

CHAPTER 5 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
KPE 5.1 COMMUNICATION AND PUBLIC PARTICIPATION					
5.1.1	Development and implementation of a Communications Strategy and Annual Communication Plan	Annual Communication Plan in place	Annual Communication Plan to be developed	Annual Communication Plan developed	
5.1.2	Profiling key service delivery issues in media and to the community (Quarterly Mayoral Committee newsbriefs)	Regular press conferences and media releases	Second quarterly brief	Regular press conferences and media releases	
5.1.3	Profiling key service delivery issues in media and to the community (Quarterly ward-based service delivery newsbriefs)	Press releases, radio slots and website	Second quarterly brief	Ward-based newsletters developed and implemented, Radio slots, press releases, website	
5.1.4	Facilitating regular radio slots to engage directly with the public	Regular radio slots	Radio slots to be facilitated	Radio slots facilitated	
5.1.5	Updating informative website on daily basis	Website in place	Website to be updated daily	Improved and informative website in place	

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
5.1.6	Production of bi-monthly informative community magazine and staff magazine	Community magazine and staff magazine in place	Bi-monthly	Currently reviewing the format.	
5.1.7	Production of an informative weekly electronic staff newsletter	N/A	Weekly	Weekly	The newsletter is sent through Groupwise on a weekly basis.
5.1.8	Ensure that community participation programmes are planned budgeted for, implemented, monitored and reported	Planned on an <i>ad hoc</i> basis	To be reported against framework	Report against framework	Community participation programmes are budgeted for in directorates as well as in Constituency Services.
5.1.9	Number of Ward Committee meetings held (bi-monthly by each Ward)	349 meetings	6 meetings per Ward (360 per year)	256 meetings	The April general elections had an impact on the number of meetings held. Furthermore, the period saw a number of defections by Councillors to other political parties. Since all Ward Councillors are chairpersons of Ward Committees, the convening of Ward Committee meetings was affected. New elections will be held during the 2009/10 financial year.

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
5.1.10	Development of a programme to institutionalise Ward Committees	Ward Committee system exist in all 60 wards	Programme to be developed	Programme developed, but not implemented	Ward Committee Co-ordination in place. Ward Committee Assistants were trained to take minutes during Ward Committee meetings. A bi-monthly reporting system has been developed. Upon receipt of minutes, it is disseminated to responsible directorates, according to issues.
5.1.11	Development and implementation of a capacity development programme for Ward Committees	Training programmes to capacitate Ward Committees have been implemented	Programme to be developed and implemented	Programme developed and implemented	A skills audit was done for Ward Committees and, based on the outcome, training in the following areas was provided to approximately 400 Ward Committee members: (a) computer skills, (b) supply chain management processes, (c) leadership, (d) local governance.
5.1.12	Number of functional Ward Committees	60	60	51	Of the 60 wards, the 9 wards with defecting Councillors still do not have active Ward Committees. New elections will be held during 2009/10 financial year.
5.1.13	Development of an integrated Public Participation Strategy and Programme	Conceptual document developed	Implementation	Strategy	A Draft Public Participation Strategy was developed, to be adopted and implemented during the 2009/10 financial year.
KPE 5.2 INTERNAL CONTROLS					
5.2.1	Development of a Risk Management Policy	N/A	Risk Management Policy	Risk Management Policy	The Draft Risk Management Strategy was submitted to the Management Team on 6 May 2009 and adopted.
5.2.2	Existence of Risk Management Committees	N/A	Risk Management Committee	On track	A Risk Officer will be appointed/assigned to co-ordinate the implementation of risk management in the institution.

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
5.2.3	Undertaking risk assessment identifying priority risk and developing management plans	Risk assessment undertaken and plans developed	Implementation against plan	Risk assessment done and results being implemented	A recommended reporting template and process was submitted to Governance and Administration Cluster meeting of 22 June 2009.
5.2.4	Approval of annual Audit Plan	Annual audit plan in place	By September 2008	Annual Audit Plan approved	Revised 2008-2010 Audit Plan approved by Management Team on 6 May 2009 and by Audit Committee on 29 June 2009.
5.2.5	Reporting by Internal Audit of its audit findings to the Management Team to improve internal controls	Fortnightly reports	Fortnightly reports	Fortnightly reports	Reports are submitted to Management Team as and when completed and executive summaries reported to the Audit Committee quarterly.
5.2.6	Receipt of unqualified Audit Report	Qualified opinion received	Unqualified Audit Report to be received	Unqualified Audit Report received	
5.2.7	Operationalisation of anti-fraud hotline and follow-up on regular reports	Quarterly reports	Quarterly reports	Quarterly reports	1. Statistics for the quarter ended 31 March 2009 were prepared for the Audit Committee meeting on 29 June 2009. 2. Reports on anti-fraud hotline and follow-up on regular reports for quarter ended 31 March 2009.
5.2.8	Review of anti-fraud and anti-corruption strategies	Anti-fraud and anti-corruption strategies in place	Anti-fraud and anti-corruption	Anti-fraud and anti-corruption strategies reviewed	Draft amended Policy submitted to Management Team on 6 May 2009.

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
5.2.7	Ensure proper functioning of oversight and audit committee meetings (Four Audit Committee Monitoring meetings)	4	4	4	Four Audit Committee meetings were held during the year.
5.2.8	Ensure proper functioning of Oversight and Audit Committee meetings (Oversight Report adopted by March 2009)	Oversight Report adopted by Council	Oversight Report to be adopted by Council	Oversight Report adopted by Council	
KPE 5.3 LEGAL SERVICES					
5.3.1	Approval and implementation of Contract Management Policy framework	N/A	Contract Management Policy Framework to be approved	Contract Management Policy Framework in place	
5.3.2	Operationalisation of an electronic Contract Management System	N/A	Electronic Contract Management System to be operationalised	Electronic Contract Management operationalisation	
5.3.3	Development and operationalisation of an electronic Legal Compliance Register	Manual Legal Compliance Register exists	Electronic Legal Compliance Register to be in place	Electronic Legal Compliance Register in place	

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
5.3.4	Completion of the By-law review process	By-law review underway	By-law review process to be completed	All municipal By-laws have been reviewed. Where necessary, new By-laws have been drafted	
5.3.5	Development and implementation of a single by-law to repeal all old by-laws	N/A	By-laws to be implemented	The Municipality is currently drafting a single repeal by-law for all obsolete by-laws	
5.3.6	Existence of a new Legal Panel	Old panel existed	New panel in to be place	New Legal Panel in place and operational	
5.3.7	Completion of political and administrative Delegation of Powers	Draft delegation of powers in place	Delegation of powers to be completed and approved	The Municipality has a system of delegation of powers in place which is currently undergoing review	
5.3.8	% compliance with MFMA and other legislation	100%	100%	100%	
KPE 5.4 COUNCILLOR SUPPORT AND OVERSIGHT					
5.4.1	Development and implementation of a Councillor Support Model	Draft Councillors Support and Welfare Policy in place	Councillor Support Model developed and implemented	Draft Councillor Support Programme in place	

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
5.4.2	Production of quarterly reports on the implementation of Mayoral and Council and council decisions	Circulation of resolutions	Quarterly reports to be submitted	Post Council circulation of resolutions takes place	
KPE 5.5 EXTERNAL RELATIONS					
5.5.1	Development and implementation of a comprehensive project-based implementation framework with Cacadu	Signed agreement in place	Comprehensive Implementation Framework for Cacadu to be developed and implemented	On track	Nxuba working visit took place in February 2009. External Relations (ER) was requested to develop an implementation framework, and this was done. ER is awaiting feedback and approval to submit to directorates for implementation. Cacadu implementation framework was developed and approved on 7 October 2008.
5.5.2	Number of international partnerships concluded	5	2	3	3 partnerships were concluded in 2008/09. The Dutch Partnership was signed on 24 October 2008. The Tyne & Wear Partnership was signed on 27 November 2008, and the City of Beira Partnership was signed on the 27 June 2008.
5.5.3	Existence of a central database of protocols applicable locally nationally and internationally	N/A	Central database to be applicable	Protocol pocket booklet developed and workshopped with Councillors	

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
KPE 5.6 SPECIAL SECTOR DEVELOPMENT					
5.6.1	Development and implementation of a gender and disabled mainstreaming plan	N/A	Mainstreaming plan to be developed and implemented	Target met	
5.6.2	Development and implementation of an Integrated Youth Development Plan	N/A	Integrated Youth Development Plan to be developed and implemented	Target met	
KPE 5.7 INFORMATION AND COMMUNICATIONS TECHNOLOGY					
5.7.1	Implementation of a city-wide ICT Development Strategy	N/A	Implementation against Plan	ICT Strategy in place	
5.7.2	Existence of a functional ICT Steering Committee	N/A	Steering Committee to be functional	Institutional ICT Steering Committee functional	
5.7.3	Development of a functional HR Information System	Process underway	HR Information System to be functional	In progress	The project is approaching the "go live" stage, despite a number of unforeseen challenges. The first "parallel runs" are scheduled for the first week of July 2009.

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5.7.4	Development and implementation of a Smart City model and framework to drive the bridging of the 'digital divide'	N/A	Smart City model to be implemented	Smart City model implemented	
5.7.5	Computerisation of all libraries	Computerisation of libraries underway	All libraries to be computerised	All libraries computerised	All libraries were provided with network infrastructure. Improvements are being made to the management system. Voice-over IP is being rolled out at clinics.
KPE 5.8 FACILITIES MANAGEMENT					
5.8.1	Development and implementation of a strategy to manage municipal offices	N/A	Strategy developed and implemented	Strategy developed and implemented gradually according to available financial resources	A strategy was developed. All condition surveys, cost projections and maintenance plans are completed.
5.8.2	Identification of a site and preliminary designs for new Council Chambers	N/A	Site identified		

KEY PERFORMANCE INDICATOR (KPI)		BASELINE	TARGET 2008/09	ACTUAL 2008/09	EXPLANATION OF VARIANCE / COMMENTS
KPE 5.9 ASSET MANAGEMENT					
5.9.1	Development of an Asset Management Programme	Asset register in place (movable assets)	Asset Management Programme to be developed	On track	<p>The NMBMM's asset base is worth approximately R11,5 billion, based on historical costs. In compliance with the accounting standards, a GRAP compliant asset register was compiled. This comprised the integration of the individual asset registers of the different directorates and the associated Geographic Information System (GIS) with the Financial Management Systems. Furthermore, the GIS is used to support asset verification, by providing the physical existence of assets, such as roads, water and sewer pipes, properties and the location of facilities, providing a very powerful decision-making tool when used in conjunction with asset management systems. Aerial photography has been added as a feature of the GIS, which adds visual appeal for non-technical individuals. In addition, monthly reconciliations are done - reconciliation between the BAUD and GLS systems was completed for the financial year (08/09). Planning for annual physical verification was done, Annual stock-taking was done. An asset theft / loss register was compiled. Draft policies were discussed with ED. A final draft must be submitted to Management Team in August 2009 and to HR and Corporate Administration Standing Committee in September 2009.</p>

GOOD GOVERNANCE AND PUBLIC PARTICIPATION PERFORMANCE HIGHLIGHTS, CHALLENGES AND REMEDIAL ACTION

Good corporate governance underpins all the programmes and projects of the Municipality. The Municipality conducts its business in an open, transparent and accountable manner. Our community participation programmes form an integral part of the Municipality's planning and decision-making processes. Central to this are our ward-based planning processes and other outreach programmes. As part of ward-based planning processes, all sixty wards identified their ward priorities, and these informed our current IDP and Budget.

Our internal controls and legal compliance have contributed to us attaining an unqualified audit report for two years running. A risk audit was done and a risk register developed, which also informed the development of a three-year audit plan.

Issues affecting the youth, women, children, the disabled and the elderly are regarded as priorities by the Municipality, and it has consequently established special desks for these sectors.

The establishment and development of external relations in the Municipality have had positive spin-offs in the areas of economic development, arts and culture, land planning and environmental management. Currently, the institution has nine partnerships, focusing on Africa, Asia, Europe and North-America.

Another priority for the Municipality is to improve on intergovernmental relations, to ensure a joint approach to service delivery and poverty challenges.

OVERVIEW OF EXECUTIVE AND COUNCIL FUNCTIONS AND ACHIEVEMENTS

(a) Council

The Municipality has 120 Councillors (60 Proportional Representation (PR) Councillors, and 60 Ward Councillors). The Speaker chairs Council meetings. The Council has a formal set of Rules of Order to guide proceedings during Council meetings. Council meetings are held every six weeks, but if urgent issues need to be considered, additional meetings are called.

Council meetings held during the 2008/09 financial year are reflected below.

Number of scheduled meetings	Number of actual meetings held
11	15

(b) Executive Mayoral Committee System

The Municipality has an Executive Mayoral Committee system, which consists of the Executive Mayor, the Deputy Executive Mayor and nine Mayoral Committee members.

The Mayoral Committee meetings are held fortnightly.

Mayoral Committee meetings held during the 2008/09 financial year are reflected below.

Number of scheduled meetings	Number of actual meetings held
24	18

(c) Standing Committees of Council

There are eight Standing Committees of Council, each chaired by a Mayoral Committee member, as well as Constituency Services. The Standing Committees are as follows:

- (a) Budget and Treasury
- (b) Corporate Services
- (c) Economic Development, Tourism and Agriculture
- (d) Housing and Land
- (e) Infrastructure, Engineering, Electricity and Energy
- (f) Public Health
- (g) Recreation and Culture
- (h) Safety and Security

Standing Committee meetings are held every six weeks.

Standing Committee meetings held during the 2008/09 financial year are reflected below.

Number of scheduled meetings	Number of actual meetings held
66	61

PUBLIC PARTICIPATION AND CONSULTATION

Public involvement is vital in municipal decision-making and planning processes. During the review period, the Municipality held in total 27 IDP/Budget interactive sessions with the community and stakeholders, including special sessions held with ward committees as well as 10 annual performance feedback meetings with communities. The issues identified in these sessions informed the municipal IDP and Budget programmes.

The communities of Nelson Mandela Bay also took an active part in the development of municipal by-laws. In the period under review, the public had the opportunity to be part of the development and review of 11 by-laws during 25 public meetings. While the full versions of these by-laws were available for public inspection at municipal libraries and customer care centres and, in the case of all health by-laws, also at municipal clinics, summarised versions of the by-laws were also made available to the public at these venues and at the aforementioned public meetings. In addition, Ward Committees were provided with copies of the by-laws prior to the public meetings, with the request that they circulate the by-laws in ward communities, obtain comments or inputs, and include the by-laws in Ward Committee agendas.

WARD COMMITTEES' ESTABLISHMENT AND FUNCTIONALITY

The Municipality established a Ward Committee System. During the period under review, all 60 wards had Ward Committees in place. However, towards the end of the review period, Ward Councillors in nine (9) wards defected to different political parties, thereby affecting the functionality of the relevant Ward Committees. In the end, only 51 of the 60 Ward Committees were still functional. In addition, this affected the number of Ward Committee meetings held (256 meetings were held, against a target of 360). Attendance at Ward Committee meetings averaged 70%.

Ward Councillors' Assistants underwent training as Ward Committee Secretaries at the Nelson Mandela Metropolitan University so as to be able to take minutes and perform related secretarial functions to assist Ward Councillors and Ward Committees.

Ward Committee members are also allocated office stationery to assist them in performing their duties. Ward Committee members also underwent training, following a skills audit. The following modules were presented:

- Leadership Skills
- Problem Solving
- Role of Ward Committees
- Rules and Procedures
- How the Municipality Functions
- Basic Report-writing Skills
- Computer Skills
- Filing skills
- Time Management
- Tendering Process
- Policy Matters

Ward Committees are required to submit monthly reports to their Ward Councillors, who also serve as chairperson of the Ward Committee on their day-today activities.

COMMUNITY DEVELOPMENT WORKERS PERFORMANCE MONITORING

There are 42 Community Development Workers within Nelson Mandela Bay. The Municipality has an office that liaises with Community Development Workers under the Constituency Services Office. A challenge is around the co-ordination and control as well as accountability of Community Development Workers to the Municipality. There is a need for the development and implementation of a framework on the utilisation of community development workers by the three spheres of government.

COMMUNICATIONS STRATEGY

The Communications Strategy of the Nelson Mandela Bay Municipality was adopted by the Management Team on 7 October 2008 and subsequently tabled at the Mayoral Committee meeting on 12 November 2008.

(a) Purpose of Communications Strategy

The purpose of the Communications Strategy is to ensure that all communications initiatives in the Nelson Mandela Bay Metropolitan Municipality are well coordinated, integrated and focused.

(b) Principles of Communications Strategy

Key principles of the Communications Strategy are as follows:

- All communication should be clear, concise and easily understood.
- All communication should be timely and up to date, and reflect Council's position.
- All municipal published material should adhere to an acceptable and easily recognisable corporate identity.
- In terms of legislative tenets and the NMBM's official Language Policy, multilingualism and a high standard of language usage should apply.
- Honest and open two-way communication must be maintained.

(c) Objectives of Communications Strategy

- The establishment, maintenance, enhancement and promotion of a positive and sound relationship and mutual understanding between the Nelson Mandela Bay Metropolitan Municipality and all its target publics and stakeholders.
- Promoting quality service delivery to all residents.
- Ensuring a high level of understanding among the public regarding the role of and services provided by the Municipality; how to gain access to and efficiently use these services; as well as their own obligations and duties as citizens.

- Equipping and empowering the public with the knowledge to fully participate and engage in local government planning and decision-making processes.
- Ensuring a high level of understanding among employees and Councillors of the Council's Vision, decisions and strategic plans, as well as their own role in the realisation thereof.
- Establishing a clear brand identity for the Nelson Mandela Bay Metropolitan Municipality.
- Promoting Nelson Mandela Bay as a destination of choice amongst tourists and investors.
- Ensuring integrated service delivery across the three spheres of government.
- Anticipating and proactively planning for municipal crises.

(d) Human resources available to lead communications activities

The Communications Sub-Directorate is under the Director: Communications, supported by 13 permanent and 3 temporary staff members, plus 1 unemployed graduate, under the following units:

- Finance and Administration
- Language Proficiency
- Media Management
- Product Development
- Public Relations and Events Management

(e) Infrastructural resource available for communication activities

The Communications Sub-Directorate's Operating Budget is reflected below:

- | | | |
|---------------------------|---|--------------|
| • Employee related costs | = | R5,7 million |
| • General expenditure | = | R1,9 million |
| • Communications Strategy | = | R7,6 million |

In addition to the above, an amount of R6 million has been allocated to cater for communications requirements related to the 2010 FIFA World Cup™.

The Communications Sub-Directorate has the necessary infrastructure, such as offices and electronic and other equipment, as well as a communications library, to enable it to perform its duties successfully.

(f) Progress with implementation of Communications Strategy

Media Management

- Media releases – minimum of three releases every week
- Press conferences – at least one per month
- Media workshops – one workshop held annually
- Radio slots – one weekly radio slot at three local stations
- Media monitoring – comprehensive monthly reports compiled

Language Proficiency

- Adverts and notices in the newspapers – 500
- Editing of 100 key strategic documents and writing of 23 speeches and messages

Product Development

- Production of the following promotional material:
 - 3 420 000 flyers
 - 201 lamp pole posters per event
 - 7 billboards per event
 - Loudhaling and distribution of promotional material
- Branding management

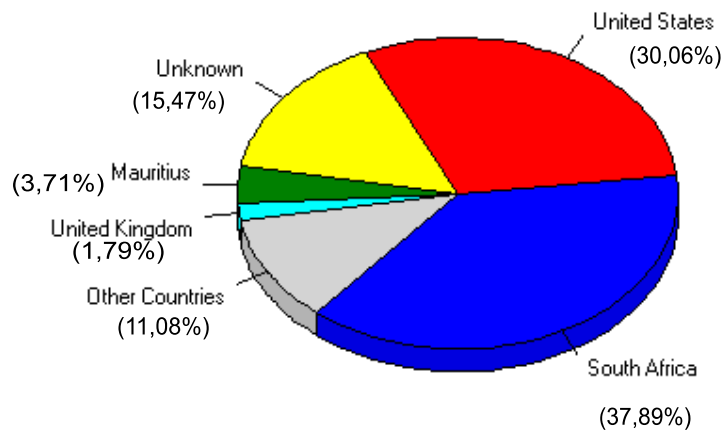
- Maintenance and improvement of an official municipal website (www.nelsonmandelabay.gov.za).

The table below illustrates the increase in the number of visitors to the website, as well as the bandwidth usage.

Month	Unique Visitors 2008	Unique Visitors 2009	Bandwidth usage (Gb) 2008	Bandwidth usage (Gb) 2009
January	38485	53906	22.28	50.23
February	55063	58328	55.41	47.93
March	64796	71883	53.03	50.84
April	108476	65528	97.30	50.84
May	68816	74772	38.52	64.18
June	58007	107588	31.23	85.72
July	58558	69378	35.24	63.45
August	53963	69378	33.68	72.87
September	57138	77453	34.29	84.25
October	61408	87714	39.81	72.36
November	53029	78714	36.81	71.13
December	42511	66207	33.22	61.42
	720250	880849		

The chart below illustrates the most frequent visitors to the website per country.

Most Active Countries



Public Relations and Events Management

Altogether 108 events were planned and co-ordinated and 18 community awareness and educational campaigns were held, focusing mainly on customer care, electricity and water conservation, environmental awareness and planning and participation in the IDP and Budget processes. The Municipality also installed publicity stands in all 22 municipal libraries. To keep both the Municipality's internal and external audiences informed of municipal activities and development, four editions of *Ubuntu* Community Magazine and four editions of *Rise* Staff Magazine were published.

INTERNATIONAL AND INTERGOVERNMENTAL RELATIONS

A dedicated External Relations Unit is located in the Office of the Chief Operating Officer, which co-ordinates the Municipality's International Relations Policy and Intergovernmental Relations Framework, which were respectively adopted on 28 March 2002 and 19 September 2007.

Quarterly Technical Support Group meetings and Premier's Co-ordinating Forum meetings are held.

Some of the IGR meetings attended during the review period are reflected below:

August 2008

Office of the Premier – District Municipality Pre-Summit on refugee related matters

October 2008

Visit to NMBM by Provincial legislature Discussion of Municipal Annual and oversight reports.

November 2008

Office of the Premier – Education Awareness Programme for Foreign Nationals – Goodwill Games.

November 2008

Office of the Premier – 2nd Imbizo Focus Week – visit of Minister Richard Baloyi – Public Service and Administration.

December 2008

Assessment of the effectiveness of Public Service leadership in the promotion of Intergovernmental Relations by the Public Service Commission.

January 2009

Attend the National Development Planning Forum of the Department of Local Government.

February 2009

Project Visit by members of the European Parliament to familiarise themselves with the Motherwell Urban Renewal Project.

Provincial IGR Audit in NMB.

Attend Department of Foreign Affairs protocol training on 2010.

April 2009

Meeting in East London with Department of Local Government and Traditional Affairs on the hosting of Intergovernmental Games in NMB towards end of 2009.

Partnerships and their status quo:**International Partnerships**

Currently there are nine signed agreements of which the following seven are active:

- Göteborg, Sweden
- Jacksonville, Florida, USA
- Ningbo, China
- Annaba, Algeria
- Wakhinane Nimzath, Dakar, Senegal
- Beira, Mozambique
- Tyne and Wear Museums, Newcastle, North East England

Göteborg

- The Göteborg Partnership is by far the most active and effective of the Municipality's partnerships. The projects concluded, focused on capacity building in the following areas:
 - Benchmarking of customer care systems within Waste Management;
 - Air quality methodologies within Air Quality Management;
 - Design of an effective environmental policy to address environmental challenges; and
 - Roll-out of youth clinics.
- Further funding has been provided to continue with projects on the following matters for 2009 – 2011:
 - Sustainable communities.
 - Environmental management.
 - Air quality management.
- Further project proposals focusing on the following will be submitted for consideration during 2010:

- Inner-city development.
- Sustainable communities.
- Cultural activities between cultural houses in Göteborg and libraries in NMB.
- Events management.

Ningbo

With regard to Ningbo, the focus is currently on agri-tourism marketing and promotional activities to position both cities as preferred destinations.

Jacksonville

Focus areas are around economic development, trade, culture, education, science and technology, environmental issues and governance.

Tyne and Wear Museums, Newcastle, North East England

The focus is on museums, culture, heritage and visual arts.

African cities

The focus in partnerships on the African Continent is on the provision of support and capacity building in various focus areas.

Annaba, Algeria

In terms of the partnership with Annaba, Algeria, a working visit was undertaken in June 2009, in which business representatives from the Metro participated. This culminated in an agreement to sign an MOU between the business sector in Annaba and the local business sector in Nelson Mandela Bay. The Municipality was requested to provide expertise and assistance in the area of energy efficient street lighting. In this regard, a financial and technical model has been developed and a technical working visit will be

undertaken to Annaba in the first quarter of 2010 to discuss the model. A representative from the Central Energy Fund and a local service provider will participate in the visit to test the model.

Wakhinane Nimzath, Dakar, Senegal

The focus of this partnership is to provide support and capacity development to Wakhinane Nimzath.

Beira, Mozambique

The focus of this partnership is on infrastructure, engineering, waste management and environment, town planning and tourism.

Dutch Partnership - Stichting Steun NMB

This partnership is currently inactive.

Lobatse, Botswana

This partnership is currently inactive.

Intermunicipal Partnerships

A key priority for the Municipality is to share experiences, knowledge and support with its surrounding municipalities. In this regard, the Municipality has concluded partnerships with Nxuba and Cacadu as well as a co-operative arrangement with the Sunday's River Municipality. Salient points regarding these partnerships are provided below.

Nxuba

- The MOU between the NMBM and the Nxuba Municipality was signed in Nelson Mandela Bay on 17 November 2006, with a view to promote

and facilitate intergovernmental relations between the two municipalities on matters of mutual interest including information sharing, best practices and capacity building and, more particularly, in the following areas:

- Human resources development
 - Economic development and agriculture
 - Infrastructure and engineering
 - Sport, recreation and culture
 - Environment and health services
 - Legal and corporate affairs, and
 - Any other matter of strategic importance, which affects the interests of the parties.
- Subsequently, the Municipality provided support with regard to electricity and energy challenges.
 - On 25 February 2009, a technical visit was undertaken to the Nxuba Municipality to establish challenges and potential areas of support.
 - It is anticipated that an agreement will be reached early in 2010 on the nature of the support and implementation of a framework.

Cacadu

- An agreement on friendship and cooperation with the Cacadu Municipality was signed on 17 November 2006, in terms of which the focus will be on the following matters:
 - The exchange of experience and knowledge on the different aspects of local government administration.
 - The development of co-operation in economic development and tourism. This will focus on encouraging co-operation between the business communities, especially medium- and small-sized businesses, of both local government entities.
 - The promotion and support of mutually beneficial infrastructural development.

- Any other matter of strategic importance that affects the interests of both municipalities.
 - International relations, for mutual benefit.
- In August 2008, with the support of GTZ, the two institutions developed a co-operative action plan to promote development. The areas of focus are:
 - Agriculture and agro processing.
 - Spatial development and land use management.
 - Institutional capacity and shared services.
 - Transportation and strategic infrastructure.
 - Urban regeneration and CBD renewal.
 - Strategic partnerships with higher education institutions.
 - Regional branding and marketing.
 - Strategic development.

Discussions on the development of an implementation framework are continuing.

Furthermore, the Nelson Mandela Bay Municipality, the Cacadu District Municipality, the Sunday's River Municipality and the Provincial Government went on a joint information gathering visit to Thailand and China in October 2006. Subsequent to the visit, Ningbo donated two tractors to the Sunday's River Municipality to use in their community agriculture projects.

In May 2008, the Cacadu District Municipality attended the annual Ningbo Tourism Festival, together with Nelson Mandela Bay Tourism. The Partnership cities were invited to showcase their tourism products, for mutual benefit.

LEGAL SERVICES

The Municipality has a functional Legal Services Unit under the Director: Legal Services supported by 12 permanent and 1 temporary staff member, plus 2 unemployed graduates.

Key functions of Legal Services include:

- Legal advisory services
- Property legal services
- Claims, collections and litigation services
- Labour law advisory services
- Contract management
- Legislative compliance and legal educational services

Performance with regard to the provision of legal services is reflected in KPE 5.3 in the table on page 134.

A new and more representative legal panel was established, which will ensure the more equitable distribution of legal work.

Statistical information on the matters handled by the Legal Services Sub-directorate are detailed below.

(a) Claims

- Public liability claims : 301

Public liability claims were mainly as a result of open man holes, uneven pavements, use of public facilities such as swimming pools and parks.

- Motor vehicle insurance claims : 314

Motor vehicle claims emanate from motor vehicle collision involving municipal vehicles initiated by third parties. The Municipality also counter claims against third parties for damages made to municipal property.

- Damages claims : 600

Damage claims normally involve movable and immovable property. They result mainly out of actions of contractors damaging underground cables.

(b) Litigation

- Litigation cases : 42

(c) Contract management and legal compliance

- Contracts drafted and vetted : 94

(d) Corporate governance

- Unauthorised land use
 - Breach of NMBM zoning schemes : 79
- Access to information (PAIA)
 - Requests for information : 15
- By-laws
 - Volume 1 of the Municipal Code was constituted.
 - By-laws developed : 3

(e) Labour law related matters

- Labour law matters referred to Legal Services : 28

AUDIT OPINION FROM OFFICE OF THE AUDITOR-GENERAL

The progress of the Municipality with regard to the audit opinion received from the Office of the Auditor-General is reflected below:

FINANCIAL YEAR	2005/06	2006/07	2007/08	2008/09
Opinion	Adverse opinion (with 17 qualifications)	Qualified opinion (with 1 qualification)	Unqualified opinion	Unqualified opinion

AUDIT COMMITTEE FUNCTIONALITY

The Audit Committee comprises three external members: Mr ZG Zamisa (Chairperson); Prof D Rosenberg and Ms R Landman-Shaw. As required by the Audit Committee Charter, four meetings were held during the year (on 8 October 2008; 27 November 2008; 27 March 2009; and 30 June 2009). The external members achieved a 92% attendance rate. Administrative support to the Audit Committee was provided by the Internal Audit and Risk Assurance Division.

A total of 11 resolutions emanated from the meetings of the Audit Committee. All resolutions were addressed either administratively or through actions/submissions by relevant directorates. However, certain issues were taken forward into the next period for further analysis and comment. These include costs and liabilities relating to hosting the 2010 FIFA World Cup™ and related infrastructure, the implementation of formal institutional risk management processes and the extent to which serious instances of fraud and corruption are being addressed by the Municipality.

ANTI-CORRUPTION STRATEGIES

The Council has anti-fraud and anti-corruption strategies in place, which were reviewed during the year with input from the Department of Local Government and Housing, Internal Audit and Council's Management Team. The reviewed strategies and policies still need to be submitted to the Council for approval, following which Internal Audit will undertake awareness campaigns.

In the course of the 2008/2009 financial year, 52 new cases were reported, either via the Anti-fraud Hotline or directly to Internal Audit. Thirteen cases reported during the previous financial year were still under investigation. A total of 14 cases were concluded by 30 June 2009. It was generally experienced that officials and members of the public demonstrated trust in the members of the Internal Audit and Risk Assessment Division by reporting suspicions of fraud and corruption. One of the challenges in investigating the reported suspicions of fraud was the lack of specific and accurate information.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

The Municipality's ICT Strategy, which was developed by the Information and Communications Technology (ICT) Steering Committee, provides the documentary framework within which the information systems infrastructure of the Municipality may be developed and expanded to meet the current and future demand for ICT facilities and decision-supporting information.

In the review period, the Municipality spent R5 376 816 on the development of application software to support service delivery, primarily in the area of financial systems, with particular emphasis on the Stores & Creditors System and the General Ledger System.

A total of R14 579 798 was spent on information technology infrastructure, primarily on the introduction of a Metro-wide wireless data communication backbone (SMART City), the provision of uninterruptible power supplies to protect key installations against power outages, the implementation of the first phase of the "Voice-over Internet Protocol" telephone system, and various upgrades to the network and the main application servers. A key project was the design and installation of ICT infrastructure for the new Stadium in readiness for the 2010 FIFA World Cup™.

The SMART City concept is an important new initiative in bridging the digital divide. Through this Metro-wide wireless data communications network, all libraries and clinics were connected on line both to the corporate application systems and to the internet, providing previously disadvantaged citizens with access to the world-wide web and electronic mail. This also saw the installation of Voice-over Internet Protocol in ten municipal clinics, which enabled telephone usage in them, despite the absence of Telkom infrastructure. All municipal clinics and libraries are now computerised. The implementation of the SMART City concept will make it possible to provide excess data communications bandwidth commercially, opening up a new revenue stream for the Municipality.

GEOGRAPHICAL INFORMATION SYSTEM (GIS)

As a critical planning tool, the Geographical Information System presents Nelson Mandela Bay graphically, providing officials and management with easy access to information. A key GIS initiative currently under way is the Land Information System (LIS). This system deals with the systems and processes relating to applications submitted for specific properties in Nelson Mandela Bay, i.e. subdivisions, consolidations, rezonings and building plans. The LIS will integrate various directorates, thereby expediting approval processes and preventing the duplication of efforts and plans. The Municipality plans to make the GIS available to the public via the internet, thereby ensuring easy access to information. In another GIS initiative, all municipal assets are being mapped and linked to the asset register.

OPERATIONAL EFFICIENCIES

The Municipality established an Operational Efficiencies Task Team, comprising the Office of the Chief Operating Officer, the Budget and Treasury Directorate and the Corporate Services Directorate, tasked to identify areas of wasteful expenditure, develop intervention strategies, and monitor the implementation thereof. This Task Team reports to the Municipal Manager.

In the year ahead (2009/10), the Municipality will:

- Develop an integrated comprehensive approach and review of structures and programmes on special sectors.
- Pursue all intergovernmental challenges in the Metro together with the Provincial and National Government.
- Establish partnerships with neighbouring municipalities and develop a support programme.
- Integrate the work of Community Development Workers into municipal programmes and activities, in consultation with the Provincial Department of Local Government and Traditional Affairs.

- Review the Communications Strategy to ensure greater co-ordination and responsiveness.
- Develop and implement a comprehensive strategy and programme to enhance the functionality of the Ward Committee system.
- Finalise the customer care model, system, structures and corporate complaints management processes in line with Batho Pele.
- Strengthen risk management.
- Develop and implement an action plan to deal with issues raised in the Auditor-General's Report and provide quarterly progress reports.
- Develop and implement a comprehensive capacity building programme for Councillors.
- Develop and implement a community capacity development and education programme to inculcate a sense of civic responsibility.