial Evidence, Delivery Notes, Proof of Payments

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		Improve institutional capacity to respond and mitigate the impact of fires and emergencies	BSDI - 21	Percentage of fire and emergency incidents responded to within 30 minutes for areas within a 50 kilometres radius	N/A	N/A	0%	60%	100%	Performance significantly above expectations	The section managed to respond to all fire and emergency incidents that were within 30 minutes for areas within a 50 kilometres radius	N/A	Fire Incident Report
			BSDI - 22	Percentage of fire and emergency incidents responded to within 1 hour 45 minutes for areas more than 50 kilometres radius	N/A	N/A	0%	60%	100%	Performance significantly above expectations	The section managed to respond to all fire and emergency incidents that were within 1 hour 45 minutes for areas more than 50 kilometres radius	N/A	Fire Incident Report
	Contribute to improved community safety and security	Building stakeholder consensus for community safety	BSDI - 23	Number of functional District Safety Forums held	R 210,000	N/A	1	2	2	Fully effective	N/A	N/A	Attendance Registers, Minutes
Rural, Economic & Development Planning	Improve Waste and environmental Management	Establish environmental compliant and sustainable development.	BSDI - 24	Number of partnerships formed	R 700,000	N/A	New Indicator	3	3	Fully effective	N/A	N/A	Signed Partnership Agreements

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
	within O.R. Tambo District to comply with statutory requirements	(including ISO 14001)	BSDI - 25	Number of recycling cooperatives established			6	10	10	Fully effective	N/A	N/A	Copies of Cooperative Documents, List of Cooperative members with ID copies, Minutes, Attendance Registers
			BSDI - 26	Number of Environmental Management Forums held			4	4	4	Fully effective	N/A	N/A	Attendance Registers, Minutes
Executive Mayoral Services	To contribute to the prevention, reduction and management of the spread of HIV/AIDS, STI and TB	Mainstreaming of HIV/AIDS management	BSDI - 27	Number of wards with Ward based HIV/Aids Forums established (Back to Basics)	R 1,000,000	N/A	17	12	12	Fully effective	N/A	N/A	Attendance Registers Ward Aids Forum Reports
			BSDI - 28	Number of health care workers and care givers supported (monthly stipend)			21	17	17	Fully effective	N/A	N/A	Monthly Timesheets

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			BSDI - 29	Number of people that have undergone Voluntary Counselling and Testing			2727	8722	8722	Fully effective	N/A	N/A	Voluntary Counselling & Testing Centre Report
To improve the well-being of all vulnerable groups and general welfare of indigents	Coordinate the mainstreaming of special programmes targeting vulnerable groups		BSDI - 30	Number of people from vulnerable groups that completed an academic programme	R 2,800,000	N/A	181	106	112	Fully effective	N/A	N/A	Academic Records Certificates of Completion
			BSDI - 31	Number of people from vulnerable groups that completed other scarce skills, training and capacity building programmes	R 6,750,000	N/A	600	1970	5606	Outstanding performance		N/A	Attendance Register Pictorial Evidence Training Report
			BSDI - 32	Number of programmes implemented to empower and create jobs for the youth, women, disabled and elderly			11	11	14	Performance significantly above expectations	A rise in gender-based incidents prompted the DM to provide more assistance than was initially planned.	N/A	Attendance Register Pictorial Evidence Report on Implemented Programmes

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			BSDI - 33	Number of households receiving social safety support (distress support, child protection etc.)	R 3,800,000	N/A	16950	19500	2027	Performance not fully effective			Pictorial Evidence Database of District households receiving social safety support Report on Social Safety Support
Technical Services	To provide access to sustainable basic energy and electricity	Provision of electricity to all outstanding households and new settlements	BSDI - 34	Number of Electricity Forum meetings held	R 500,000	N/A	New indicator	4	3	Performance not fully effective	Meeting for the last quarter could not happen due to national events that were held in the District	District Wide Infrastructure Forum will be resuscitated in the first Qtr. 2017/18. Agenda items that were to be discussed in the 4th Qtr. 2016/17 will be discussed in the 1st Qtr. 2017/18.	Attendance registers & minutes of meetings

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification	
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)		
	To improve road infrastructure network in the district through the establishment of a Project Management Office	Development of a PMO to support construction and maintenance of roads to service centres and economic nodes	BSDI - 35	Number of Project Management Offices (PMO) established in the District	N/A	N/A	New indicator	1	0		Performance not fully effective	The function of the establishment of the PMO office has been moved to the Office of the MM due to lack of capacity in the Department.		Attendance Registers and Minutes of PMO meetings
		Construction of roads to service centres and economic nodes	BSDI - 36	Kilometres of roads rehabilitated	R 20,000,000	N/A	1.5 kms	2 kms	2km		Fully effective	N/A	N/A	Site meeting minutes, Attendance Registers, Project Close-out Reports & Completion certificate
	Ensure access to safe, secure, reliable and affordable	Improve public transport infrastructure, Coordination of planning and	BSDI - 37	Number of Transport master plans approved	R 5,523,000	N/A	1	1	1		Fully effective	N/A	N/A	Agenda item to Council

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
	public transport system	regulation of public transport system, Promote public transport transformation and diversification	BSDI - 38	Number of Rural Road Asset Management Systems developed		N/A	1	1	0	Performance not fully effective	The target was supposed to measure the number of LM's with roads assessed as the system will be completed in 2019	Target has been revised in the 2017/18 financial year	Minutes of meetings, Agendas, Attendance registers and Rural Road Asset Management System
Water & Sanitation	1.1 Provide access to potable water	Long term water infrastructure planning	BSDI - 39	Percentage completion of Ngangelizwe Breaking New Ground (BNG) Bulk sewer and water system	R 12,000,000	N/A	80%	100%	80%	Performance not fully effective	Contractor did not work in line with projected time-frames and could not catch-up on lost time	Main contractor ceded the work after he was advised by the project team. The new contractor progressed very well although it could not achieve the set target.	Site meeting minutes, Attendance Registers, Project Close-out Reports & Completion certificate
			BSDI - 40	Percentage completion of pipeline to Langeni Housing Development	R 1,000,000	N/A	0	100%	5%	Performance not fully effective	Budget exhausted at design stage and could not take the project to the	The project will be incorporated to Upper	Site meeting minutes, Attendance



Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
											next stage of construction	Mhlahlane Water Supply in 2017-2018FY	Registers, Project Close-out Reports & Completion certificate
		Implementation of Regional water schemes to cover greater areas with no access to sustainable water sources (includes the integration of previously non-viable water schemes)	BSDI - 41	Percentage completion of phase 4 & 5 for Coffee Bay Regional Water Supply Scheme(RWSS)	R 163,000,000	N/A	0	50%	83%	Outstanding performance	contractor performed more than expected	N/A	Site meeting minutes, Attendance Registers, Project Close-out Reports & Completion certificate
			BSDI - 42	Percentage completion of Mqanduli Corridor Bulk Water Supply Scheme (WSS)	R 135,826,158	N/A	60%	100%	88%	Performance not fully effective	project delayed by termination of Mokenamokwena Contract	New contractor appointed to replace terminated contractor, AW to put pressure on Department of Labour to unleash suspension of activities on ANIX site	Site meeting minutes, Attendance Registers, Project Close-out Reports & Completion certificate

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			BSDI - 43	Percentage completion of Libode and Ngqeleni Corridor Bulk Water Supply Scheme(WSS)	R 198,731,738	N/A	0	30%	48%	Outstanding performance	contractor performed more than expected	N/A	Site meeting minutes, Attendance Registers, Project Close-out Reports & Completion certificate
			BSDI - 44	Percentage completion of Flagstaff Phase 3 Regional Water Supply Scheme (RWSS)	R 13,359,883	N/A	75%	100%	90%	Performance not fully effective	The scope of work has been increased by additional new villages and slow progress of the reservoir construction by sub-contractor delayed the project	Main contractors instructed to issue sub-contractor notices of none performance	Site meeting minutes, Attendance Registers, Project Close-out Reports & Completion certificate
			BSDI - 45	Number of stand-alone schemes refurbished	R 118,239,000	N/A	New Indicator	6	4	Performance not fully effective	R10m was added to complement number of schemes	N/A	Technical report and Business Plan Report and Appointment Letter
			BSDI - 46	Number of water works refurbished	R 12,000,000	N/A	20	12	14	Fully effective	N/A	N/A	Technical report and Business Plan

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
													Report and Appointment Letter
			BSDI - 47	Number of indigent households supplied with tanks and gutter for rainwater harvesting	R 1,000,000	N/A	655	250	100	Performance not fully effective	We only managed to provide 100 tanks, wrong specification was advertised and couldn't advertised as the financial year was lapsed.	Term contract will be used to procure tanks in 2017/18 FY	Signed Happy Letters by beneficiaries and Ward Councillor
			BSDI - 48	Numbers of water tanks provided to Local Municipalities with no water source	R 10,154,000	N/A	150	150	150	Fully effective	N/A	N/A	Proof of delivery signed by the Ward Councillor or Traditional Leader
			BSDI - 49	Number of purified mega litres of water carted and delivered to communities.			87	150	189	Performance significantly above expectations	Due to drought, demand of water carting was higher than planned. A virement was approved to enable this demand	N/A	Tally Sheets and Signed Delivery Note by the beneficiaries
			BSDI - 50	Number of indigent households receiving free basic water & Sanitation Services			92000	153000	153000	Fully effective	N/A	N/A	Indigent Register and report to

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
													Council detailing of beneficiaries
		Achieve a blue drop status for all water treatment plants and provide mobile water treatment plants quality in all water schemes	BSDI - 51	Blue drop status compliance	R 1,200,000	N/A	46%	50%	46%	Performance not fully effective	Not assessed by DWS	Request assessment from DWS	Blue Drop Compliance Certificate
	To provide access to sanitation services	Eradication of rural sanitation backlogs	BSDI - 52	Number of Ventilated Improved Pit (VIP) toilets provided	R 176,319,807	N/A	158527	16000	9216	Performance not fully effective	Contractors appointed late in March 2017 instead of September 2016		Happy Letters and Completion Certificates

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			BSDI - 53	Number of public toilet facilities upgraded	R 2,350,000	N/A	3	4	0	Performance not fully effective	Lack of land	Toilet facilities could not be upgraded as Port St Johns and Mqanduli areas have been identified and currently we are in process of writing to the municipalities and inform them about upgrades	Completion certificate
			BSDI - 54	Percentage completion of bulk sewer projects - Mqanduli	R 1,800,000	N/A	85%	100%	92%	Performance not fully effective	The sewer pipe crossed the private land and the owner stopped the project	The letter as demanded by the owner was sent for his consideration	Completion certificate
			BSDI - 55	Percentage completion of bulk sewer projects - Port St Johns (PSJ)	R 2,615,856.07	N/A	0%	10%	10%	Fully effective	N/A	N/a	Quarterly Progress Reports

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			BSDI - 56	Percentage completion of bulk sewer projects - Lusikisiki	R 6,551,912.00	N/A	96%	100%	96%	Performance not fully effective	The project delays were due to Eskom electricity supply to the plant	Eskom has since provided supply and the project is under commissioning	Completion Certificate
			BSDI - 57	Percentage completion of bulk sewer projects - Flagstaff	R 13,728,289.07	N/A	60%	100%	40%	Performance not fully effective	Sole owner of the contractor pass on and legal processes delayed the project	Project will be advertised	Completion certificate
			BSDI - 58	Percentage completion of bulk sewer projects - Qumbu	R 200,000	N/A	0	5%	5%	Fully effective	N/A	N/A	Quarterly progress reports
			BSDI - 59	Percentage completion of bulk sewer projects - Libode	R 9,688,856.07	N/A	0	5%	10%	Outstanding performance	The project target was to complete designs which is measured 5% in terms of industry norm, however this project stage was exceeded by achieving tender stage which is equal to 10%	N/A	Quarterly progress reports

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		Operation and maintenance of sewerage treatment plants and sewerage pump stations	BSDI - 60	Number of sewage treatment plants maintained	R 3,000,000	N/A	1	3	0	Performance not fully effective	ORTDM has only one sewage treatment plant and which is currently under upgrading and the two other WWTW are under construction.	To accelerate the completion of the WWTW under construction	Site meeting minutes, Attendance Registers, Project Close-out Reports & Completion certificate, sewage and treatment plants refurbishment and maintenance program
			BSDI - 61	Number of sewage pump stations maintained	R 12,000,000	N/A	New Indicator	5	0	Performance not fully effective	Deviating from procuring through quotation to open tender system	Putting pressure to BTO	Site meeting minutes, Attendance Registers, Project Close-out Reports & Completion certificate

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			BSDI - 62	Green drop status compliance	R 1,000,000	N/A	26%	50%	26%	Performance not fully effective	It was not been assessed by Department of Water and Sanitation	N/A	Green Drop Compliance Certificate
	Public Employment	Maximize job/employment creation particularly for youth and women in all infrastructure, social and economic development programmes.	BSDI - 63	Number of non-functional schemes refurbished	R 10,000,000	N/A	New indicator	51	54	Fully effective	N/A	N/A	Detailed report / Pictorial evidence



### 3.27. LOCAL ECONOMIC DEVELOPMENT

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
Human Settlements	Coordination of planning and Development of Sustainable Human Settlements	Training of PDI contractors in different fields of Human settlements development in 5 LMs	LED - 1	Number of emerging Previously Disadvantaged Individuals (contractors) trained	N/A	N/A	8	20	64	<b>Outstanding performance</b>	The letter to NHBRC requesting training for PDI's was responded to earlier than we anticipated (it is usually a lengthy process) and training could commence sooner than expected. NHBRC provided the ORTDM additional budget for training. (50 Youth and 14 PDI Contractors)	N/A	Attendance Registers and Certificates
Rural, Economic & Development Planning	To improve co-ordination & integration of LED programs for sustainable trade and investment within the District	Strengthen IGR structures for integrated LED programmes.	LED - 2	Number of Local Economic Development Forums held	R 200,000	N/A	12	12	12	<b>Fully effective</b>	N/A	N/A	Attendance Registers, Minutes

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		Promotion of district Trade and Investment	LED - 3	Number of Local Economic Development Sector Planning Strategies submitted to Executive Mayoral Committee	R 800,000	R 400,000	3	1	2	Performance significantly above expectations	The Trade and Investment Strategy was finalised earlier than the expected date.	N/A	LED Strategy, Agricultural Development Strategy, Forestry Development Strategy, Trade and Investment Strategy
		Build capacity of SMME and cooperatives	LED - 4	Number of Small Medium Micro Enterprises (SMME's) capacitated	R 1,700,000	R 2,400,000	20	88	88	Fully effective	N/A	N/A	Attendance Registers, Certificates of Attendance
	To enhance access to LED infrastructure, agro-processing and value add facilities	Improved service standards for the District Processing Plants and improved local farmers access to markets	LED - 5	Percentage transfer of assets to Ntinga OR Tambo Development Agency	R 200,000	N/A	New Indicator	100%	100%	Fully effective	N/A	N/A	Project Close Out Report, Signed copy of Asset Register
	Develop forestry & timber production for economic development	Enhance Economic viability of the forestry & timber sector for the district.	LED - 6	Number of Incubatees supported	R 250,000	N/A	10	10	10	Fully effective	N/A	N/A	Signed Service Level Agreement, Monthly Progress Reports

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
	Develop mariculture and aquaculture industry production for economic development	Aqua-culture skills development.	LED - 7	Number of Aquaculture enterprises trained	R 350,000	N/A	20	50	32	Performance not fully effective	18 Aqua Culture enterprises could not attend the workshop.	Project to be continued next financial year.	Attendance Registers, Certificates of Attendance
	To maximize Public employment in all sectors of the economy	Maximize job/employment creation particularly for youth and women in all Infrastructure, social and economic development programmes.	LED - 9	Number of jobs created through municipality's local, economic development initiatives including Expanded Public Works Programme	R 3,213,000	N/A	406	300	461	Outstanding performance	More projects were created and the municipality increased the grant funding by R5million	N/A	Signed Contracts, Reports, Attendance Registers
	To achieve spatially equitable economic growth across the district	Develop plans for District Catalytic Projects & Creation of Special Economic Zones	LED - 10	Number of District Spatial Planning Strategic Frameworks submitted to Mayoral Committee	R 1,600,000	N/A	0	1	0	Performance not fully effective	Spatial Development Framework in progress and not yet finalised.	Spatial Development Framework to be complete by the first quarter in 2017.	District Spatial Development Framework

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
Water & Sanitation	Public Employment	Maximize job/employment creation particularly for youth and women in all Infrastructure, social and economic development programmes.	LED - 11	Number of Jobs Created (long, medium & short Term) in labour intensive programmes	R 5,000,000	N/A	8833	1600	1777	Performance significantly above expectations		N/A	Signed Contracts

### 3.28. FINANCIAL MANAGEMENT AND VIABILITY

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
Budget & Treasury Office	To increase revenue generation	Effective billing and revenue collection	FVM - 1	Outstanding service debtors to revenue	R 16,100,000	N/A	15%	16.5%	16.5%	Fully effective	The municipality has conducted data cleansing which resulted in the improvement in billing.	N/A	Bank Statements / Debtors Aged Analysis
			FVM - 2	Amount of future cash invested in high-earning investments			R20.4 Million	R22 Million	R35 Million	Outstanding performance	The municipality chose to invest in a high earning investment portfolio	N/A	Bank statements / Investments reconciliations
			FVM - 3	Cost coverage			New Indicator	10.6%	40%	Outstanding performance	The district has applied a sound, prudent financial management by ensuring that the district does not spend what it does not have	N/A	Bank Statements / Debtors Aged Analysis
			FVM - 4	Debt Coverage			New Indicator	11%	0%	Outstanding performance	ORTDM has no debt	N/A	Debtors Aged Analysis

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
	To ensure 100% compliance to legislated budget turnaround times and spend	Improvement in the accuracy of financial planning for more credible budgeting	FVM - 5	Number of budgets submitted to National Treasury	N/A	N/A	2	2	2	Fully effective	N/A	N/A	Budget / Council Agenda Item / Newspaper advert
			FVM - 6	Number of Section 52d reports submitted to National Treasury	N/A	N/A	4	4	4	Fully effective	N/A	N/A	Section 52d Report / Acknowledgement of receipt from Treasury / Submission sheet to Mayor
			FVM - 7	Number of Section 71 reports submitted to National Treasury	N/A	N/A	12	12	12	Fully effective	N/A	N/A	Section 71 Report / Acknowledgement of receipt from Treasury / Submission sheet to Mayor
		Improve financial management capacity and efficiency	FVM - 8	Percentage spend of quarterly Financial Management Grant (FMG) allocation	N/A	N/A	100%	100%	100%	Fully effective	N/A	N/A	Processed Payment Recons / Section 52d Report
			FVM - 9	Percentage spend of quarterly Municipal Infrastructure Grant (MIG) allocation	N/A	N/A	100%	100%	100%	Fully effective	N/A	N/A	Processed Payment Recons / Section 52d Report

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			FVM - 10	The percentage of a municipality's capital budget spent on capital projects identified for a particular financial year in terms of the municipality's integrated developmental plan	N/A	N/A	100%	100%	100%	Fully effective	N/A	N/A	Processed Payment Recons / Section 52d Report
			FVM - 11	Percentage spend on Operations and Maintenance (O&M)	N/A	N/A	100%	100%	100%	Fully effective	N/A	N/A	Processed Payment Recons / Section 52d Report

### 3.29. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
Legislative Services	To improve/ensure council and community oversight for service delivery implementation	Strengthen internal governance structures, systems and protocols to monitor and ensure compliance with the legislative framework	GGPP - 1	Number of Municipal Oversight Model (MOM) imperatives (Annual Reports, Budget, Quarterly Reports and FIS) assessed	R 1,300,000	N/A	28	28	39	Outstanding performance	The SDBIP was development in the previous financial year and the council after election in August 2016 came up with additional committee	N/A	Portfolio Oversight Reports
			GGPP - 2	Number of Portfolio Oversight Reports tabled to Council			28	28	40	Outstanding performance	The SDBIP was development in the previous financial year and the council after election in August 2016 came up with additional committee	N/A	Portfolio Oversight Reports
			GGPP - 3	Number of Standing Committee			28	28	28	Fully effective	N/A	N/A	Portfolio Oversight Reports, Council Minutes



Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
				Reports tabled to Council									
			GGPP - 4	Number of Ordinary Council meetings held	R 510,000	N/A	4	4	4	Fully effective	N/A	N/A	Standing Committee Reports, Council Minutes
			GGPP - 5	Number of Open Council meetings held			1	2	2	Fully effective	N/A	N/A	Council Notice, Attendance Register, Minutes of meeting
		Provide platform for LM representative councillors in DM council to present service delivery issues and challenges raised and prioritized by their LM councils	GGPP - 6	Number of Local Municipality reports tabled to Council	N/A	N/A	New Indicator	20	20	Fully effective	N/A	N/A	Council minutes and LM Reports

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		Provide the necessary support to Whippy in facilitating accountability of councillors to constituencies	GGPP - 7	Number of Whippy policies tabled to Council	N/A	N/A	New Indicator	1	1	Fully effective	N/A	N/A	Whippy Policy, Council Minutes
			GGPP - 8	Percentage of ward committees assessed as fully functional using ward committee guidelines	R 1,000,000	N/A	New Indicator	100%	100%	Fully effective	N/A	N/A	Assessment Reports
Office Of The Municipal Manager	To coordinate effective intergovernmental relations across portfolio boundaries of governmental actors within the District	Make service delivery central to the functioning of technical and political IGR structures both at LM and DM levels	GGPP - 9	Number of Inter-Governmental Relations (IGR) partnerships formed	R 500,000	N/A	4	3	0	Performance not fully effective	Agreement on Argentina could not be signed as the municipality lacked funding in order to contract.	The department will continue to pursue the agreements for the development of the district and funds have been committed	Signed Partnership Agreements/MOUs/Contracts

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		To ensure effective, efficient and accountable local governance	GGPP - 10	Number of War Rooms established	R 1,200,000	N/A	New Indicator	146	136	Fully effective	N/A	N/A	Quarterly Reports to Standing Committee List of Appointed members of structures Coordination structures exist with agendas and minutes of meetings
		Development of the district long term planning	GGPP - 11	Number of District Visions 2030 plans submitted to Council	R 2,000,000	N/A	New Indicator	1	1	Fully effective	N/A	N/A	Council Agenda and Minutes. Council register
	Ensure credible integrated service delivery planning (IDP), monitoring, reporting and evaluation	Improve quality of IDP in line with prescribed processes and guidelines – with full participation and ownership by political champion, IGR partners and communities	GGPP - 12	Integrated Development Plan (IDP) credibility rating provided by COGTA	R 7,500,000	N/A	High	High	High	Fully effective	N/A	N/A	Letter from the MEC and COGTA Report
			GGPP - 13	Auditor-General Opinion expressed on Pre-determined Objectives	R 1,200,000	N/A	Qualified	Unqualified	Qualified	Performance not fully effective	There was no performance management unit in the Municipality and that resulted in the 2 material findings	PMS policy has been developed and will be implemented in the new financial year along with all other	Auditor-General Report

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification	
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)		
		Implement a comprehensive Institutional service delivery performance reporting, monitoring and evaluation in line with the prescribed legislative framework and guidelines										that were identified by AG	procedures developed to assist the process	
			GGPP - 14	Number of Service Delivery and Budget Implementation Plans (SDBIPs) endorsed by the Mayor			1	1	1	Fully effective	N/A	N/A	Signed copy of the SDBIP from the Office of the Executive Mayor	
			GGPP - 15	Number of Annual and Oversight Reports submitted to Council			6	6	7	Fully effective	N/A	N/A	Council Agenda and Minutes. Council register	
	To ensure a well-coordinated and integrated district wide communication	Maintain a two way communication with communities and staff	GGPP - 16	Number of communication initiatives undertaken	R 8,500,000	N/A	5	8	32	Fully effective	N/A	N/A	Quarterly Communication Reports	

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
To ensure effective Audit function for improved compliance, clean administration and clean governance	Addressing all issues raised by internal, AG and audit committee; by integrating action plans	GGPP - 17	Auditor-General Opinion expressed on Compliance (Laws & Regulations)	N/A	N/A	Qualified	Unqualified	Qualified	Performance not fully effective	Lack of systems/processes and procedures and capacity/staff 25 material findings identified	Recruitment and development of staff and establishment of systems/processes and procedures	Auditor-General Report	
		GGPP - 18	Number of follow-up reports on Internal Audit, Audit Committee and Auditor-General issues submitted to the Audit Committee	N/A	N/A	1	4	4	Fully effective	N/A	N/A	Reports to the Audit Committee	
		GGPP - 19	Number of Audit Committee meetings held	R 300,000	N/A	4	4	5	Fully effective	A special Audit Committee meeting had to be convened for approval of 2017/18 Internal Audit Plan, Audit Committee Charter and Internal Audit Charter	An Audit Committee Calendar for 2017/18 FY will be developed and strictly monitored for adherence	Minutes of meetings Attendance Registers Reports submitted to Council after each quarterly meeting	

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		Provide Internal Audit support to Port St Johns and Mhlontlo Local Municipalities, Ntinga and Port St Johns Development Agency	GGPP - 20	Number of organisations provided with Internal Audit support	R 4,000,000	R 0	5	4	4	Fully effective	N/A	N/A	Audit Committee Reports
		Improve capacity of internal legal services to minimise municipalities' exposure to avoidable litigation. Develop systems to monitor and provide support	GGPP - 21	Reduction in litigation cases	N/A	N/A	New Indicator (52 cases in 15/16 FY)	25%	71%	Outstanding performance	There has been a particular focus to clear up all long outstanding litigations which resulted to resolving lot of matters	N/A	Litigation Register
			GGPP - 22	Percentage compliance issues resolved	N/A	N/A	New Indicator	60%	60%	Fully effective	N/A	N/A	Service Level Agreements Contracts Advice provided to Accounting Officer

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		to departments on compliance with key contractual obligations, key legislation and collective agreements											
	Functional and effective risk management in the institution	Develop a risk based internal audit plan for the current year and report thereon.	GGPP - 23	Number of risk register reports submitted to Audit Committee	R 350,000	N/A	1	4	4	Fully effective	N/A	N/A	Risk Register Reports Audit Committee Reports
		Develop a risk based internal audit plan for the current year and report thereon	GGPP - 24	Number of risk based internal audit plans approved by 30 June	N/A	N/A	1	1	1	Fully effective	N/A	N/A	Risk based plan Minutes of Audit Committee meeting
		To improve/ensure council and community oversight for service delivery	Strengthen internal governance structures, systems and	GGPP - 25	Number of agreements/ social compact agreements / Memorandum of	R 700,000	N/A	0	8	8	Fully effective	N/A	N/A

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
	implementation	protocols to monitor and ensure compliance with the legislative framework		Understandings (MOUs) signed on service delivery related matters									
Executive Mayoral Services	To improve/ensure council and community oversight for service delivery implementation	Strengthen internal governance structures, systems and protocols to monitor and ensure compliance with the legislative framework	GGPP - 26	Number of Executive Committees (Section 80) deemed functional using the Council committee assessment tool	R 6,700,000	N/A	12	4	8	Performance significantly above expectations	1 Ordinary Mayoral Committee Meeting and 2 Special Mayoral Committee Meetings held	N/A	Attendance Register Minutes
		Strengthen internal governance structures, systems and protocols to monitor and ensure	GGPP - 27	Number of Executive Mayoral Imbizo's held			8	8	10	Fully effective	Additional Imbizo's were held due to the fact that the Municipality was doing planning for the new 5 year term	N/A	Pictorial Evidence Mayoral Imbizo Report Advertisement Posters



Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		compliance with the legislative framework											
		Strengthen internal governance structures, systems and protocols to monitor and ensure compliance with the legislative framework	GGPP - 28	Number of sector engagement with sectors of society held			8	8	11	Performance significantly above expectations	N/A	N/A	Attendance Register Pictorial Evidence Sector Engagement Report
		Strengthen internal governance structures, systems and protocols to monitor and	GGPP - 29	Number of service delivery Initiatives undertaken with the ambassador programme			2	8	3	Performance not fully effective			Attendance Register Pictorial Evidence Service Delivery Initiatives Summative Report

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		ensure compliance with the legislative framework											
Budget & Treasury Office	To strengthen the governance and control environment over all financial matters to eliminate wasteful, unauthorised and irregular expenditure	Comply with prescribed accounting standards, legislation as well as all related guidelines and circulars for financial planning and reporting	GGPP - 30	Auditor-General Opinion expressed on Financial Statements	R 8,000,000	N/A	Qualified	Unqualified	Qualified	Performance not fully effective	Basis for qualification is irregular expenditure	An institutional has a new paradigm to be implemented in the new financial year	Audit Report / Management Letter
			GGPP - 31	Percentage adherence to municipal Standard Chart of Accounts (mSCOA) implementation	R 7,000,000	N/A	New Indicator	100%	100%	Fully effective	N/A	N/A	mSCOA Report
			GGPP - 32	Percentage compliance of chart of accounts in line with municipal Standard Chart of Accounts (mSCOA)			New Indicator	100%	100%	Fully effective	N/A	N/A	Trial Balance

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
		To ensure 100% compliance with MFMA regarding the payment of creditors	GGPP - 33	Percentage of creditors paid within 30 days	N/A	N/A	80%	100%	100%	Fully effective	N/A	N/A	Paragraph 36 Report / Audit Report
Corporate Services	To ensure effective functional and improved compliance, clean administration and clean governance	Promote good ethical environment and improve control systems to intensify fight against fraud and corruption (Zero tolerance)	GGPP - 34	Number of Whistle Blowing Policies submitted to Council for approval	R 100,000	N/A	0	1	1	Fully effective	N/A	N/A	Council Minutes Council Agenda
			GGPP - 35	Number of Anti-corruption and Fraud Policies submitted to council for approval			0	1	1	Fully effective	N/A	N/A	Council Agenda Council Register
			GGPP - 36	Number of recruitment policies reviewed			0	1	1	Fully effective	N/A	N/A	Amended Recruitment Policy

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
			GGPP - 37	Number of Codes of Conduct customised for municipal employees			0	1	1	Fully effective	N/A	N/A	Customised Code of Conduct

### 3.30. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
Corporate Services	To improve the organisational performance capacity of O.R. Tambo District Municipality	Review organizational capacity status quo	MTID - 1	Number of Municipalities who have completed a Job Evaluation process	R 2,000,000	R 2,000,000	0	3	2	Performance not fully effective	The Job Evaluation process started late because of labour unrest. There was also a dispute declared by unions about the JE procedures	An agreement has been reached in the Job Evaluation Committee and the process is continuing at an accelerated pace.	Job Evaluation Report
		Attract and retain representative, skilled and competent human resources	MTID - 2	Percentage completion of the placement process on prioritised budgeted posts	R 600,000	N/A	0%	100%	100%	Fully effective	N/A	N/A	Placement Report
		Ensure that the ORTDM has all the required and up-to-date Human Resource-related policies	MTID - 3	Number of Human Resource (HR)-related policies submitted to Council for approval	R 100,000	N/A	16	4	4	Fully effective	N/A	N/A	Council Minutes Council Agenda
		Attract and retain representative, skilled and competent human resources	MTID - 4	Number of new vacant positions filled	R 3,726,138	N/A	0	14	21	Outstanding performance		N/A	Copies of Appointment Letters

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
	To improve institutional performance through skills development	Conduct capacity building for O R Tambo district Municipality	MTID - 5	The percentage of a municipality's budget actually spent on implementing its workplace skills plan	R 4,800,000	N/A	New Indicator	0.2%	0.2%	Fully effective	N/A	N/A	Municipal Budget Workplace Skills Plan Training Budget Report to Standing Committee
	To improve inclusion of HDI in the economy of the District	Compliance of Employment Equity Act	MTID - 6	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	R 3,726,138	N/A	New Indicator	12	13	Fully effective	N/A	N/A	Copies of appointment Letters
	To monitor and evaluate individual employee performance to ensure achievement of	Monitor all employee performance within the institutional PMS	MTID - 7	Number of performance reviews conducted for Senior Managers	N/A	N/A	0	4	0	Performance not fully effective	No assessments were done for Senior Managers as the unit for Individual Performance has not been fully capacitated	Manager has been appointed towards the end of the financial year and assessments will be conducted for	Evaluation Reports

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
	IDP and SDBIP objectives											annual evaluations	
	Ensuring provision of Basic Services in a well-structured, efficient and integrated manner	To provide safety measures for the Councillors and Employees of the ORTDM	MTID - 8	Number of Municipal Offices with upgraded Wi-Fi network connectivity	R 500,000	N/A	0	3	14	Outstanding performance		N/A	Feedback Report from Users
	To improve knowledge management within the District	Improve preservation and accessibility of municipal documents and records	MTID - 9	Number of Departments with updated records at the registry	R 270,000	N/A	0	1	0	Performance not fully effective	The target was not achieved as space had to be created in the registry to accommodate the new files. The process of creating space meant that some files had to be destroyed, a process which is done after obtaining permission from the Provincial Archives	To accelerate the centralisation process	Distraction Certificate Distraction Register Transfer Register

Department	Strategic Objective	Strategies	Indicator Code	Indicator	Programme Budget Allocation	Adjusted Programme Budget Allocation	Baseline	Annual Target	ANNUAL PERFORMANCE EVALUATION				Means of Verification
									Annual Actual	Annual Performance Assessment	Reason for Deviation (For all under achieved and over achieved targets)	Corrective Action (To be specific with timelines)	
	To ensure safety and security in the municipality.	Provision of physical security measures to protect assets, personnel and information	MTID - 10	Number of Municipal facilities provided with protection services	R 15,000,000	N/A	0	45	45	Fully effective	N/A	N/A	Assessment Report
	To maintain sound and stable labour relations	Implement fair labour practices by promoting enhanced adherence to labour relation and existing policies	MTID - 12	Number of Local Labour Forum Meetings conducted	N/A	N/A	12	4	5	Fully effective	N/A	N/A	Attendance Register Minutes of Meetings



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

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1. EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Total number of employees	Vacant positions	New Employees	Resignations
969 staff in a payroll	929	36	08
78 casuals			

#### Total number of number of municipal employees per department

NAME OF DEPARTMENT	TOTAL NO OF EMPLOYEES
Legislative Services	39
Human Settlement	10
Community Services	119
REDP	16
Corporate Services	62
Budget & Tressury	116
Internal Audit	06
Office of the Municipal Manager	16
Water & Sanitation	520
Technical Services	02
Office of the Executive Mayor	63
<b>TOTAL</b>	<b>969</b>

### Staff turnover per the categories and post levels

<b>Resignations</b>	
Senior Managers	01
Middle management	0
General staff	07
<b>Total</b>	<b>08</b>
<b>Retirements</b>	
Senior Managers	0
Middle management	0
General staff	10
<b>Total Retirements</b>	<b>10</b>
<b>Deaths</b>	
Senior Managers	0
Middle Managers	02
General staff	11
<b>Total deaths</b>	<b>13</b>

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

#### 4.2. POLICIES

Policy	Status
Attendance & Punctuality	New
Essential user scheme	Reviewed
Overtime policy	Reviewed
Acting allowance policy	Reviewed
Code of conduct policy	Reviewed
Termination of services policy	Reviewed
Bursary policy	Reviewed
Subsistence & Travelling policy	Reviewed
Integrated Employee/Employer Wellness	Reviewed
Retention policy	Reviewed
Whistle Blowing policy	New
Sexual Harassment	New
Information & Communication Technology	Reviewed
Security Management & Access Control policy	Reviewed

#### 4.3. INJURIES, SICKNESS AND SUSPENSIONS

The table below reflects on the resignations, injuries, death and pensions

Category	Number Of Employees
Injuries	03
Death	13
Pension	10

#### 4.4. PERFORMANCE REWARDS

There were no performance rewards over the financial year as the municipality is still busy developing its performance management systems.

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### 4.5. SKILLS, DEVELOPMENT AND TRAINING

The purpose of the training and development section is to improve the capacity of employees and communities in the OR Tambo district Municipality. The trainings are consolidated in the Workplace Skills Plan that is compiled and submitted to the Local Government SETA every year. The trainings are also implemented in compliance with the minimum competencies as identified by National Treasury in respect of Senior Managers, Finance and Supply Chain Officials. The following table is a highlight of targeted training interventions in pursuance of the above criteria:

TRAINING INTERVENTION	NUMBER OF EMPLOYEES
1. CPMD with Wits and UFH	48
2. Local Government Law and Administration	6
3. TLB operators training	15
4. NQF Level 7 in Municipal Governance	3
5. NQF Level 8 Diploma in Management (Post Graduate)	16
6. Pipe Laying	20
7. Training on Disciplinary Hearings and Leave Management	45
8. Students for In- Service Training	17
9. Health and Safety	15
10. First Aid Level 1,2,& 3	15
11. Protocol and Communication	11
12. Advanced Environmental Management	1
13. Advanced and Basic Plumbing	15
14. Environment Law for Environmental Manager	1
15. Computer literacy course for unemployed funded by Department of Telecommunications and Postal Services (DTPS) and conducted by NEMISA	65

The municipality has submitted the Workplace Skills Plan to the LG Seta as required by the Skills Development Act. Implementation of the plan started on the 1<sup>st</sup> of July 2016.

The Training Committee already exists in the municipality, but it needs revitalization and re-launch as it has not held meetings for a long time.

4.6. EMPLOYEE EXPENDITURE

CHAPTER 5 – FINANCIAL PERFORMANCE

**COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE**

**COMPONENT B: SPENDING AGAINST CAPITAL BUDGET**

**COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS**

**COMPONENT D: OTHER FINANCIAL MATTER**





**COMPONENT A: AUDITOR – GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2015/16**

**6.1. AUDITOR GENERAL REPORT YEAR**

Auditor General Report has been included as Annexure F.

<b>Auditor General Report on Financial Performance 2015/16</b>	
Audit Report Status	Qualified Opinion
<b>Non-compliance Issues/Findings</b>	<b>Remedial Actions Taken</b>
<b>Irregular, Wasteful, Fruitless and Unauthorised Expenditure</b>	Section 32 Committee appointed to investigate irregular expenditure incurred and a report was tabled to council of the 23 <sup>rd</sup> of August 2017. A portion of irregular expenditure has been condoned.
<b>Predetermined Objectives:</b> <ul style="list-style-type: none"> <li>Indicators were not verifiable</li> <li>AG could not verify reliability of performance information reported</li> <li>The Municipality did not establish the performance management system as required by section 38 of the MSA 32 of 2000</li> </ul>	<p>The issue of performance management has since been prioritised and a performance management framework has been developed and tabled to council for adoption. All HODs have signed performance agreements; however the Municipality has not been able to set evaluation panels and has not been able to formally assess the performance of the HOD's.</p> <p>Though no formal performance assessments were conducted, the Municipality has established a corporate performance, monitoring and evaluation unit which on a quarterly basis monitors and evaluate performance of each department to ensure effective and efficient service delivery.</p>
<b>Compliance with legislation:</b> <ul style="list-style-type: none"> <li>Framework of the IDP was not adopted after the start of the elected term and the District did not consult with Local Municipalities within its area as prescribed by section 27 (1) of the MSA 32 of 2000</li> <li>The Municipality did not establish mechanisms to monitor and review its performance management system as required by section 40 of MSA 32 of 2000</li> <li>Annual financial statement, performance and annual report</li> </ul>	<p>The IDP process plan was developed, consultations were conducted with all stakeholders impacted and was adopted.</p> <p>The performance management system has been established through the employment of the Manager in the PMS unit. Performance Management framework and procedures are in place.</p> <p>Management Action Plan has been developed to address all findings raised by the Auditor General and has been followed up on a quarterly basis.</p>
<b>Human Resources Management:</b> <ul style="list-style-type: none"> <li>The Municipality did not develop and adopt the</li> </ul>	The issue of performance management has since been

<p>appropriate policies and procedures to monitor, measure and evaluate performance of staff</p> <ul style="list-style-type: none"> <li>The Municipal Manager and Senior Managers directly accountable to the Municipal Manager did not sign the performance agreement as required by section 57 of the MSA 32 of 2000</li> </ul>	<p>prioritised and a performance management framework has been developed and tabled to council for adoption. All HODs have signed performance agreements. However the Municipality has not been able to cascade performance to lower levels.</p>
<p><b>Consequence Management:</b></p> <ul style="list-style-type: none"> <li>Unauthorised, irregular and wasteful expenditure and fruitless expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure as required by section 32 of the MFMA</li> </ul>	<p>Section 32 Committee appointed to investigate irregular expenditure incurred and a report was tabled to council of the 23<sup>rd</sup> of August 2017. A portion of irregular expenditure has been condoned.</p>
<p><b>Procurement and contracts management</b></p>	<p>SCM policy in line with SCM regulations has been reviewed and approved by the Council. Some of the critical positions within SCM have been filled.</p>
<p><b>Financial and Performance Management</b></p>	<p>Management Action Plan has been developed to address all findings raised by the Auditor General and has been followed up on a quarterly basis.</p>
<p><b>Governance</b></p>	<p>The Municipality has a functional Audit Committee in place which reports to Council on a quarterly basis.</p> <p>A risk management unit has been established to oversee risk management and fraud prevention in the institution. A Risk Management Policy together with Fraud Prevention Strategy have been developed and tabled to Council.</p>

**COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2016/17**

**6.2. AUDITOR GENERAL REPORT YEAR 2016/17**

**6.3. 6.3 AUDIT REPORT FOR THE PERIOD ENDED 30 JUNE 2017**

## **ANNEXURES**

ANNEXURE A – COUNCILLORS: COMMITTEE ALLOCATION AND COUNCIL  
ATTENDANCE

ANNEXURE B –

ANNEXURE C – THIRD TIER ADMINISTRATIVE STRUCTURE

ANNEXURE D – AUDITED ANNUAL FINANCIAL STATEMENTS FOR PERIOD ENDED

JUNE 2015

ANNEXURE E – DECLARATION OF FINANCIAL INTERESTS

ANNEXURE F – AUDITOR GENERAL REPORT 2015/16