

THE NDLAMBE MUNICIPALITY



ANNUAL REPORT

2010/2011

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1. Foreword

This annual review of our performance is a legislative requirement of both the Local Government: Municipal Finance Management Act, 56 of 2003 and the Local Government: Municipal Systems Act, 32 of 2000. However, it is intended to be much more than part of our compliance with legal requirements.

I hope that this report will give our colleagues in government, the people of Ndlambe and all those who live, work and play in our towns an insight into our approach to governance and service delivery. We serve communities with wide disparities in wealth, standard of living and access to opportunities.


As a government closer to the people of Ndlambe, we are committed among other things to facilitating poverty alleviation and providing the basic services that are the building blocks to a better standard of living. Clean drinking water, access to sanitation, street lighting, electricity, refuse removal, housing, roads and pavement are fundamental. As the Mayor of Ndlambe, I remain committed to a holistic and integrated planning methodology that seeks to maximise resource allocation in a manner that responds to the developmental challenges outlined above.

The under year under review saw us governing together with the people, talking and listening, and basing our IDP, service delivery and spending priorities on the needs expressed by our residents. This meant embracing the real meaning of public service, “Batho Pele”



– putting people first, and of striving to achieve the promise of “Ndlambe Municipality being a growing and investment friendly region that provides sustainable, efficient, cost-effective, adequate and affordable services to all citizens in a healthy and safe environment by 2025.”

In conclusion, I would like to express my sincere appreciation to my political colleagues, the Municipal Manager, Directors, Managers, Officials and all members of staff to their commitment and dedication. I believe Ndlambe, with the help of the newly elected council, have the potential to do more, provided they apply a greater effort in order to realise their vision.



V. Balura
MAYOR

2. Yearly Program Priorities' Statement

The following is the list of the priority areas as that the municipality needed to address during the 2009/2010 financial year and needs to continue to address in future financial years due to the magnitude of the work to be done. The Ndlambe Municipality did have a service delivery budget implementation plan but were not geared up to fully implement the performance management system that was put into place during the year under review. Directorate's reports highlight the progress made in this regard.

The following priorities list does form part of the priorities as identified in the integrated development plan.

- Continuous supply of sufficient potable water to meet present and future requirements throughout Ndlambe Municipality by 2012.
- Reticulated waterborne sewerage for all Ndlambe Municipality households by 2012.
- Community of Ndlambe Municipality has access to good quality roads for social and economic mobility based on strategically selected priorities within the given resource constraints.
- Adequate shelter for all people throughout Ndlambe Municipality, with specific reference to low income households, rental stock and middle income housing options.
- The community of Ndlambe Municipality has access to a reliable and consistent supply of electricity and street lights as provided by Manelec and ESKOM.
- The Ndlambe Municipality fully understands its potential and limitations in terms of land utilisation and management, and undertakes these issues in a sustainable manner that is guided by a Spatial Development Framework.
- Communities have access to a well maintained social infrastructure that supports social interaction, education and economic activities that are managed in partnership with the Municipality.
- Communities and visitors in Ndlambe Municipality, with specific reference to the youth, have access to suitable and affordable recreational and sport facilities managed in partnership with the Municipality.
- Communities have access to affordable grave sites in close proximity to settlements and are well maintained and protected from vandals.
- Communities have sufficient and affordable economic solid waste disposal options to encourage a clean, healthy environment.
- The Municipality offers protection services that care for the health and safety of all communities in Ndlambe Municipality, in line with available legal requirements in support of economic development, with specific reference to tourism.
- Communities and visitors in Ndlambe Municipality utilise the natural resources/assets in a sustainable manner for economic and recreational purposes in accordance with the available legislative framework.
- The impact of HIV/AIDS on households in Ndlambe Municipality is reduced through support programmes and effective health services.
- The economic growth in Ndlambe Municipality is supported through the creation of improved access to sustainable income-generating activities for the unemployed.
- Households living below the poverty line alleviation, as well as vulnerable groups, have improved access to all required basic services i.e. health facilities and social grants/work-creating programmes.
- Communities are better able to take care of their own health through the creation of a healthy environment and the availability of quality primary health care facilities.
- Municipality is able to meet the performance targets through the effective management of competent municipal officials/staff.

- The policy/strategy framework of the Municipality, in terms of all corporate requirements, contributes to the effective functioning of the Municipality within the legislative framework of local government.
- The Municipality utilises high quality strategic planning and management processes to organise work, establish inter-governmental relationships, and document performance in the Municipality.
- Establish a well functioning council system that contributes to and meets the standard for good governance in terms of transparency, accountability, good working relationships and implementation of resolutions.
- The Municipality complies with the principles and practices of good governance with particular reference to its relationship with the community and other stakeholders (Batho Pele Principles).
- All communities are well informed regarding the work of the Municipality and participate constructively in relevant dialogues.
- An updated (contemporary) financial system of Ndlambe Municipality is optimally used by competent staff.
- Ndlambe Municipality is able to raise sufficient revenue (internal and external sources) and manage its assets to meet its responsibilities in terms of service delivery, incorporating both capital and operational costs.


R Dumezweni
MUNICIPAL MANAGER



3. Overview of the Municipality

The background of the page features a large, faded coat of arms of Ndlambe Municipality. The coat of arms is shield-shaped with a crest on top. The crest consists of two dolphins facing each other, with a crown above them. The shield is divided into four quadrants: top-left shows a group of people, top-right shows a star, bottom-left shows a bull's head, and bottom-right shows a paw print. A banner at the bottom of the shield contains the text 'SISEBENZELA IKAMVA ELIHLE'.

VISION

Ndlambe Municipality strives to be a growing and investment friendly region that provides sustainable, efficient, cost-effective, adequate and affordable services to all citizens in a healthy and safe environment by 2025.

MISSION

To achieve our vision by enabling optimal performance within each of the five key performance areas of local government within the context of available resources.

VALUES

- Commitment
- Transparency
 - Honesty
- Trustworthiness
 - Care

GEOGRAPHIC SITUATION

The Ndlambe Municipality falls within the Cacadu District Municipality area, Eastern Cape Province. The Ndlambe Municipal area is bordered by the following Local Municipal areas:

Makana within the Cacadu District Municipality to the North
Sundays River Valley within the Cacadu District Municipality to the West
Ngqushwa within the Amatole District Municipal Area to the East

The Ndlambe Municipal area forms part of the Eastern Coastal Zone (one of the areas within the Cacadu District Municipality that has similar geographical characteristics and requires similar geographical guidance). This area can be described as an area with:

- A pristine coastal area
- Well preserved river mouths and inter-tidal areas
- Diverse vegetation
- Relatively low density development along the coast
- Major tourism potential



NDLAMBE AS PER 2007 COMMUNITY SURVEY

Area (Km ²)		2, 000.81
Population (no)		63,122
Urbanization rate (%)		67.69
Density (People/km ²)		16.63
Demographic (%)	Black	80.28
	White	12.40
	Coloured	7.28
	Asian	0.04
Gender (%)	Female	51.46
	Male	48.54
Age (%)	0 – 4 years	7.91
	5 – 19 years	27.55
	20 – 64 years	55.99
	65+	8.55
HDI		0.51
HIV Prevalence (2003 %)		20.20
Functional Literacy (%)		54.02
Education	None	11.89
	Grade 12	11.56
	Tertiary	6.41
	R0 R200	6.02
Household Monthly Income levels (%)	R201 – R1 000	23.80
	R1 001 – R2 500	25.61
GDP Per Capita (R'000)		16.02
Unemployment (%)		38.84
Dependency Ratio (Household Grants)		1.79
Municipal Financial Grant dependency (2002/03)		12.76
Access to Basic services (% of households – 2001)	Water	76.32
	Sanitation	85.82
	Electricity	66.63
	Refuse removal	73.11
	Housing	82.13

SERVICE OFFERINGS

The Constitution confers the following areas of responsibility on local municipalities:

- Electricity delivery.
- Water for household use.
- Sewerage and sanitation.
- Storm water systems.
- Refuse removal.
- Fire fighting services.
- Municipal health services.
- Decisions around land use.
- Local roads.
- Abattoirs and fresh food markets.
- Parks and recreational areas.
- Libraries and other community facilities.
- Local tourism.

For more information you can contact us on;

	Tel	Fax
Municipal Offices Port Alfred:	046 624 1140	046 624 2669
Municipal offices Bathurst	046 625 0639	046 625 0054
Municipal offices Alexandria	046 653 0056	046 653 0490
Municipal offices Kenton-On-Sea	046 648 1304	046 648 2118
Municipal Managers offices	046 604 2774	046 624 1254

Or you can visit our website at - **www.ndlambe.gov.za**

4. Executive Summary

The 2010/2011 financial year was once again a challenging year for Ndlambe



Municipality as the needs of the community, as always, far outweighed the financial resources of Council. The needs of the community were

analysed and discussed during the Integrated Development Plan process and priorities were set for the year.

Water and sewer were identified as the main priorities but local economic development, financial viability and performance management were also areas that could not be overlooked.

The following represents a list of the priorities, apart from the above, that were identified to be addressed;:

- Importance of investing in people, with particular reference to areas with low economic potential
- Investment in the maintenance and management of the existing municipal assets, including infrastructure and utilities
- The effective utilisation of municipal assets to unlock economic potential
- The creation of institutional capacity in communities by supporting and leading local forums, building of the Ward committee systems, and establishing cooperatives to generate economic possibilities
- The protection of and sustainable utilisation of natural resources for the benefit of all local communities
- Directing poverty relief and food security to assist the poorest households
- Effective application of the indigent policy that ensures poverty relief

- Creating cost effective hub of activities in strategic location to support integration among communities
- Increase the relevance and use of Spatial Development Framework to guide development investments
- Creation of investors confidence through good local governance and leadership
- Engage in stakeholder dialogue and management, including inter-governmental relationships, in order to deliver more comprehensive services
- Development of monitoring systems that incorporate customer satisfaction

The following represents the list of priorities that were identified during the integrated development review process;

1. Addressing sanitation backlogs (this is also related to constraints associated with bulk water supply)
2. Addressing road conditions and the continued maintenance thereof
3. Effective development planning and implementation that is currently jeopardised by:
 - Unreliable or unavailable planning Information
 - Poor alignment with Spatial Development Framework
 - Challenges in meeting EIA requirements and the associated time delays
 - Poor management systems to ensure coordination among directorates
 - Unclear IDP – Budget alignment
 - Finding workable solutions for basic services in ever increasing informal settlement areas
 - Ineffective building control
 - Unrealistic augmentation fees imposed on new developments

4. Effective Housing Delivery with additional challenges including:
 - Housing developments face a new stakeholder in terms of child headed families.
 - The management of information relating to housing development is challenged by:
 - > Unreliable data regarding influx of people
 - > Difficulties in “cleaning” of waiting lists
 - > Inability to link with Provincial DLG&TA as well as Home Affairs data bases
 - availability of reliable data
 - Poor conditions of public facilities (Deterioration of facilities result in increased rectification cost)
 - Decrepit state of plant and equipment result in poor maintenance
 - Dealing with vandalism & theft of infrastructural resources
 - Cemeteries are reaching full capacity and is not well maintained
5. Internal capacities to effectively spend funding allocations including constraints such as:
 - Insufficient Human resource capacities
 - Insufficient Project planning and management capacities
 - Lack of effective Monitoring systems including information management
 - Poor management of contracts and service level agreements with service providers and other stakeholders
6. Development of systems to ensure effective management of council assets including municipal offices, buildings, land, public amenities. Related issues are:
 - Commonage Management including
7. Unemployment and economic development is not addressed sufficiently including:
 - Role of Municipality with regard to tourism
8. Affordable solutions to challenges of refuse removal
9. Developing affordable and suitable capacity to deal with disaster management
10. Environmental Health with specific reference to roaming animals.

As can be noted, the list is much the same as that of last year as it is clear that the priorities identified can never be dealt with within one financial year.

Attached please find the achievements achieved for the financial year as Annexure; 1



Operations

(Service Delivery)





Basic Service Delivery Highlights

1. WATER SERVICES

1.1 Water services delivery strategy and main role-players:

Ndlambe Municipality is located within the Cacadu District Municipality and is home to some 80 000 people. The Ndlambe Municipality (NM) is the legislated Water Services Authority for the area.

Ndlambe Municipality operates and maintains all water supply systems within both Water Services Authority and Water Services Provider functions, with the exception of the Amatola Water Board (previously Albany Coast Water Board) supply footprint, where bulk water is supplied by the Amatola Water Board.

There are six (6) local water supply schemes which service the main settlements within the area. Port Alfred, Seafield and Bathurst are all fed mainly from surface water schemes whilst Boesmansriviermond, Kenton on Sea, Alexandria, Boknestrand and Cannon Rocks are supplied from ground water schemes.

Boesmansriviermond and Kenton on Sea augment their groundwater supplies with desalinated water through the Reverse Osmosis plant situated at Boesmansriviermond. The towns of Cannon Rocks and Boknes receive Reverse Osmosis processed water from borehole sources.

Potable water is piped to all communities within Ndlambe, and is available to the vast majority of households. However, some of the Bathurst and Trappes Valley communities still rely on rainwater and private boreholes. The latter are considered for municipal supply within the IDP.

Water service regulation is determined and monitored by Dept Water Affairs. Compliance is monitored and intervention strategies insisted upon by this organisation, should quality not be achieved. It is the objective of Council to achieve and sustain “Blue Drop” status throughout all water supply systems within Ndlambe, which is an approved level of management and supply within the regulator’s policies. This quality and supply goal is being achieved by improving both water quality management and the quantity sustained by each system.

1.2 Levels and standards in water services:

It is Council’s objective to provide levels of Water Services which exceed RDP LoS.

The intention is to provide at least a reticulated water supply to all households, with full water-borne sewerage. This is the case in the vast majority of consumer households. Levels and standards of water are stringently monitored, to ensure a safe and sustained supply.

The Ndlambe Municipality defines low level access to water services as that of “RDP Standards”, being a tap supply within 200m radius of all urban consumers, whilst high level access is considered when water supply is available within households. Presently only informal households receive a low level water supply. Once top structure applications are approved, erven are serviced with formal reticulation to each house.

Low quality standard of water quality is when supply quality does not achieve standards as defined within SANS 241. A high quality standard would be the achieved maintaining of this level of supply. These standards include both quantity and quality of supply.

Stringent and regular monitoring of this resource is therefore essential to ensure that these objectives are achieved. Reporting and process control are regulated by the Department Water Affairs. Ndlambe officials strive to achieve standards and compliance goals, as determined.

It is a well known fact that the reliability of the yields and the quality of the water from the respective water sources is in general inadequate. Furthermore the capacity of the bulk infrastructure is also inadequate especially during peak holiday seasons when holiday makers flock to the coastal resort town and the demand for municipal water supply cannot be met. This challenge is being addressed through grant funded projects. The present status quo results in many of the households in the area augmenting the Municipal supplies by establishing private rainwater harvesting facilities, which Council encourages and enforces within the building application process.

The Municipality is committed to improving water services. Water quality is monitored within standards and guidelines established by the regulator, the Department of Water Affairs. Water samples ensure compliance standards are maintained. These are taken on a planned and regular basis. All results are submitted independently to the regulator via the Directorate Community and Protection Services.

If tests indicate that water quality is compromised, immediate intervention treatment and action is taken. Further additional water samples are tested to ensure that interventions have succeeded and have been effective to comply and

fall within the determined guidelines. This does not mean that improvements are not being considered, as training, development and control are continuous.



1.3 Annual performance as per key performance indicators in water services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Numbers of HH/customers reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to potable water	18913	400	110	98	95%
2	Percentage of indigent households with access to free basic potable water	8385	2500	500	500	100%
3	Percentage of clinics with access to potable water	8	0	0	0	0
4	Percentage of schools with access to potable water	18	0	0	0	0
5	Percentage of households using buckets	Nil	0	0	0	0

1.4 Major challenges in water services and remedial actions

The Municipality is committed to improving water service provision in its region despite the recent water service challenges, which include the following challenges and remedial action:

- Insufficient supply quantity to meet the growing demand
 - Remedial actions include various Water Conservation projects. Water conservation and demand management practices are continually being assessed and improved, as funds become available.
- Aged infrastructure operating within extreme environmental conditions
 - Remedial actions include that the entire infrastructural “as-built” within this sector is being assessed within a master plan.
- Poor quality of low cost house plumb-

ing leads to leaks and subsequent loss.

- Remedial actions include loss control and the addressing of leaks in indigent households. This has been done on a wide scale throughout Ndlambe.
- Future low-cost house design will focus on the quality of all water and sanitation fittings included in the house construction.
- Source quality, where the main phenomena affecting the quality of the water in the region is the materialization (or salination) of the water in the main catchments due to the geology (marine origin) of the area.
 - Remedial actions include the establishment and operation of Reverse Osmosis Technology, which, although expensive, is effective in addressing salinity issues and is now operational in Cannon Rocks, Boknes, Kenton-On-Sea and Boes-

- Massive peaks in demand, due to the transient nature of this consumer base.
 - Bulk storage reservoirs have been prioritised within the Water Services Plan. Funding restrictions have delayed implementation.

It is the intention of the municipality to achieve and sustain “Blue Drop Status” within water services provision. This is a compliance monitoring system managed and implemented by the Dept Water Affairs, as the regulator. Ndlambe Municipality has, as a result of the above, identified a need for the development of an Infrastructure Master Plan for water services (water and sanitation). Funding has been allocated to the NM by the Development Bank of South Africa (DBSA). The objective of the project is to develop a water service infrastructure master plan with associated as built drawings of the existing infrastructure.

The information contained in the plan is to be captured on the TGIS system to enable the NM to have a tool to assess and control the development of the municipality in terms of water services. The

master plan will also be used to guide the NM in its infrastructure expansion programme. The development of the Water Service Infrastructure Master Plan (IMP) where short, medium and long term proposals are defined will be the final product of the project. Key documents required to ensure the IMP is a relevant and empowering tool for the Ndlambe Municipality are the Integrated Development Plan and the Water Services Development Plan.

Both these documents provide the developmental frame work for IMP to capture the detail of why, when and how water service infrastructure should be refurbished, upgraded and extended in Ndlambe Municipality.

The contract for the development of the water service infrastructure master plan has been awarded and commenced 2009/11/20 and will continue for a period of 39 weeks.



2. ELECTRICITY SERVICES

2.1 Electricity services delivery strategy and main role-players

Ndlambe Municipality renders electrical services in the towns of Port Alfred and Alexandria. Eskom supplies electricity in bulk to both components. Port Alfred town has one 11-kilovolt-supply point and Alexandria has one 11-kilovolt-supply point. Eskom supplies electricity to the rural areas outside Ndlambe, also Boknes, Cannon Rocks, Bushmans River, Marselle, Bathurst, Nemato, Alexandria, Ekuphumleni, Station Hill and Kleinemonde.

Ndlambe Municipality buys electricity in bulk from Eskom and is responsible for

the distribution thereof within its approved areas of supply, under license from the National Electricity Regulator. Electricity is taken from Eskom at two intake substations, i.e. Port Alfred and Alexandria, and redistributed to the end consumer through a series of cables, lines and substations.

The directorate is responsible, and employs a service provider, namely, Manelec Services (Pty) Ltd, for:

- The construction and maintenance of the distribution network as well as providing new infrastructure to ensure a reliable and affordable supply of electricity to all

- The effective management of revenue by ensuring all electricity supplied is billed for and reducing losses in order to cover operating and capital expenses;
- The provision of a reliable and acceptable level of public lighting to improve the safety and living standards of residents, including street and public lighting for Boknes, Cannon Rocks, Bushmans River, Marselle, Bathurst, Nemato, Alexandria, Ekuphumleni, Station Hill and Kleinemonde

The challenge experienced is a streetlight backlog in the areas that were formally under Eskom's management. The Municipality is dealing

with this. Management of public lighting, including high mast lights, has been shopped out to an annual tender service provider.

2.2 Level and standards in electricity services

The distribution and reticulation areas, excluding provision of electricity by Eskom, cover Port Alfred and Alexandria. Each consumer is considered a customer and has got access to electricity supply. The electrical supply to Port Alfred is of a high standard. The electrical supply to Alexandria, inclusive of Wentzel Park, needs upgrading.

2.3 Annual performance as per key performance indicators in Electricity services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. Year Under Review (actual numbers)	Number of NH/customer reached during the FY	Percentage of achievement during the year
1 Percentage of households with access to electricity services	18913	nil	nil	nil	nil
2 Percentage of indigent households with access to basic electricity services	120	5000	509	0	0
3 Percentage of indigent households with access to free alternative energy sources	Nil	Nil	Nil	Nil	Nil

2.4 Major challenges in electricity services and remedial actions

In Port Alfred there are still numerous medium voltage feeders which were laid many years ago. These have now become inadequate to carry the required increasing load. This requires upgrading. The problem is not purely an overload one, but it also prevents safe management practice.

Due to a lack of funds we have not been able to upgrade these cables, which are now practically redundant. Alexandria is also at the stage where all MV cabling needs upgrading. Although the expansion of the town is not excessive, this should be considered in the near future. Funding should be prioritized to cater for the increasing loads.

3. SANITATION

3.1 Sanitation services delivery strategy and main role-players

Ndlambe Municipality operates and maintains all sewerage systems within both Water Services Authority and Water Services Provider functions. Water-borne sewerage is available to the majority of households.

There are five (5) waste water treatment works being fed from water-borne sewerage systems which service the following communities:

1. Wentzel Park, Alexandria and Kwanonqobela
2. Marselle and Harmony Park
3. Ekuphumleni
4. Port Alfred and Nemato
5. Nolukhanyo

The provision of sewerage services excluding reticulation infrastructure includes a large proportion of the households in Ndlambe. Water-borne sanitation services are not available to several communities, who rely on conservancy tanks and septic tank sewerage systems. Ndlambe provides the service for the removal of sewerage using a fleet of sanitation vacuum tankers. These vehicles and their operational staff are under continuous pressure to deliver services. Break-downs, due to an aged fleet, create backlogs and a dissatisfied consumer base.

The following communities still rely on septic tank / soakaway systems or conservancy tanks:

1. Cannon Rocks
2. Boknes
3. Boesmansriviermond
4. Riversbend
5. Kenton-On-Sea
6. Seafield
7. Bathurst

8. Port Alfred and Nelson Mandela Township

These households are serviced by a fleet of sanitation tankers, several of which are well beyond their expected operating lifespan. Financial constraints dictate that Ndlambe must make do with this fleet.

All municipal toilet facilities, change rooms and other ablution facilities not connected to water-borne sewerage pipes are serviced by this fleet. Blockages are also attended to, often resulting from the inappropriate utilisation of the service.

It is the objective of Council to achieve and sustain "Green Drop" status throughout all of Ndlambe. This is a compliance monitoring system which is managed and implemented by the Dept Water Affairs. This quality and service goal is being achieved by improving management performance, which should lead to acceptable discharge water quality.

3.2 Level and standards in sanitation services

The Ndlambe Municipality Council has determined that water-borne sewerage be the minimum level of service to the consumer base. This decision, although well intended, places tremendous strain on the available water resources. Leaking toilets have been identified as a leading reason for water loss. Astute management practice is being instilled within the unit responsible for operation and maintenance of these systems.



3.3 Annual performance as per key performance indicators in sanitation services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to sanitation services	18913	9779	1200	1200	100%
2	Percentage of indigent households with access to free basic sanitation services	4551	5000	0	0	0
3	Percentage of clinics with access to sanitation services	8	0	0	0	0
4	Percentage of schools with access to sanitation services	18	0	0	0	0

3.4 Major challenges in sanitation services and remedial actions

Low-cost housing projects, as implemented by Dept Housing and Local Government, do not prioritise quality toilet systems within the allocated grants. These systems are prone to malfunctions and result in leaks and water wastage. This problem is being attended to within water conservation projects but is a frustration to this Water Services Authority.

Households not fortunate to have access to water-borne sanitation are required to have either septic tanks or conservancy tanks. The latter requires servicing by the municipality, using a fleet of sanitation tankers. This fleet is compromised due to replacement costs being too high for Council to afford, within available funds. Grant funding channels do not allow for the purchase of vehicles.

4. ROAD MAINTENANCE

4.1 Road maintenance services delivery strategy and main role-players

The condition of the road network in Ndlambe is generally poor due to the lack of inadequate or non-existing storm water control, lack of adequate plant and restricted financial resources. A general shortage of maintenance staff, necessary to maintain in excess of 280km of surfaced and gravel roads, is a continual challenge. The table below indicates the extent of the road network in the various towns within Ndlambe.

In 2004 Ndlambe received a grant from the DBSA and commissioned Consulting Engineers, Stewart Scot Inc. to prepare a Roads Management Programme. The report indicates an amount in excess of R 400 million for capital investment in order to repair/reconstruct the existing surfaced road network and an amount of approximately R10 million per annum for maintenance. With an annual capital budget of just over R 3 million and a maintenance budget of R 2.8 million per annum the

municipality is faced with a mammoth uphill task of maintaining the road network.

4.2 Level and standards in road maintenance services

The roads are in a poor state due to the fact that alignments were established done years ago, with little adherence to standard road construction practice. Suitable road materials are not readily available in the area, resulting in substandard materials being used. Secondly, lack of inadequate plant, equipment and financial resources makes it very difficult for the municipality to upgrade the roads. The following table depicts the current level and standards of our road network;



AREA	SURFACED (m)	GRAVEL (m)
Port Alfred & Nemato	78623	56297
Alexandria, Wentzel Park & Kwanonqubela	19321	22704
Cannon Rocks	5220	7675
Boknesstrand	10177	3072
Boesmansriviermond, Marselle & Harmony Park	21176	14365
Kenton-On-Sea & Ekuphumleni	41335	4552
Bathurst & Nolukhanyo	10579	38835
Seafield	9333	1140
TOTAL	168764	139640

4.3 Annual performance as per key performance indicators in road maintenance services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1 Percentage of households without access to gravel or graded roads	15%	315km	1.5 km	0	0
2 Percentage of road infrastructure requiring upgrade	85%	315	1 km	0	0
3 Percentage of planned new road infrastructure actually constructed	0	0	0	0	0
4 Percentage of capital budget reserved for road upgrading and maintenance effectively used.	0	0	0	0	0

4.4 Major challenges in road maintenance services and remedial actions

Routine maintenance (day to day pothole repair, repair and unblocking of drains and blading of gravel roads) expenditure recommended by the 2004 Stewart Scott Inc. Road Management Programme for 2004/2005 was R 9.8 million. Escalating this by a conservative 7.5% per annum gives us a figure of R 13.8 for the current year in review. The actual expenditure was R 9.65 million, a shortfall of almost 30%. The periodic maintenance (resealing of surfaced roads and regaveling of gravel roads) is recommended to have been in the order of R 4 million for the current year in review and in the order of R 25 million to date since the

recommended implementation of the road management programme. Due to budgetary constraints this scale of implementation has been impossible. The above figures would have been adequate just to maintain the status quo with regard to the condition of the road transportation network.

The capital expenditure recommended by the same Stewart Scott Inc. Road Management programme is R 24.2 Million for the year under review and to date it is recommended that R 74.21 million should have been invested in new and upgraded infrastructure by now.

If we assume an average width of 6m for all roads then a replacement cost of R 2.5 million per km for surfaced roads and R 500 000 per km for gravel roads would not be unrealistic.

Based on these figures, our 172km of surfaced roads and 140km of gravel roads represent an asset on the ground with a replacement value in the order of R 500 million rand. Easily the single most valuable asset owned by the municipality. Given that the average design lifespan of a road is in the order of 10 – 25 years and given that this can be drawn out to 30 – 50 years with adequate and timeous re-

medial and maintenance actions, it is clear from the above that the single biggest challenge with regards to the road network is to secure adequate funding from internal or external sources, This will be to reverse the deterioration of the current network and embark on a realistic upgrading programme for the social and economic benefit of all residents and visitors.

5 HOUSING AND TOWN PLANNING

5.1 Housing and town planning services delivery strategy and main role-players

The strategy in Town Planning is derived from the various Town Planning Scheme Regulations, municipal policies, guide plans like the SDF, Environment Management Framework (EMF), various pieces of legislation relating to land use management, etc.

- The major role players are the Architects who draw building plans, residents with their day-to-day enquiries, Regional and Town Planners and Estate Agents. The State Departments also have a consistent interaction with the Town Planning Section. The Municipality's role is also stipulated in the duties and functions of the Local Authority as found in the Municipal Systems Act, Municipal Structures Act and the Constitution. The Municipality also has a responsibility to conduct its affairs in accordance with the BATHOPELE Principles which can be translated as people first. The corollary of the above is the speedy processing of all the Land Use Planning Applications to avoid unnecessary and pro-

tracted litigation against the Municipality.

- To ensure the effective allocation of limited resources to a large pool of potential development interventions.
- To provide a formal and practical method of prioritising housing projects and obtaining political consensus for the implementation thereof
- To ensure more integrated development through bringing together the relevant cross-sectoral role players to co-ordinate their development interventions. Municipality, Department of Housing, NHBRC, Contractors, Councillors & the Community
- That the Communities are empowered to constructively engage with the Municipality in identifying and fulfilling their housing needs.
- To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground
- To ensure that there is a definite housing focus for the IDP

5.2 Level and standards in Housing and town planning services

The standards of Town Planning services are fairly high given the adverse conditions under which the Town Planning Sections operates. The regulations promulgated in terms of Section 47 of the Land Use Planning Ordinance stipulate time frames/efficiency within which land use application ought to be processed. Our Town Planning Section has not been found to be processing application in contravention of the regula-

tions. The positive feedback that the Section receives is evidence of the above. The standards are evidenced by the number of resolutions of either council or Executive Committee which, in turn become the way of setting targets.

Levels and standards in Housing are derived from regulations that are promulgated in terms Housing Act and the principles of the Housing Code.

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

The municipality has no Performance Management System in place. It is still being formulated. There are no performance indicators as yet. The performance is being monitored on an **ad hoc** basis.

	Indicator name	Total number of household/ customers	Estimated backlogs	Target set for	Number of HH/ customers	Percentage of
1	Percentage of households living in informal settlements	18%	18%	8%	Nil	Nil
2	Percentage of informal settlements that have been provided with basic services	10%	8%	5%	Nil	Nil
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	60%	40%	25%	Nil	Nil

5.4 Major challenges in housing and town planning services and remedial actions

- The major challenge is the existence of different Town Planning Scheme Regulations in the area of Ndlambe Municipality. The schemes were inherited by the Ndlambe Municipality

during the amalgamation of the five TLC's in 2000. The delays in the enactment of the Land Use Management Bill have prevented the Municipality from amalgamating the various schemes.

The Land Use Management Act would have been the enabling piece of legislation for the amalgamation of the schemes. Town and Regional Planners, SETPLAN, in Port Elizabeth have among the projects that will be implemented in 2010, the amalgamation of the schemes.

- Lack of essential bulk services is a major challenge for Development in general
- Capacity Building: To ensure that

training, skills development and capacity building programmes and courses are provided to enhance the quality housing delivery by providing the necessary training to Municipal officials and Councillors as well as skills training to emerging contractors.

- To eradicate existing shacks / squatter settlements

6. SPATIAL PLANNING

6.1 Preparation and approval process of SDF:

The SDF that was approved on 31 August 2006 has, in a way nearly lost credibility because the majority of our residents felt that it did not represent their wishes. There were claims that the public participation process during the approval was not wide enough. The approval of the SDF took place during an in-committee meeting where public participation was excluded. The above state of the affairs will be addressed during the review process.

In line with the principles of participatory democracy, transparency and openness in the approval of documents such as the SDF are paramount.

In line with the Constitution, Local Government: Municipal Systems Act 32 of 2000, Local Government: Municipal Planning and Performance Management Regulations and the Development Facilitation Act 67 of 1995 (legislation that requires the formulation of SDF) as well as the spirit of South Africa approval of SDF in a

closed meeting is totally illegitimate.

The SDF is valid for 4 years and as the present one was approved in August 2006, it is now over due for review. The municipality has to hire private Town and Regional planners for the review as we do not have a qualified Town Planner in the institution. It has not been possible to allocate sufficient funds in the annual budget for the hiring of the Town Planners and our application for funding from the Department of Local Government and Traditional Affairs in the Province of the Eastern Cape, Bhisho has not been successful. The situation as it stands now is that there is no valid and legal SDF in the municipality.



6.2 Land use management:

The Land Use management is done through following various town planning schemes and the relevant legislation. SDF is also a tool for the Land Use Management.

Subdivision	56
Rezoning	34
Consent Use	8
Departure/ROR	34

6.3 Major challenges in spatial planning services and remedial actions

Major challenges are the difficulties in enforcing the Section 7 and 8 Town Planning Scheme Regulations in the municipal area. The delays in the enactment of the Land Use Management Bill have resulted in the difficulties in the consolidation of the various Town Planning Scheme Regulations. Many of the schemes are vague, capable of more than one interpretation and also out dated. We have planned to consolidate the schemes though. The exercise of consolidating the various Town Planning Scheme Regulations will be privatised and sufficient funding has to be allocated. We have not been able to provide budget for the exercise and the application that was submitted to the Department of Local Government and Traditional Affairs has not been successful. We are in the process of submitting a new application with a business plan for consideration by the Department.



7. OVERALL SERVICE DELIVERY BACKLOGS

Basic service delivery area	30 June 2010			30 June 2011		
Water backlogs (6KL/month)	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (nO. HH not receiving the minimum standard service)	500	0	0	500	0	108
Backlogs to be eliminated (%: total HH identified as backlog/total number of HH in the municipality)	3%	0	0	3%	0	3%
Spending on new infrastructure to eliminate backlogs (R000)	400 000	0	0	0	0	0
Spending on renewal of existing infrastructure to eliminate backlog (R000)	350 000	0	0	0	0	0
Total spending to eliminate backlogs (R000)	750 000	0	0	0	0	0
Spending on maintenance to ensure no new backlogs (R000)	300 000	0	0	0	0	0
Electricity backlogs(30KWH/month)	Nil	NIL	NIL	Nil	Nil	Nil
Backlogs to be eliminated (nO. HH not receiving the minimum standard service)	8381	Nil	Nil	Nil	Nil	Nil
Backlogs to be eliminated (%: total HH identified as backlog/total numb of44% HH in the municipality)		nil	nil	nil	nil	nil
Spending on new infrastructure to eliminate backlogs (R000)	0	0	0	0	0	0
Spending on renewal of existing infrastructure to eliminate backlog(R000)	10mil	0	0	0	0	0
Total spending to eliminate backlogs (R000)	10 mil	0	0	0	0	0
Spending on maintenance to ensure no new backlogs (R000)	8 mil	0	0	0	0	0
Sanitation backlogs						
Backlogs to be eliminated (nO. HH not receiving the minimum standard service)	9779	0	0	0	0	0

Basic service delivery area	30 June 2010			30 June 2011		
Water backlogs (6KL/month)	Required	Budgeted	Actual	required	budgeted	Actual
Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)	42%	0	0	0	0	0
Spending on new infrastructure to eliminate backlogs (R000)	12.0 Mil	0	0	0	0	0
Spending on renewal of existing infrastructure to eliminate backlog (R000)	0	0	0	0	0	0
Total spending to eliminate backlogs (R000)	12Mil	0	0	0	0	0
Spending on maintenance to ensure no new backlogs (R000)	500 000	0	0	0	0	0
Road maintenance backlogs						
Backlogs to be eliminated (nO. HH not receiving the minimum standard service)	280km	0	0	0	0	0
Backlogs to be eliminated (%: total HH identified as backlog/total numb of HH in the municipality)	85%	0	0	0	0	0
Spending on new infrastructure to eliminate backlogs (R000)	0	0	0	0	0	0
Spending on renewal of existing infrastructure to eliminate backlog (R000)	0	0	0	0	0	0
Total spending to eliminate backlogs (R000)	0	0	0	0	0	0
Spending on maintenance to ensure no new backlogs (R000)	1.8 million	0	0	0	0	0
Refuse removal						
Backlogs to be eliminated (nO. HH not receiving the minimum standard service)						
Backlogs to be eliminated (%: total)	No Info	No Info	No Info	No Info	No Info	No Info
HH identified as backlog/total numb of HH in the municipality	No Info	No Info	No Info	No Info	No Info	No Info
Spending on new infrastructure to eliminate backlogs (R000)		No Info	No Info	No Info	No Info	No Info
Spending on renewal of existing infrastructure to eliminate backlog (R000)	No Info	No Info	No Info	No Info	No Info	No Info

Basic service delivery area	30 June 2010			30 June 2011		
Water backlogs (6KL/month)	Required	Budgeted	Actual	required	budgeted	Actual
Total spending to eliminate backlogs (R000)	No Info	No Info	No Info	No Info	No Info	No Info
Spending on maintenance to ensure no new backlogs (R000)	No Info	No Info	No Info	No Info	No Info	No Info
Housing and town planning						
Backlogs to be eliminated (nO. HH not receiving the minimum standard service)						
Backlogs to be eliminated (%: total HH identified as backlog/ total numb of HH in the municipality)	42%	Nil	Nil	nil	Nil	Nil
Spending on new infrastructure to eliminate backlogs (R000)	8million	0	0	0	0	0
Spending on renewal of existing infrastructure to eliminate backlog (R000)	0	0	0	0	0	0
Total spending to eliminate backlogs (R000)	8 million	Nil	Nil	Nil	Nil	Nil
Spending on maintenance to ensure no new backlogs (R000)	0	0	0	0	0	0

8 WASTE MANAGEMENT

8.1 Waste management services delivery strategy and main role-players

The Municipality currently services approximately 25 500 properties. The waste service delivery of the Ndlambe Municipality is co-ordinated from Port Alfred. A regular waste removal service is provided to all households and businesses within the Municipal area, except to the households in rural areas. The farm areas of the Ndlambe Municipality do not receive a waste removal services. The provision of such a service is at the moment not envisaged as yet by the Municipality. There are also no general waste private contractors active within the municipal area. The only one that operates handles predominantly business and/ or builders / light industrial waste. Most of the households of the 23 317 have a very low income (*Information from Census 2001). There is a draft Integrated Waste Management Plan (IWMP) that was developed in 2007 and has not yet been adopted by Council as one of the sector plans. Its implementation, to a large extent, is dependent on the availability of financial resources. Due to financial constraints, the IWMP was, again, not implemented during the period under review.

8.2 Level and standards in waste management services

The Municipality provides a weekly (1 day per week) waste collection services to all the households in Alexandria, Bushmans/Kenton/Marselle, Bathurst/ Kleinemonde and Port Alfred. During December/January holiday periods Kenton-on-Sea and Bushmans River Mouth residents are serviced twice a week – due to

historical practice. Throughout the year, Boknesstrand and Cannon Rocks (Mondays and Tuesdays) receive a twice-a-week service, whilst Seafield and the Fish River Cottages also receive a once-a-week service.

In accordance with Council's policy, most businesses in all administrative units receive 2 days per week (or more if required) waste collection service to the businesses (number of businesses unknown) in the Municipal area. Most businesses (including restaurants) in Kenton-on-Sea Main street receive a daily service during December/January holiday periods. The additional municipal collection service rendered by the Municipality in Kenton-on-Sea and Bushmans River Mouth during peak holiday periods is due to the increased influx from home owners, visitors and holidaymakers. This results in the Municipality incurring cost which is not recovered as it doubles and/ or multiplies during these periods.

8.2.1 Garden Refuse

The amount of garden waste generated within the municipal area is not exactly known due to the fact that the Municipality has no control over the disposal of garden waste. Waste volumes are also not recorded at the entrance to the various disposal facilities. Waste records should be kept at the entrances to the waste disposal sites. With proper access control and record keeping at the various waste disposal sites, the exact volumes of garden refuse disposed of can be obtained.

It is however estimated that 24% of the total waste stream represents garden refuse e.g. 6490 tons/ annum or 24 tons/day.

8.2.2 Waste Disposal sites

The municipality currently operates nine (9) waste disposal sites. The sites are situated as follows:

	PLACE	NUMBER OF SITES	STATUS	TYPE
i)	Alexandria	One (1)	Unpermitted	General
ii)	Bathurst	One (1)	Unpermitted	General
iii)	Boknes	One (1)	Permitted	Transfer Station
iv)	Bush-mansrivermouth	One (1)	Unpermitted	General
v)	Cannon Rocks	Two (2)	1 permitted 1 unpermitted	1 Transfer Station & 1 General (Garden waste)
v)	Kenton-on-Sea	One (1)	Closed but unrehabilitated	Garden waste
vi)	Port Alfred	One (1)	Permitted	General
vii)	Seafield/Kleinmond	One (1)	Unpermitted	General

As can be seen from the above, funding is urgently required to finance the permitting of some of these landfill / transfer sites and the rehabilitation of others as required in the Waste Act. The Readiness Report compiled by the Department of Environmental Affairs (DEA) in January 2010 has put these costs estimates at approximately R5 166 283 to formally close & Rehabilitate the Kenton site (R1 562 973), Close & Rehabilitate the Bathurst site (R1 272 155) and the operating licence of the Bushmansrivermouth site (R2 331 155).

8.2.3 Waste recycling

During the period under review, Council entered into a strategic partnership with Masihlule Community Project to pilot recycling in the area. This strategic partnership was facilitated by IWARS, a private enterprise, and this resulted in Council receiving and amount of R 6,36 million (shared at 60/40 basis between Ndlambe and Makana Municipalities) that solicited funding from Thina Sinakho – a European Union (EU) Funding Agency. The project is slowly gaining momentum as the requisite infrastructure is being put in place. The infrastructure referred to includes the purchasing of a truck to transport recyclables, installation of a weigh-

bridge at the Port Alfred site, purchasing of baling machines, construction of a safety structure at the site, etc. Once these are finalized, project will be fully functional. It is, however, important to note the funding does not come into municipal coffers, but is directed into IWARS, but is strictly monitored by the funder to ensure that it is used as per the agreement. On Council's side, we have our own monitoring mechanisms. The

8.3 Annual performance as per key performance indicators in waste management services

Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1 Percentage of households with access to refuse removal services	23 317 (Ave.)	19 819	0	0	0

8.4 Major challenges in waste management services and remedial actions

8.4.1 Illegal dumping

Illegal dumping of waste is common all over the Municipal area. The Municipality has to collect this waste at an unnecessary cost. The Ndlambe Municipality has recognised the need for education of the people regarding this practice. The Municipality has placed several skips at illegal dumping hot spot area, as well as notice boards to try and prevent illegal dumping.

The Municipality is also experiencing the dumping of waste by the public along the access roads to the landfill sites, as well as areas on the landfill sites which are not designated for the disposal of waste.

Illegal dumping is also occurring near the Ekuphumleni settlement in a valley leading to the Kariega River and Estuary. Since this area is not ideal for a disposal area, the area should be cleared and the waste taken to a properly established waste disposal site. The Municipality should also place skips in this area, as well as notice boards to try and prevent further illegal dumping in this area once cleaned.

8.4.2 Personnel

The waste service is rendered together with other municipal services in the Municipal area, therefore no organogram for waste management as a stand alone exists in the Municipality. The personnel in Boknes/Cannon Rocks, Bathurst and Seafield are shared between the Community/Protection and the Infrastructural Development departments and thus they also render infrastructure related functions including water and sanitation, sewerage and storm water, roads and other general works. The Municipality is experiencing shortages of labour for waste collection; especially in peak holiday seasons, as well as for the proper management of the waste disposal facilities. The vacant positions within the Community/Protection Services section of the Municipality have been removed from the Municipal organogram on instruction of the Council. Posts will have to be created for the additional services that will have to be rendered with new developments and for the proper management of the disposal facilities.

The current personnel system is not effective. Personnel cannot specialise in a specific field of interest and this creates uncertainty in the personnel's abilities. Personnel cannot develop specific skills if they work in other sections as well. It is suggested that the organogram reflects a waste management section and that personnel in that section be utilised for the purpose of waste management only.

8.4.2 Equipment

The Ndlambe Municipality has most of its refuse removal vehicles that are old and are long overdue for replacement. Maintenance of the fleet is carried-out internally and due to, perhaps, the workload at the municipal workshops, delays and / turnaround times for vehicles to be repaired timeously are a challenge that impacts negatively on the service. This needs urgent attention.

8.4.3 Landfill sites

The Ndlambe Municipality has nine landfill sites (including transfer stations), viz. Alexandria landfill, Bushmans River Mouth landfill, Kenton-on-Sea landfill, Bathurst landfill and Port Alfred landfill. The Seafeld, Cannon Rocks (2 sites – one used for household refuse and builders rubble and the second used for garden refuse) and Boknes sites are regarded as transfer stations. All the sites are managed by the Municipality. Only the Port Alfred site is permitted/ licensed in accordance with section 50 of the National Environmental Management: Waste Act of 2010, (Act 59 of 2010) – previously issued under section 20 of the Environmental Conservation Act of

1989. Paragraph 2.5.2.2 above depicts the kind of financial injection required to get Council to comply with the provisions of the NEMA Act and its secondary legislation, the Waste Act.

8.4.4 IWMP implementation

Since the draft IWMP was developed in 2007, there has been no investment to implementing the recommendations and / or the financial plan as contained in the plan. This has virtually meant that there has been no improvements to all facets of the waste management plan implementation. In order to ensure that the recent legislative requirements are taken cognisance of, Council will have to re-visit and update the IWMP in the 2011/ 2012 financial year. This state of affairs will require Council to re-look at the distribution of its Municipal Infrastructure Grant (MIG) funding.

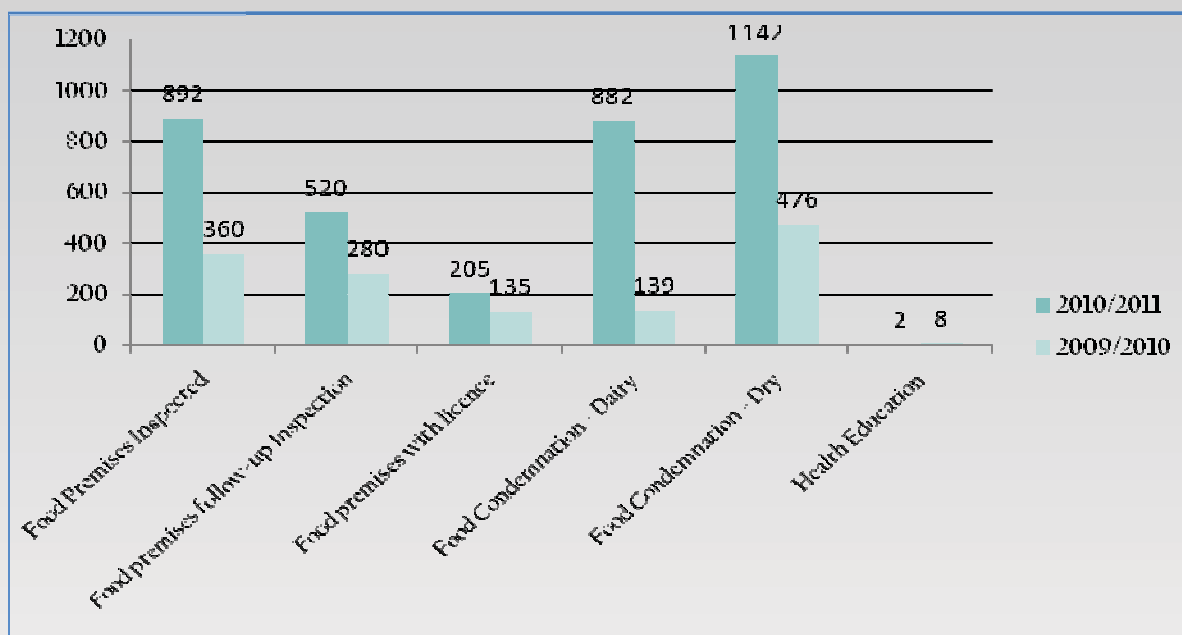


9 ENVIRONMENTAL HEALTH

Inspections

Inspection of food premises is one of the most important KPI's of Environmental Health Services. There was an increase of food premises inspection in comparison with 2009/2010 financial year and 2010/2011 financial year a total of more than 50% of food premises were inspected.

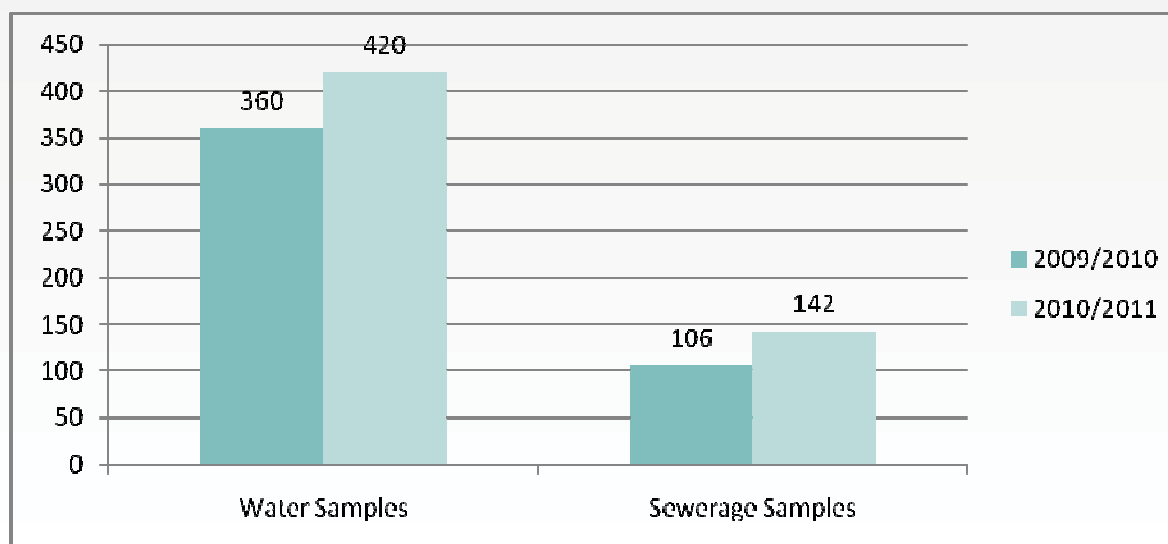
Figure 1 - Comparative Analysis of Inspections carried out.



Water / Sewerage Analysis

As part of the monitoring programme for water samples, the table below will show the comparison of 2009/2010 financial year and 2010/2011.

Figure 2 - Comparative Water & Sewerage Analysis

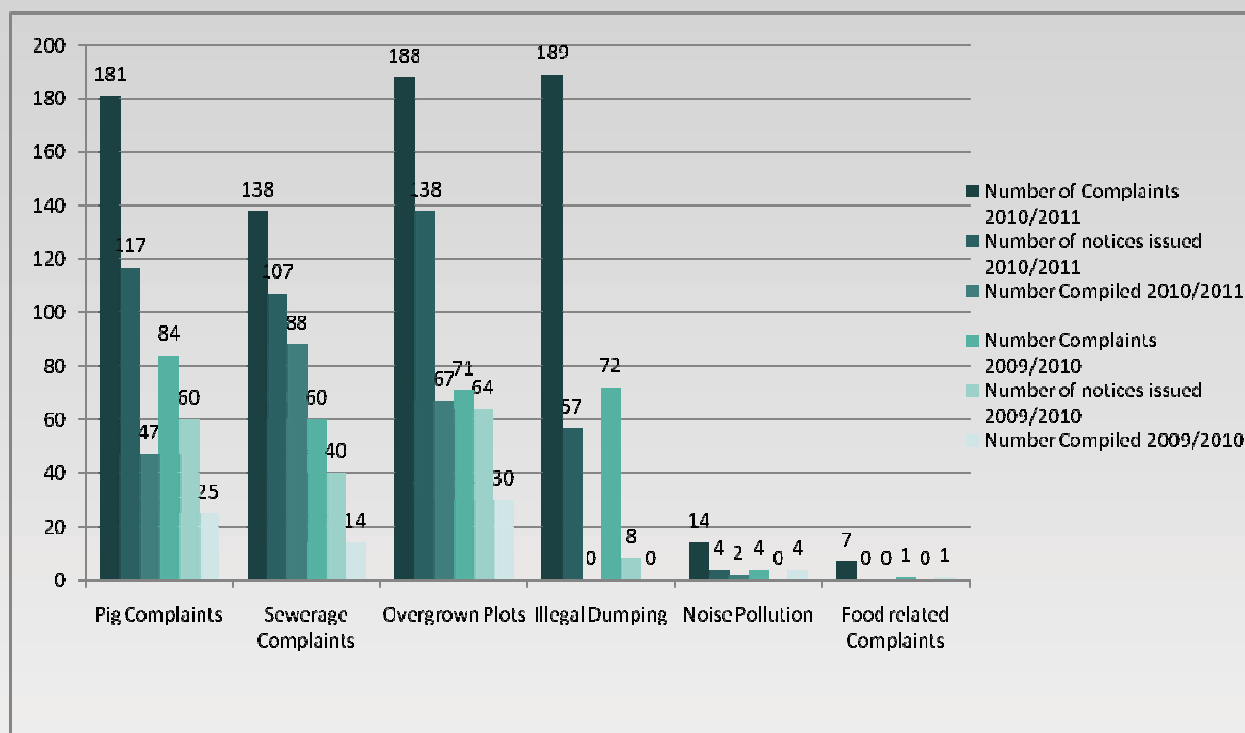


Environmental Health Related Complaints

Environmental health is concerned with all aspects of natural and built environment that may affect human health. There was an increase 30% in environmental health related complaints in comparison with 2009/2010 financial year and 2010/2011 financial year.

The table below shows environmental health complaints received during the 2010/2011 financial year. Approximately seven hundred and twenty (720) environmental health complaints were attended to and are as follows:

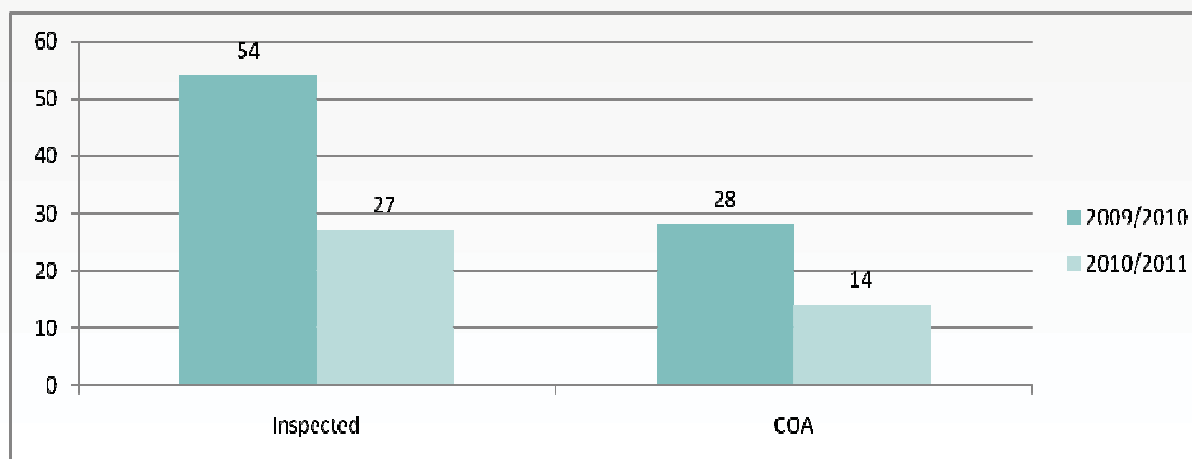
Figure 3 – Comparative Environmental Health Related Complaints



Dairy Farms

Fifty eight (58) dairy farms were inspected. Dairy suppliers in the Ndlambe area are Clover, Parmalat and Woodlands. Thirty eight (38) dairy farms have Certificates of Acceptability (COA) and twenty (20) dairy farms have provisional certificates.

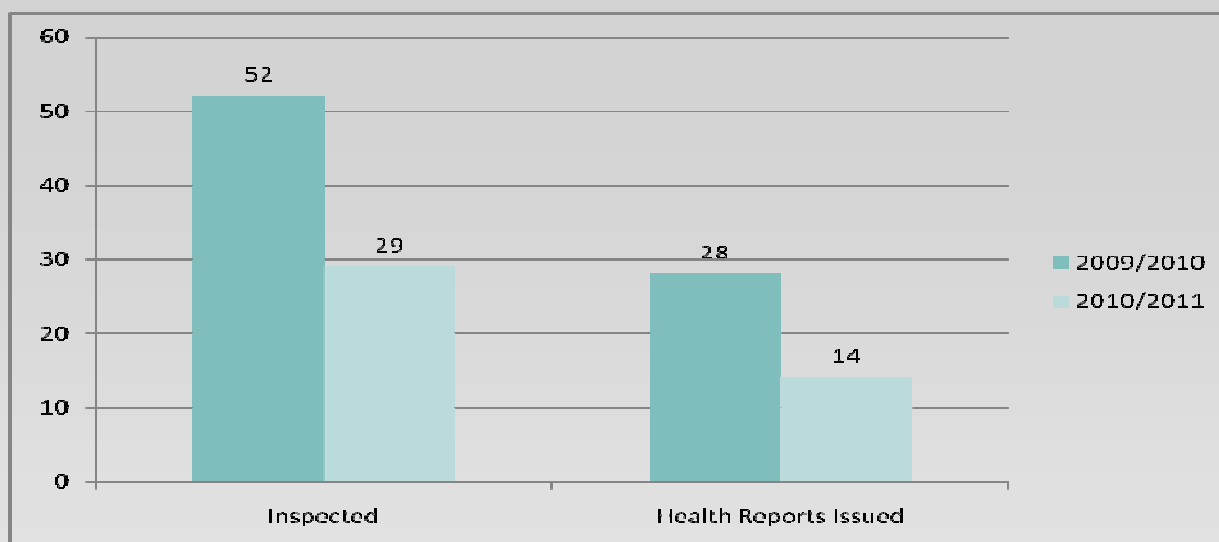
Figure 4 – Dairy Farm Inspections



Day Care Centres

Fifty four (54) inspections were carried out at Day Care Centres during this period. Various recommendations were made and health reports were issued to and submitted to the Department of Social Development office in Grahamstown.

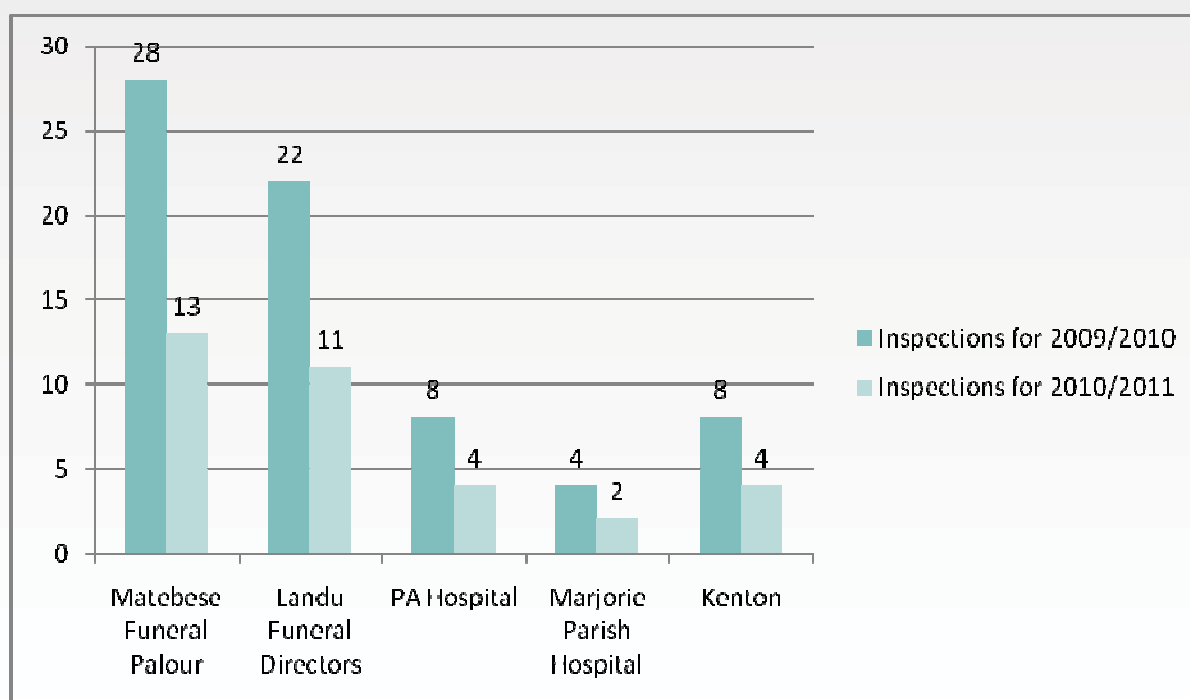
Figure 5 – Comparative results for Day Care Centres



Funeral Parlour

Six (6) funeral Parlours were inspected including two Governmental mortuaries (PA Hospital & Marjorie Parish Hospital). These inspections were done to ensure compliance with relevant applicable legislation including the Regulation Relating to Funeral Undertakers.

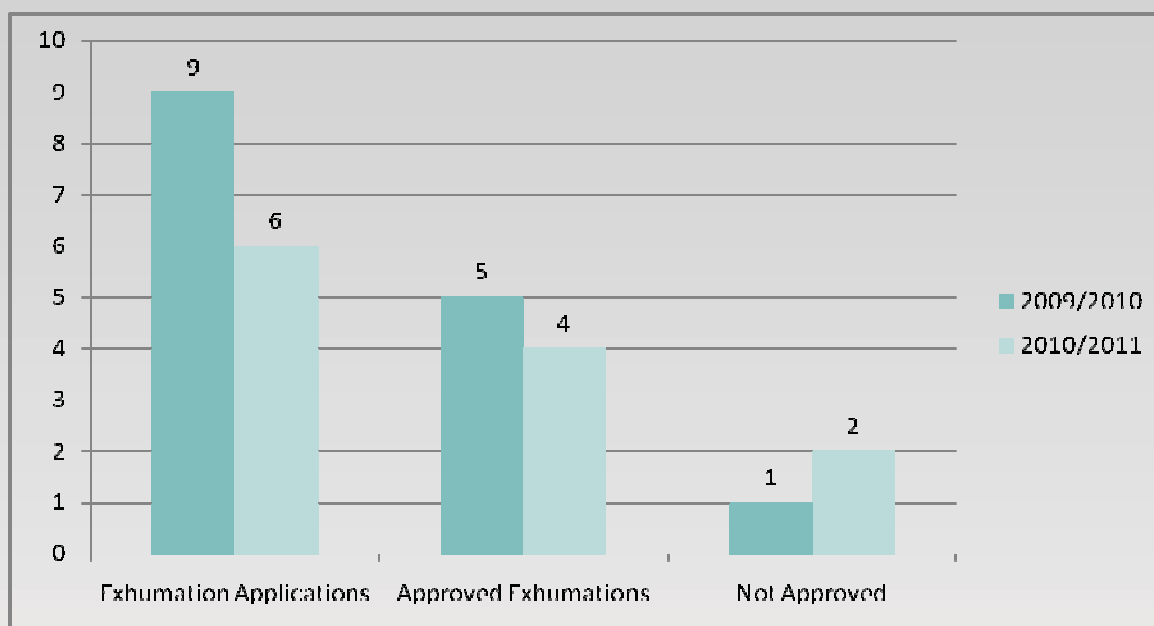
Figure 6 – Comparative Inspections for Funeral Parlours



Exhumations

Nine (9) bodies were exhumed and re-interred during this period. These operations were carried out by authorized undertakers on behalf of the various families. All attempts are made to ensure the operation is done in the presence of an Environmental Health Practitioner and Health legislation is strictly adhered to.

Figure 7 – Comparative Exhumation Applications



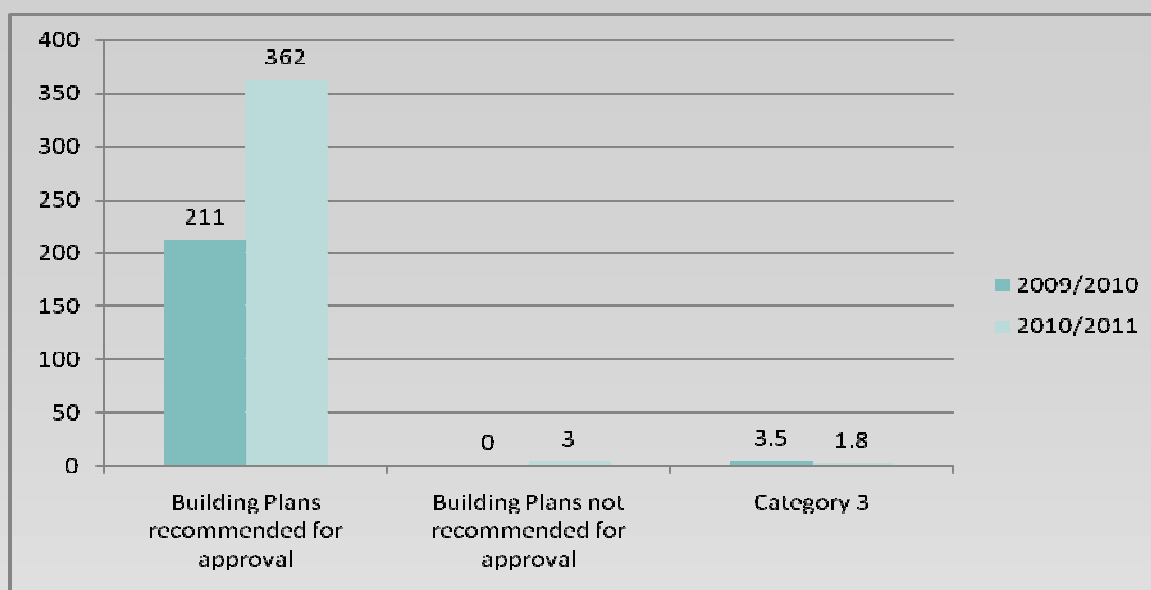
Environmental Health Related Projects

Two Environmental Health projects were implemented in Ward 7 and Ward 4. The Clean-up project was done during the 1 and 2 January 2011.



Building Plans

Approximately 573 building plans were scrutinized and recommended for approval.



Challenges

- Training needs for Environmental health Practitioner were submitted to the Directorate, but no training was provided for EHP's for the 2010/2011 financial year.
- No policies in place regarding businesses being operated in RDP houses.
- The implementation of Municipal By-Law in terms of the Admission of Guilt Fines is not yet in place or approved by the local Magistrate.

Incorrect addresses and/or names and details are provided from the patients and/or hospital for the weekly diarrhoea reports received primarily from PA Hospital.

Achievements

- A new vehicle received from Cacadu District Municipality
- Senior Environmental Health Practitioner was appointed as a Peace Officer.

Senior Environmental Health Practitioner was nominated as the representative for the Health & Safety Committee for Community / Protection Services.

Meetings

Only 11 meetings were attended by Environmental Health Practitioners in 2010/2011 financial year.

10 ENVIRONMENTAL CONSERVATION

Synopsis

This section's Mission is the: **“PROTECTION, PRESERVATION AND SUSTAINABLE UTILIZATION OF FAUNA; FLORA AND OUR NATURAL RESOURCES TO BENEFIT PRESENT AND FUTURE GENERATIONS”**

Key performance areas:

- Blue Flag beach management (All beaches)
- Environmental Education
- Environmental Compliance (Marine; Estuaries; Terrestrial)
- Nature Reserve Management

BLUE FLAG BEACH MANAGEMENT *KELLY'S & KARIEGA FLAG BEACHES*

STAFF

- Senior Conservation Officer's portfolio covers Blue Flag beaches; Beaches and Nature Reserves, but in June 2011 the incumbent in this position resigned from the municipality (by end June 2011 the position is vacant)
- One permanent staff member in that of a Blue Flag beach attendant and one permanent staff member working every alternative weekend and public holidays.
- Assistance from Coastcare with the Kariega Blue Flag beach.
- Appointed 6 contractual lifeguards.
- Vacancies in this section: Environmental Education Ranger and that of Senior Conservationists: Reserves and Beaches

BLUE FLAG STATUS BEACHES

- Ndlambe municipality only applied for two full status beaches as the storm damage to the infrastructure at Bok-

nes made it not possible to apply for it.

- Overcoming a limited budget our section applied for a 4 month season (1 December 2010 to 31 March 2011) and we also applied for an extra month status for April 2011 (due to the school holidays and the public holidays)
- Ndlambe municipality was awarded at the National Blue Flag launch in Mossel Bay two (2) full status Blue Flag beaches from the Minister of Tourism Mr van Schalkwyk.
- The 2 beaches are:
 - Kelly's Blue Flag Beach (Port Alfred): Ward 7 (6th season in a row)
 - Kariega Main Beach (Kenton-on-Sea): Ward 3 (2nd season in a row)



Minister of Tourism awarded 2 Blue Flags to Ndlambe municipality

- The ablution and all other facilities were maintained to meet Blue Flag status 7 days per week for the duration of waving the flag.

- During this period 4 unannounced visits were carried out by the Blue Flag South Africa Inspector. During all these inspections obtained 4 and 5 star status for both beaches, with the last inspection on the 30th April 2011. (Kelly's = 85%; Kariega = 82%)

Number of points	Star Rating
40-49	
50-59	
60-69	
70-79	
80-100	
Rating achieved:	
Comments:	
Achieved 5 star – well done.	
Evaluation by: Alison Kelly (January 2011)	

“The beaches were spotless and well managed” Alison Kelly (National Blue Flag Coordinator)
Extract out of Blue Flag Unannounced visit conducted by Alison Kelly in January 2011

- By middle January 2011 till end of the Blue Flag season (end April 2011) Ndlambe municipality was the only municipality waving the Blue Flag in Cacadu District Municipality area and the whole of the Eastern Cape, the only two Blue Flags. This made Ndlambe waving two of only 25 Blue Flags in South Africa.

BLUE FLAG BEACHES (Mondays – Fridays and selected public holidays & weekends)	NUMBER OF VISITORS (1 st Dec 2020–11 Jan 2011)
Kariega Blue Flag Beach	11080 (1606 vehicles)
Kelly's Blue Flag Beach	14513 (4441 vehicles)



Kariega Main Blue Flag Beach & Kelly's Blue Flag Beach during December festive season 2010/2011

BLUE FLAG LIFEGUARDS

- 3 Contractual lifeguards were appointed for the duration of the Kelly's season. They are from the Port St Johns area and they have been with us for 3 seasons.



Lifeguard training exercise with NSRI Special award for rescuing 2 girls at Kariega

- 3 Contractual lifeguards were appointed for the duration of the Kariega Main Beach season, from the Port St Johns area and this is their second season after starting in middle January 2010 with us.
- The lifeguards at Kariega also received a special award for rescuing 2 youngsters that nearly drowned, out the Kariega river lagoon.

WATER SAMPLING

- Water samples were taken on a 2 weekly basis throughout the duration of the season and 100% of all samples taken were far below the minimum requirements for Ecoli and Streptococci as per Blue Flag standards.

COASTCARE TEAM

- The DEA approved a R10 million Coastcare programme over 3 years continued and came to an end at the end of March 2011. This project was

shared between Ndlambe municipality and Ngwusha municipality.

- 2 teams operated in Port Alfred and Kap River Nature Reserve and 2 teams in the Kenton-on-Sea area, with a dedicated team operating at Kariega Main Beach.
- Partnership with MBB Consulting Engineers managing the DEA Coastcare project in Kariega Main Beach greatly assisted us in achieving this status and high standards.

NEW YEARS DAY "BEACH BUDDIES" CLEAN-UP



1 & 2 January 2011 Clean-up campaign

- From 1 January 2011 up until 3 January 2011 the anti-litter campaign, Beach buddies, took place at Kariega Main Beach.
- This was again a huge success. Partnerships were entered into between the following roleplayers, and the project was managed by Ndlambe Environmental Conservation:
 - Ndlambe Environmental Conservation; Environmental Health; Parks & Refuse (Kenton-on-Sea)
 - KOSRA; BKEC; Coastcare / MBB; SAPS

Staff compliment from 1 – 3 January 2011:

- 2 x Coastcare staff: Access control in the form of an “expanda barrier” limiting the number of vehicles.
- 2 x Coastcare Ablution attendants (1 x male ablution and 1 x female ablution attendants); 2 x Coastcare Parking attendants / security; 3 x Coastcare Cleaning staff
- 17 x Beach Buddies (10 x Ekhuphumleni; 7 x Klipfontein / Marselle)
- 1 x Representative from KOSRA (volunteer)
- 1 x Representative from BKEC (volunteer)
- 2 x Members from ratepayers (volunteer)
- 1 x Manager: Environmental Conservation
- 1 x Environmental Health Inspector
- 1 x Parks & Refuse superintendent

Operational hours from 1 – 3 January 2011:

- 1 January 2011: 04h30 – 20h30 (16 hrs)
- 2 January 2011: 03h30 – 19h30 (16 hrs)

- 3 January 2011: 04h30 – 08h30 (04 hrs)

Per person hours from 1 – 3 January 2011:

9 x Coastcare x 36 hrs	324
17 x Beach buddies x 36 hrs	612
3 x Management staff x 36 hrs	108
TOTAL	1044 hrs

Litter collected:

- A total of 5 skip bins were collected over the Beach Buddies program:
- 2 x Green Glass recycle skip bins
- 3 x Yellow skip bins (for plastics; paper; etc)
- A total of 1500 black bags were used over the period.
- 27 Skinny bins were placed on the beach.
- 4 x Bakkie loads of litter was transported by means of 4x4 off beach
- 2 x bakkie loads of litter collected at Middle beach

FESTIVE SEASON LIFEGUARDS

- Ndlambe advertised for 22 contractual lifeguards for the Beaches other than Blue Flag beaches in its jurisdiction to be managed by the Environmental Conservation Unit.
- Appointed a Lifeguard supervisor on contract for the 6 weeks period.
- At West Beach, Port Alfred, 2 x Beach wardens were appointed to ensure that no member of the public enter the West beach water due to the dangerous currents on this beach.
- Due to limited qualified applications received only the following beaches were serviced by the lifeguards:
 - East Beach; Boesmans river beach & Boknes beach

ENVIRONMENTAL EDUCATION

AREA OF ACTIVITY	PERSON TARGETED	FOCUS AREA
Kenton Primary School	20 pupils	Environmental Awareness around school
Kariega Main Beach	175 pupils + 12 teachers	Beach clean-up and Blue Flag awareness as part of Arbor / International Coastal Clean-up day
Kelly's beach	40 children	Lifeguard / First aid training / awareness
Kap River Reserve	25 pupils & 5 adults	Conservation Club camp and education outing at Kap River
Kariega main beach	78 local + 11 visiting + 3 adults	EE Centre displays
Kap River Reserve	150 pupils (St Andrews)	Reserve & environmental topics
Kelly's beach	100 families	Handing out information leaflets (blue bottles; blue flag & jellyfish)
Kariega main beach	180 + 58 pupils	Lifeguard training / marine display
Kariega main beach	100 families	Handing out information leaflets (blue bottles; blue flag & jellyfish)
Boesmans river estuary	30 Kenton Primary Pupils	Wetlands Day: wetlands awareness
Fish River Wetand & Duck-pond	30 adults (Coastcare)	Celebrate Wetlands week in February by cleaning wetlands
Rotary Club Talk	40 adults	Kariega Blue Flag status powerpoint
Diaz Bird Club Talk	40 adults	Ndlambe Conservation overview
Happy Hours Grade R	35 pupils	Gave brief talk on conservation and handed out educational posters
Kelly's Beach	90 Happy Hours pupils & 25 adults	Beach outing; lifesaving demonstration; beach awareness raising
Kelly's Beach	35 Grade R pupils	Intertidal rock study outing
Stenden University	30 Dutch students	Talk on the environment of Ndlambe
Cannon Rocks	15 Home-schoolers from Kenton / Boesmans	Outing on dune biodiversity and Blue Flag principles
Kirstenbosch	500+ scholars from Cape Penninsula schools	Biodiversity EXPO: Ndlambe municipality Environmental Conservation stand
Port Alfred	30 x Grade 1 pupils	Value of the Environment to today's youth



11 ENVIRONMENTAL COMPLIANCE

STAFF

- The Environmental Law Officer that was appointed in August 2009 left the institution at the end of November 2010. (By end of April 2011 the position still wasn't filled due to the moratorium put on the filling of staff).
- An Honorary River Control Officer was appointed on a contractual basis to assist with random boat patrols on the Kowie river and other rivers as required.
- The Auxiliary River Control Officer for Kenton / Boesmans resigned in September 2010 and to date the position is still not filled (due to the moratorium put on the filling of staff).

PARTNERSHIPS

- A partnership was entered with the Honorary Fishery Conservation Programme based in ward 3 & 4 to assist with river patrols on the Boesmans and Kariega rivers with the Acting ELO and Auxiliary River Control Officer.
- There is a continued partnership and close working relationship between the Ndlambe Conservation Unit and:
 - SAPS
 - Ndlambe Traffic
 - Multi Security
 - SAPS Dog Unit (Species Protection)

PROTECTION OF SPECIES

- On a sad note, 2 White rhino were killed for their horns in January and February 2011, both on Kariega game Reserve outside Kenton-on-Sea. Our conservation section visited the crime scene that was managed by the Species Protection Unit and the Environ-

mental Management Inspectorate.

- The cutting down of Milkwood trees are administered by the Department of Forestry and for the Ndlambe region the office is based in Port Elizabeth.
- The issuing of permits for protected species such as Cycads, Oribi as well as hunting; transport and possession permits are administered by the Department of Economic Development and Environmental Affairs (DEDEA) based in Grahamstown.
- Abalone poaching has declined over this period but there is a steady increase of illegal harvesting of abalone by local residents on foot and at night.
- Illegal bait harvesting on the mud banks of the Kariega, Boesmans and Kowie river continues. This is the core mandate of Marine and Coastal Management, but out conservation department assist where and when we are available.

BOAT AGENCIES

- The Small Boat Harbour company and Boesmans Kariega Estuary Care were the 2 Boat registration Agencies that sold boat licenses to boat users on the rivers in Ndlambe.
- Total number of boat licences sold to date for the 2010/2011 season are as follows:

Agencies	Nr Licenses: 2009/2010	Nr Licenses: 2010/2011
Port Alfred Small Boat Harbour	902	0
Boesmans Ka- riega Estuary Care	844	0

- Total monies received through boat licenses sold are:

	Nr Licenses: 2009/2010	Nr Licenses: 2010/2011
Horse Power Levy	489 503.92	0
River usage fees	110 539.40	0

- Patrols were carried out on rivers (using the Ndlambe patrol vessels at our disposa)l by the Acting ELO, Auxillary River Control Officer, Mr Craig Naude and partnership with Honorary Fishery Control Officers are as follows:

Area of operation	Nr of Patrols 09/10	Nr of Patrols 10/11
Round Hill Nature Reserve	14	Daily
Kap River Nature Reserve	10	Daily
Fish River Nature Reserve	23	Weekly
Fish River	8	3*
Kowie River	26	44**
Kariega River	16	28**
Boesmans River	15	26**
Joan Muirhead Nature Reserve	6	2*
Eric Putney Section	8	2*
Boknes and Cannon Rocks	3	2*

For noting:

(*) *No River Control Officer based in KOS/BRM for the whole financial year to carry out patrols*

(**) *The River patrols exceed the previous financial year. It must be noted that these patrols were from December to end of April only.*

Daily patrols continuing regarding fencing; poaching and game census in the Kap river and Round Hill Nature Reserve.

Increase in the number of boat patrols even though the Environmental Law officer left the institution.



Partnership: Ndlambe River Control with Honorary Fishery Conservation Officers patrolling the Boesmans river

- Kap Reserve is patrolled on a daily basis by the Rangers and continual night patrols and operations were carried out when required.
- Patrols in the Erica Pudney and Joan Muirhead Nature reserve were limited due to the River Control officer and Environmental Law Officer leaving the department in the 2nd quarter and the position not filled to date.
- With the above in mind there is an increase in the number of boat patrols due to sterling work by the Acting ELO, Auxiliary Officer and partnership with Honorary Fishery Conservation Officers.

Summary of patrol monitoring: December 2010 – June 2011

Type of offences	Dec 2010	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	June 2011	TOTAL
Boats with licenses	451	551	13	26	183	22	15	1261
Boats without licenses	110	103	3	11	37	4	3	271
Operate above wake speed	14	12	0	3	1	0	2	32
No red flag visible (skier)	5	6	0	1	5	0	0	17
U/age operating boat	2	0	0	0	0	0	0	2
Skiing outside ski zone	6	4	1	1	1	0	0	13
No lifejacket (skiing)	2	1	1	0	0	0	0	4
No license displayed	1	0	0	0	0	0	0	1
Boat overloaded	1	0	0	0	0	0	0	1
Passenger block view of skipper	1	0	0	0	0	0	0	1

EVENTS

- Ndlambe Compliance Unit authorize and monitor compliance during events on the Kowie and other rivers and beaches, by conducting patrols and boating control:
 - Border Inter-City Canoe Race – Kowie (August)
 - University Boat race – Kowie (September)
 - SA School Boat Race – Kowie (December)
 - Cannon Rocks Kite surfing competition (January)
 - Kenton Xtreme – Kariega (May)

NATURE RESERVE MANAGEMENT

Staff:

- The Senior Conservationists portfolio incorporated both Nature Reserve Management and Blue Flag Beaches (the position is now vacant since 12 June 2011)
- One Ranger position is vacant and there are 2 rangers and one lodge attendant that are permanent staff members in the reserve section.

Reserve management:

- A Strategic Plan was compiled for the Nature Reserves namely:
 - Kap River reserve
 - Great Fish River Nature Reserve
 - Roundhill Oribi Reserve
 - Ghiyo Wetland Reserve
- A contingency from the Cacadu District Municipality visited the nature reserves in February 2011 and was very impressed on how our section is managing these reserves.
- Facilities that generate income at the Kap River Reserve. These facilities are:
 - Guest Lodge; Fig tree campsite; Canoe trail; Hiking trail; Fisherman Cottage; Fish River camping ground

Accommodation establishments (per person nights) – December 2010 / January 2011

GUEST LODGE	FISH COT-TAGE	XHOSA HUT	FIG TREE	ORCHARD	FISH RIVER CAMPING
158	8	2	6	6	506

Access control: Kap river nature reserve

- Erect an access control hut on 16 December 2010 at entrance to the Kap River Reserve; manned by 1 x casual for the period 17 December 2010 up until 2 January 2011. Money generated for access control: R 5368,00

Access control: Fish River Wetland reserve

- 4 x casual access control for the period 15 December 2010 up until 2 January 2011. 2 x casuals on duty from 05h00 – 13h00; 13h00 – 20h00. Money generated for access control: R 9 067,00.

Income breakdown for December 2010: R25 695,00

GUEST LODGE	FISH COT-TAGE	XHOSA HUT	FIG TREE	ORCHRD	FISH RIVER CAMPING	KAP ENTRY FEE	CANOE TRAIL	FISHING
5000,00	896,00	100,00	215,00	600,00	9067,00	5368,00	4318,00	5170,00

Staff compliment: (contractual)

1 x Kap River access control casual from 17 December 2010 – 2 January '11:

- 17 days x 8 hrs = 136 person hours

1 x Cleaner / general work from 14 – 16 December 2010; 3 – 7 January 2011:

- 8 days x 8 hrs = 64 person hours

1 x Cleaner / general worker from 14 December 2010 – 7 January 2011:

- 25 days x 8 hrs = 200 person hours

4 x Fish River access control casuals from 15 December 2010 – 2 Jan. '11:

- 18 days x 4 casuals x 8 hours = 576 person hours

INCOME GENERAT- INCOME GENERAT-

R57 548.22

R25 695,00 (Dec 2010)

Coastcare / Ranger team / Reserves partnership:

- A Ranger team consisting of 5 members continued duties up until November 2010 after which political interference lead to the disbanding of the team.
- Their operational focus are:
 - Access control
 - Alien invasive plant removal
 - Hiking trail maintenance – this team cleared and re-routed the Kap river trail and are maintaining it.
 - General routine work at reserve
- From January 2011 up until end of March 2011, 20 additional Coastcare members were deployed at the Kap River Nature Reserve to assist with alien eradication.
- From 15 December up until 2 January 2011 4 temporary employees were appointed to issue camping

permits at the Great Fish River Wetland Reserve.

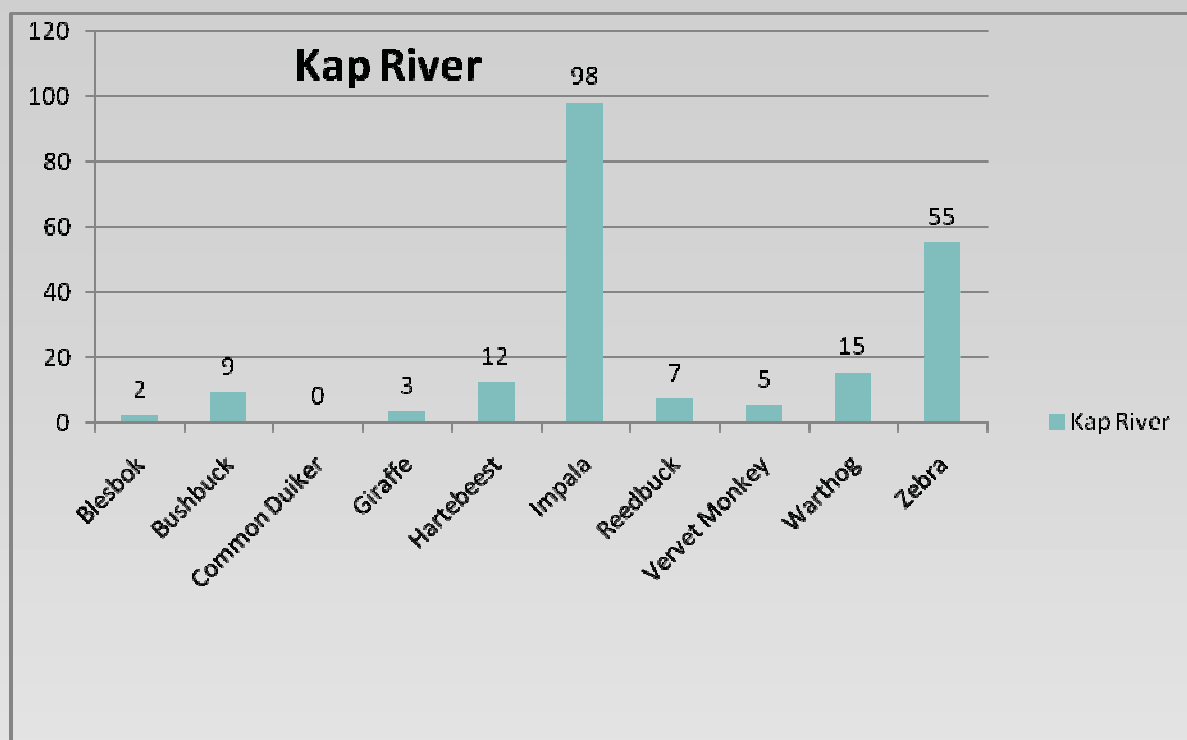
- An access control hut was erected at the R72 entrance to the Kap River Nature Reserve and it was manned over the festive season and on an ad hoc basis over the weekends. The staff used was from the Coastcare programme.
- Educational groups visited the reserve throughout the period using the Kap River and its facilities to understand the biodiversity and sustainable utilization of wildlife.

Game count latest statistics (Mid June 2011):

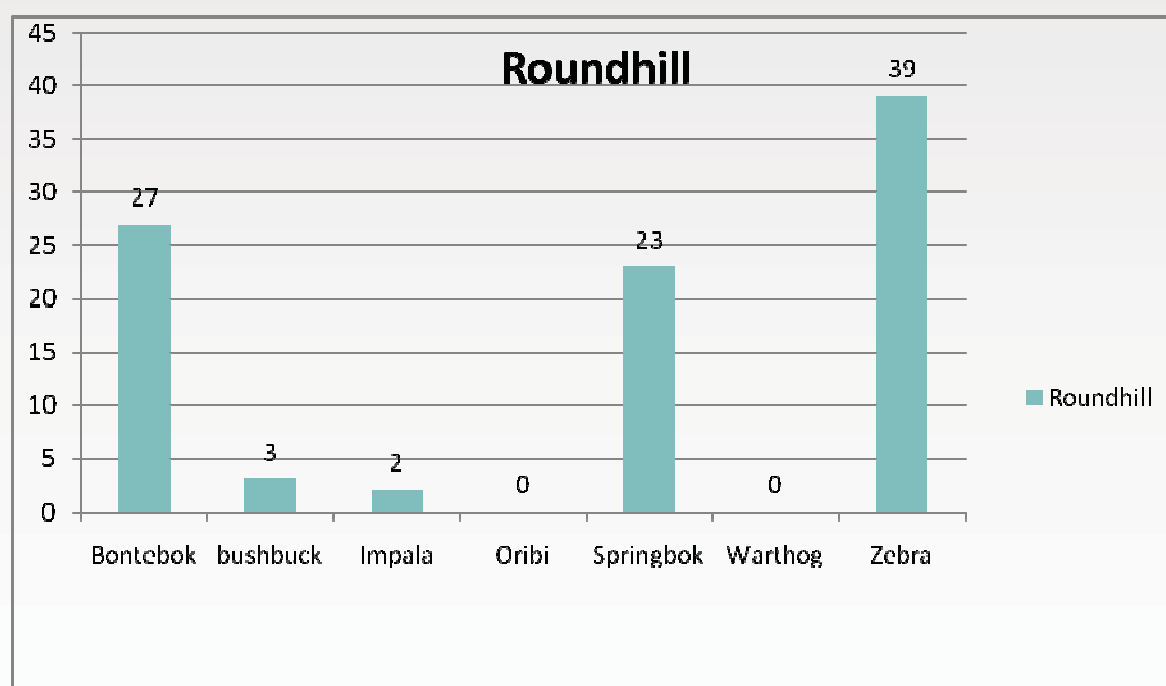
- Regular game counts are carried out at both the Kap River and Roundhill nature reserves.
- An audit was done of the game at Kap River and Roundhill Nature reserve during the last week of June 2011. Latest game count figures prior to that audit were done early in June 2011 and are listed below:

	Kap River	Roundhill
Blesbok	2	-
Bontebok	-	27
Bushbuck	9	3
Common Dui-	0	0
Eland	-	-
Giraffe	3	-
Hartebeest	12	-
Impala	98	2
Oribi	-	0
Reedbuck	7	-
Springbok	-	23
Vervet monkey	5	0
Warthog	15	0
Zebra	55	39

Counted game species at Kap River.



Counted game species at Roundhill Nature Reserve.



Visit by TV star at Port Alfred on 02 September 2010



MVA's ATTENDED DURING 2010 / 2011



ROAMING CATTLE WAS ALSO A CHALLENGE DURING 2010 /2011



INTRODUCTION AND OVERVIEW

The Traffic Department of Ndlambe consists of the following services;

- Law Enforcement
- Driving and Learner License testing (DLTC)
- Motor Vehicle Licensing and Registration (MVRA)
- Technical Section (Road Paintings and Signage)
- Traffic Contravention System (TCS)

THE ROLE OF THE TRAFFIC DEPARTMENT

Law Enforcement: There are four Traffic Officers that render law enforcement services throughout the entire Ndlambe Municipality area of jurisdiction. The services rendered include patrol duties, speed measuring, attend accident scenes, point duties, community projects (driver of the year), and education, serve warrants of arrests and escort duties at events.

DLTC (Driving Licence Test Centre): There are two testing centres within the Ndlambe Municipal area (Port Alfred and Alexandria). There are six members, two ENaTIS Clerks, three Traffic Officers and one Learner License Examiner that render these services. The services include the appointments for learner and driving licences, eye tests, testing of applicants, capturing of information relating to learner and driving licenses onto the National Traffic Information System (ENaTIS) and filing of documents.

Motor Vehicle Registration and Licensing (MVRA): There are two MVRA's within the Ndlambe Municipal area (Port Alfred and Alexandria). There are three ENaTIS Clerks who perform the-

se duties. The services include the licensing and registration of vehicles, deregistration of vehicles, issuing of temporary permits and the application and issuing of duplicate registration documents.

Technical Section: There are three members who are responsible for the maintenance of road signage and road markings throughout the entire Ndlambe Municipal area of jurisdiction. These members do the painting of road markings on the roads and the erection of signage. The members are also responsible for the removal of illegal signage/banners.

TCS: There is one member in this section who is responsible for the capturing of data onto the TCS system and the preparation of the court roles and control of warrants of arrests. This person is also responsible for the liaison between the court and the traffic department.

CHALLENGES

During the financial year 2010/2011 the section faced many challenges. During February 2010 the eNaTIS Senior Clerk Mr J Human took pension and her post was left vacant at the Alexandria Motor Vehicle Licensing and Registration section. In order to deliver this service to the public it was decided that Mr S Mgudwa would be moved from Port Alfred to Alexandria on a temporary basis. During 2010 the vacant post of the eNaTIS clerk was spilt into two posts namely, clerk MVRA and a grade "F" DLTC clerk. These posts was advertised but during the short listing process and the intravenation of the unions,

there was a decision taken that the post be readvertised catering for internal people. However up to date the post are still vacant.

During October 2010 two members operating on the eNaTIS was blocked by the Special Investigating Unit (SIU) due to the members using each others passwords. The SIU took eighty two driving license files (DL 1) from the Alexandria DLTC in order to investigate possible fraudulent activities that might have taken place. However from the SIU report received no fraudulent activities could be proven against the two members involved. The members were however not activated on the eNaTIS by the SIU after the investigation was finalized. To date no disciplinary action was instituted against the said members. The eNaTIS clerk MVRA was then placed back at Port Alfred to assist with administrative duties due to him not being able to gain access to the system. The examiner for driving

license is currently still testing driving licenses at Alexandria. However he cannot access the eNaTIS system and the Chief Traffic Officer had to travel back and forth to Alexandria and Port Alfred on a regular basis to have this service continue. In the interim one of the DLTC examiners for driving licenses passed away during May 2010 which left this post vacant and still not filed.

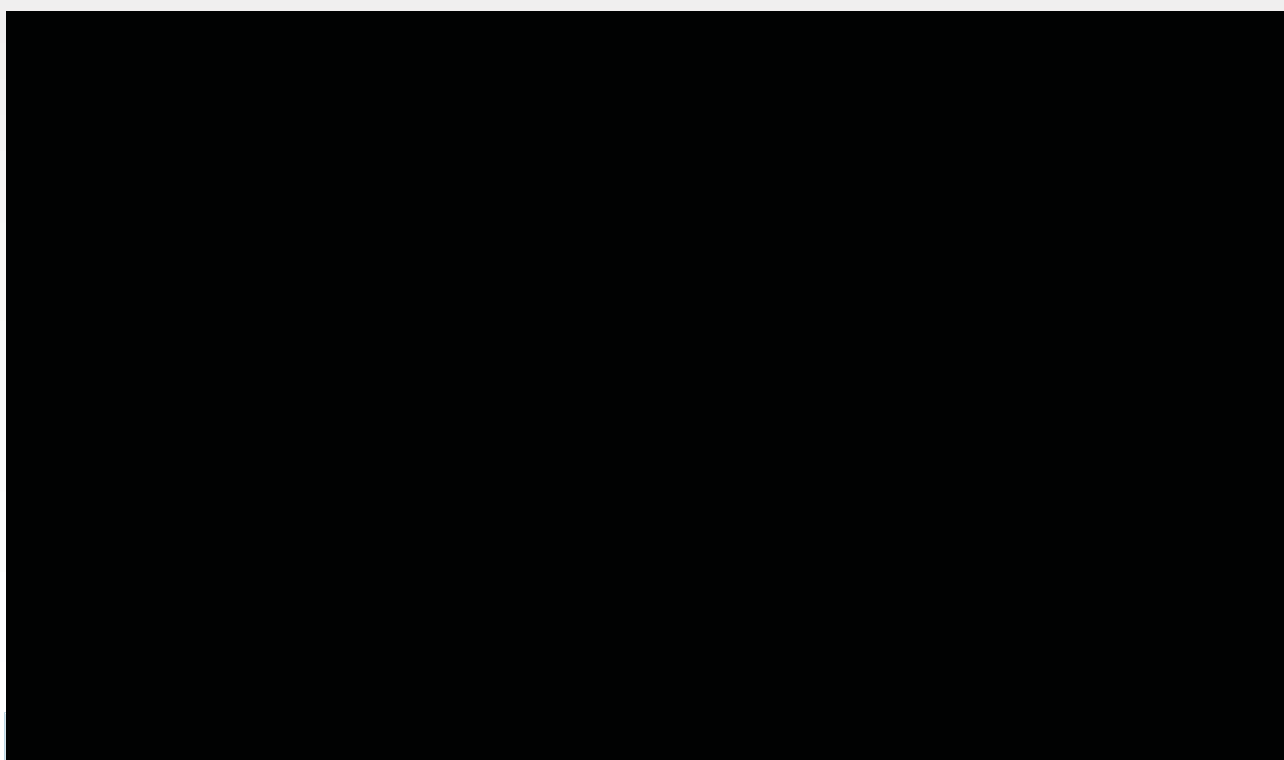
The shortage of patrol vehicles is also a challenge that the law enforcement component is facing. The service delivery regarding response time to emergencies is delayed. Officers have to share vehicles meaning that visibility of traffic officers on our roads have become problematic.

SUMMARY

The goals for the Traffic Department for 2010/2011 were to render an efficient and transparent service to the community and to reduce the audit queries that were raised.

PROGRESS

MOTOR VEHICLE LICENSING AND REGISTRATION



DRIVING LICENSE AND LEARNER LICENSES

	TOTAL	FEES COLLECTED
Issuing of Driving Licenses	2469	489096
Appointments for Driving Licenses LMV	632	187491
Appointments for Driving Licenses HMV	935	285675
Temporary Driving Licenses Issued	665	50145
Application for PrDP Category "G"	7	702
Application for PrDP Category "G" & "P"	452	45063
Public Driving Permits Issued	0	0
TOTAL	5160	1,058,172

Learners Licenses Appointments Made	1629	319749
Learners Licenses Issued	1125	78054
Duplicate Learner Licenses Issued	40	6690
TOTAL	2794	404,493

A total of **R 1,462,665.00** was collected by the DLTC's for 2010/2011 financial year

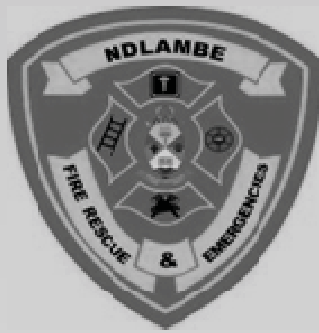
FEES COLLECTED BY TRAFFIC LAW ENFORCEMENT

Notices Paid 2010/2011	Value of Notices Paid 2010/2011	W.O.A served 2010/2011	Value of W.O.A Served 2010/2011
0	0	24	8600
0	0	0	0
12	4950	0	0
13	3200	19	10900
20	6800	22	9300
11	2500	32	12900
12	4700	180	79100
4	900	16	5700
6	3300	46	26800
78	26350	0	0
		339	153300

Income generated Law Enforcement R 179 650.00 for the 2010/2011 financial year

During the financial year 2010 / 2011 the following income was collected by the Traffic Section R 2, 578, 320.76

13 FIRE RESCUE



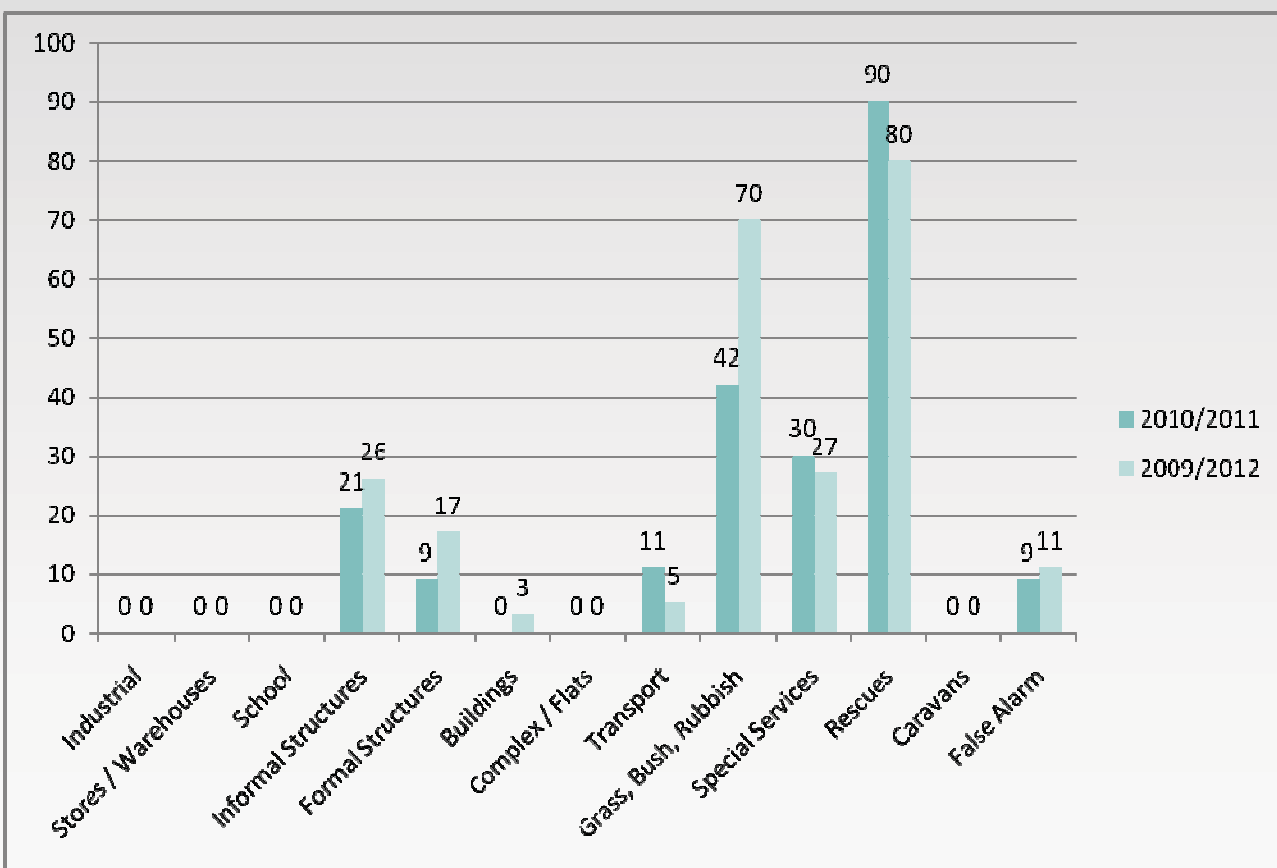
EMERGENCY SERVICES

Together with the forward looking of the Community Safety Plan and the backward looking Annual Report it allows us to fully comply with our requirements under or in terms of the Municipal Financial Management Act. No 56 of 2003 circular No.11 to report on our performance.

As Manager: Fire & Emergency Services of Ndlambe Municipality we are delighted to submit our 2010/2011 annual report which shows the annual activities and challenges we faced as a Fire Services.

1. INCIDENCE STATISTICS:

As you will see below is a tremendous decrease in formal structures and bush fires but an increase in rescues and truck fires between 2009/2011 2010/2011 fiscal year.



FIRE PREVENTION:

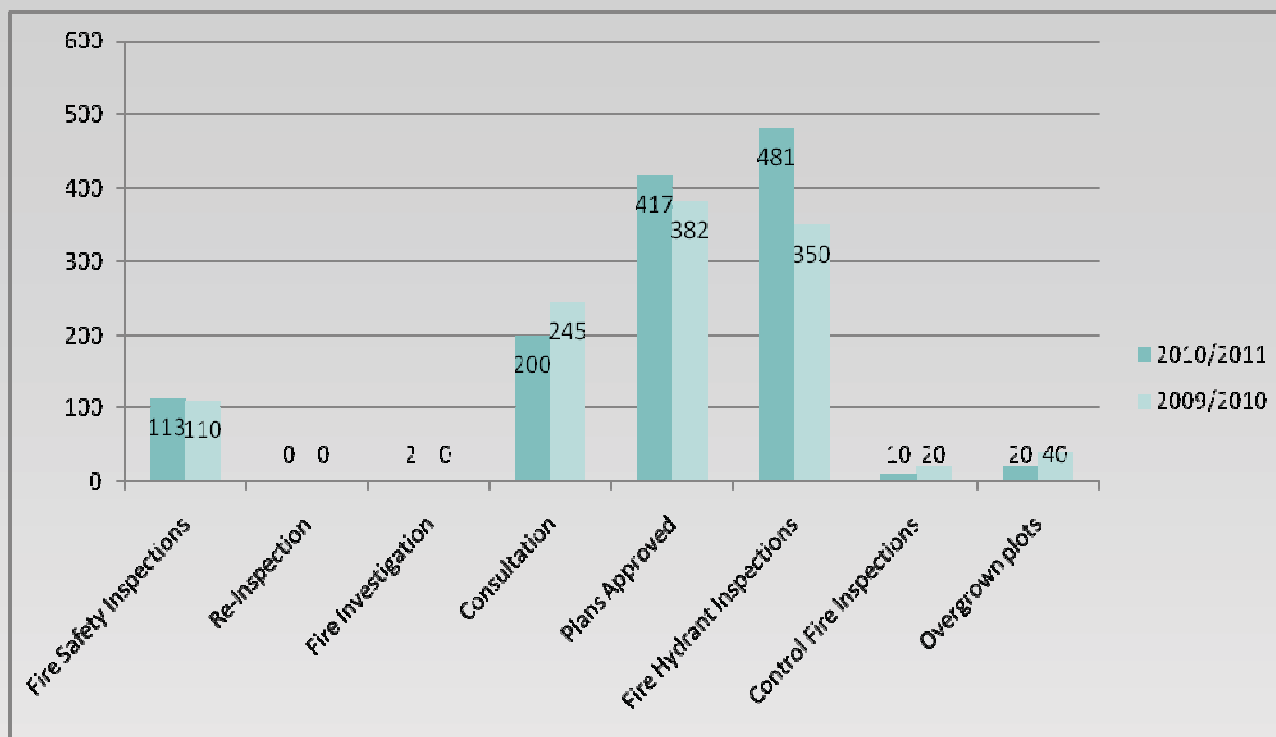
PURPOSE:

Fire prevention is to prevent, eliminate and/or reduce hazards that contribute to the occurrence and spread of fire and other hazardous incidence.

Fire prevention is one of the most important core functions of a Fire Services,

ADVANTAGES:

Fire prevention reduced overtime, vehicle wear & tear, unnecessary accidents whilst responding, Loss of lives and destruction of property. As you will see there is a definite increase in development due to an increase in plans approved.



TRAINING:

The minimum requirement training for a firefighter per month is 20 hours.

Training is essential but due to a shortage of staff the commander cannot conduct specialize training which need more than one person to carry this training.

A) STAFF TRAINING:

ACTIVITIES	HOURS FOR 10/11	MANHOURS FOR 10/11
Theoretical	458 hours	57.25 m.h
Practical	250 hours	31.25 m.h
Total	758.0 hours	88.5 m.h

B) PUBLIC TRAINING:

ACTIVITIES	TOTAL FOR 10/11	HOURS FOR 10/11
Theoretical	440.0	28.h
Practical	200.0	6.0 m.h
Total	640.0	34.h

C) PUBLIC ATTENDING TRAINING:

ACTIVITIES	TOTAL FOR 10/11	ADULTS	CHILDREN
Theoretical	830.0	100.0	730.0
Practical	400.0	50.0	150.0
Total	1230.0	150.0	880.0

4. COURSES AND STATION VISITS:

TYPE OF COURSES	NUMBER ATTENDED	WHERE GIVEN BY
Fire awareness training	Kenton on Sea Primary (200)	Firefighters
Training regarding use and handling of fire extinguishers	200	Firefighters
Fire Fighter one	5	Rural Metro
Fire Fighter two	None	
Officer One	None	
Fire Management	None	
Fire Safety/Prevention	None	
Hazmat Awareness	5	Rural Metro
Hazmat Practical	None	
First Aid level 3	2	Rural Metro
Computer Course	None	
/MIS in Service training	None	TGIS Planet

5. MEETINGS ATTENDED:

TYPE OF MEETINGS	TOTAL FOR 2011
Shift leaders meeting	10
Station meeting	2
SAESI meeting	None
IMC meeting	None
Disaster meeting	None
Bush clearing meeting	None
Imatu meeting	None
Fire Protection Association meeting	2
Training meeting Markhman	None
Events meeting for season	4
Fire Service Coordinating meeting	1
Caps report meeting	None
SAPS Cluster meeting	1
Risk meeting	None
Meeting with Director (Management)	6
Meeting with HR	None
Meeting attorney	None
TOTAL	25.0

6. DEATHS:

NUMBER OF DEATH @ FIRE @ RESCUES & INJURIES

Death	None	02
Injuries	None	84.0
TOTAL	None	86.0

7. KILOMETRES TRAVELLED:

KILOMETRES TRAVELLED

EMERGENCY CALLS	13 000.00
FIRE PREVENTION	500.00
GENERAL	3 000.00
PUBLIC TRAINING	5 00.00
TOTAL	18 000.00 km



8. Fire Department operational and administrative challenges

Staff matters	Challenges	Expected outcome/time frame/ Assistance Required
FIRE PREVENTION	Issuing of Charges Issuing of Admission of guilty fines Risk Assessments Fire Safety inspections Fire Safety Lectures Fire investigation Fire Hydrants : Cleaning Flushing Painting Marking	That a fire prevention officer be appointed. More firefighters to be appointed to assist with the day to day work.
FIRE FIGHTING	Bush fires, Informal and Formal Dwellings, Accidents And other emergencies.	We need personnel to assist we are beyond Shelton staff
OPERATIONAL	Daily Routines and daily work.	Some of the daily routines cannot be conducted due to shortage of staff. One incident hampers the whole days work.
TRAINING COURSES	Hazmat Awareness Hazmat Operational Fire investigation Fire services instructed Advance B.A.Course Firefighter One Firefighter Two First Aid Level 3 Officers Course	Only 9 Firefighters received formal training during the last 8 years.
5 x vehicles out of commission for more than one to two years	Our workshop is not able to attend to our problems immediately due to their staff shortage. A (4x2) vehicle was converted into a rescue vehicle which was a skid unit. There are no vehicles at Alexandria, Bushmans and Bathurst.	That all fire vehicles be attended immediately when broken. We required urgently these vehicles as indicated below: 4 x (4x4) 1 x Major Pump 2 x Water tankers 2 x Rescue vehicles Needed *There is no vehicle replacement policy due to the existing old fleet that was supposed to be replaced.



Staff on Sick Leave & Leave

	<u>SICK LEAVE</u>	<u>LEAVE:</u>
Adlem.P.E	19	9
Baatjies.E.D	1	15
Fani.F	7	9
Hoyi.P	19	16
Jack.B.J	NONE	07
Magobiyane.Y	06	15
Mbeda.L	38	19
Mdokwana.M	8	6
Naude.A	16	14
Ngontsi.E	NONE	03
Peter.S.C.	NONE	07
Peter.V.	11	10
Same.D	5	15
TOTAL	130	144

Budget Implementation 2010/2011

	Total	Expenditure to date
Operating budget		
	NONE	None
<u>Capital budget for Fire Service:</u>		
<u>Items:</u>		

Local Economic Development





1. Background:

As part of giving recognition and prominence to LED as one of the Key Performance Areas (KPA) of the municipality, Management Team meeting held on 10 August 2010 resolved that LED Inter-departmental Task Team be established. The Task Team will be constituted by Deputy Directors from all the municipal directorates. The directorate of Community Protection and Services was notified and a representative took part on the first meeting and has not participated in all the other scheduled meetings despite having been notified.

2. Objective:

To facilitate a coordinated and seamless functioning of LED function within the municipality to ensure that the local economic status of the municipality improves through increase in local spending, improved infrastructure and creation of a conducive environment for local economic development around Ndlambe Local Municipality.

To ensure that the Team's objective is realised, intervention on the following were areas is fundamental for promoting economic growth.

- The SCM Policy and how it can benefit our local SMME's in the interest of promoting economic growth within the local municipality.
- Establish the number of jobs created within the municipal projects as required by the EPWP Guidelines so as to ascertain the impact the municipality is making on job creation/ creation of job opportunities.
- Consolidation of all departmental data bases into a single updated and accurate municipal data base.

Whilst it is our understanding that the

plight of our local economy cannot be improved by the areas of intervention highlighted above, as a starting point such interventions will be able to provide a better foundation upon which the realisation of a better and conducive environment is attained.

In terms of the Municipal Finance Management Act, 2003, municipalities must have a Supply Chain Management Policy in place for procuring services and goods in a manner that is promotes fairness, equity, transparency and competitiveness, it is not intended to constructively eliminate aspiring and emerging small local enterprises. On the basis of this assertion a quick scan on the municipal Supply Chain Management Policy was conducted and the following challenges were identified:

2.1 SCM challenges to SMME's

- A) Limited understanding of the municipal SCMP by local SMME's which also affects the pricing and costing of services to be rendered
- B) Understanding of point allocation on Administrative and Technical requirements of BIDS
- C) Creation of a central database is a Compliance require, we have been found not complying in this regard during the last audit, Supply chain will be putting out a NOTICE to invite all prospective service providers to register in the database, however;
 - Experience has shown that companies do not respond to the invitation, this will continue as long as we deal with companies that are not registered in our database. Registration must be a prerequisite for doing business for services to be procured through database.

unregistered service providers who they deal with to register.

- Another challenge is that some supply chain activities are decentralised resulting in departments using their internal created databases, decentralisation of procurement activities will not change, but the departments can request a list of registered service providers, failing which request unregistered service providers who they deal with to register.
- Supply Chain will soon be releasing the NOTICE, inviting service providers to register.

2.2 Way Forward:

• Skills Audit

- Consolidate the departmental databases.
- Once a list is compiled a skills audit questionnaire be availed to all service providers considered to be SMMEs
- The need for training can be motivated by choosing a
- bid, analyse it show them where their shortfalls are (Tendering workshop)

• Capacity Building

- Standard Administrative documents for submission with BIDS (Tax Clearance Certificate, Vat Registration Number, Entity Registration documents etc
- Technical requirements (pricing and costing, architectural designs , project plan etc
- Dedicate a day in the Municipal Calendar as Supply Chain Management Day for SMME's
- Exposure to "BEC" processes is

imperative to align and reposition themselves accordingly



3 Projects Table

Project Name	Project Cost	Project Location	Project Duration	Number of SMME's benefited	Number of People Employed
1. Water Conservation and water Demand Management	R100 000.00	Marselle	5 Months	None	44
2. Emergency Water	R1 982 870.00	Thornhill	6 Months	None	36
3. Water Service Capacity	R600 000.00	Port Alfred	Continuous Project	None	50
4. Water Conservation and Demand Management	R500 000.00	Port Alfred	Continuous Project	None	46
5. Improve Drinking Water Quality Sampling	R460 000.00	Port Alfred	Continuous Project	None	15
6. Marselle Sewerage	R17 732 700.00	Marselle	15 Months	4	28
7. Construction of VIP toilets	R350 000.00	Trappes Valley	2 Months	None	17
8. Rainwater Harvesting	R300 000.00	Trappes Valley	3 months	None	25
9. Rainwater Harvesting	R1 800 000.00	Alexandria	4 Months	None	74
10. Rainwater Harvesting	R 436 600.00	Marselle	6 Months	None	21
11. Rain Water Harvesting	R 377 938.00	Wetzel park	8 Months	None	23
12. Rainwater Harvesting	R 685 462.00	Bathurst	7 Months	None	37
13. Flood Relief Project	R 5 000 000.00	Ward 1 to Ward 9	9 Months	5	45
14. Indigent Household Registrations	R39,240.00	-Alexandria -Marcelle/ -Klipfontein -Kenton -Station Hill -Nemato/ -Nkwenkwezi -Bathurst	Continuous Project (Jul 2010 to April 2011)	None	38
15. Kwame Ndlambe Establishments Project	Funded by Department of Sports, Arts and Culture through Stenden University	Station Hill Nemato Alexandria Port Alfred	Continuous	4 SMME's	

Project Name	Project Cost	Project Location	Project Duration	Number of SMME's benefited	Number of People Employed
16. 2010 Legacy	Funded by the Department of Local Economic Development	Bathurst Port Alfred Alexandria KOS Marselle	1 month	None	85
17. Bathurst Cave	R13 000.00	Bathurst	1 month	1 SMME	
18. Cannon Rocks Tourism Project	R11 000 000	Alexandria Marselle Port Alfred	24 months (1/03/2011 - 31/01/2013)	Not yet confirmed	96
19. UManyano Chicory Co-operative	R 1 500 000	Alexandria	Continuous	None	5 Fulltime jobs and 21 casual jobs totalling to total 26 jobs
20. Empilweni Essential Oils Project	Funded by DEDEA	Port Alfred	Continuous	None	21 Fulltime jobs and 10 casual totalling 31 jobs
21. Masakhane silime chicory project	Funded by DOSD	Marselle	Continuous	None	14 jobs that are created
22. Green Africa Project		Port Alfred (Air school)	Continuous	None	7 jobs created
23. Empilweni Youth Project	Funded by DOSD	Port Alfred	Continuous	None	7 jobs that were created



Projects table 2

ITEM DESCRIPTION	CURRENT/PROPOSED SCENARIO		ACTION	OBJECTIVE
1. FORMAL WRITTEN PRICE QUOTATION	Current >R 5,000 to R100, 000	Proposed >R5,000 to R200, 000		To comply with SCMP
2. PREFERENCIAL POINTS ALLOCATION;	Transactional value R30 000 to R500 000		QM/ MK/NV	Increase selection chances of local SMME's
2.1 LOCALITY				
Preference – Area	Current	Proposed		
Eastern Cape	4	2		
Ndlambe municipaliy	4	6		
2.2 Restructure point allocation;			QM/MK/ NV	Obtain higher points
PDI's				
Woman				
Black woman				
Disabled				
Youth	10	12		
2.3 Joint Ventures Shareholding				
2.3.1 Joint venture tender amounts from;	Transaction value from >R200,001 and above		SCM	Increase benefit from generated profits
2.3.2 Required minimum shareholding	Current 0%	Proposed 30%:70%		
3. Assistance with registration				
3.1 Registration with CIPRO	LED can be approached to assist or put together a booklet with various registration options or agents to be made available on request		LED	To have SMME's that are eligible entities
3.2 Registration in Municipal Database	Supply Chain and LED can be approached to facilitate this jointly		SCM/ LED	Ensure inclusion in the database as a Service Provider/Vendor
4. Assistance with the startup Capital/Advance	Cession approach could be used as a means, more information to be disseminated on cession.		SCM	Overcome cash flow challenges

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ITEM DESCRIPTION	CURRENT/PROPOSED SCENARIO	ACTION	OBJECTIVE
5. Clear definition of;			
5.1 Local Companies	Companies residing in Ndlambe Municipal Area	SCM	Defining preference ranking order on the basis of entity and beneficiary group
5.2 HDI / PDI	HDI / PDI refers to Africans / Coloureds / Indians who are SA citizens		
6. Tendering by Foreigners	Policy should guard against foreigners / Non south Africans	SCM	Ensuring cash injection and local spending
7. Tender Grade Spec	Tender Grade Spec should accommodate Potential Emerging SMME's (Eg. 2 pE be allowed for a Grade 3 attend)	SCM/NV	Provide Growth and development opportunity to SMME's

5. Consolidation of Departmental Data Bases

The process of consolidating all the data bases existing within the municipality is underway, it is anticipated that from this exercise we will be able to have a single institutional data base that is accurate and credible from which we can provide support programmes to capacitate and develop our local enterprises.

6. Conclusion

It is understood that individuals that constitute the LED Task Team have well crafted responsibilities in regard to their job descriptions, the establishment of the LED Task Team was and still remains a critical for the municipality to meet its objectives, however it has not been easy to reach this far. The LED Task Team should not be seen as an added on responsibility, but rather as part of the KPA of all of us, perhaps in that regard the commitment and dedication can be improved. A heartfelt appreciation to those who have given time and effort to assist in compiling this report.



Good Governance and Public Participation





1 OVERVIEW OF THE EXECUTIVE AND COUNCIL FUNCTIONS

1.1 FUNCTION OF THE EXECUTIVE COMMITTEE

The functions and powers of the executive committee are as outlined in section 44 of the Municipal Structures Act 117 of 1998. The executive committee of Ndlambe Municipality is constituted of four members including the Mayor. The committee considers the minutes of all the ward committees. It also considers items that are town planning related and section 71 reports as delegated by council. The council from time to time delegates to this committee recruitment powers of Section 56 managers and also serve as recess committee to deal with most urgent matters during recess of council. Each portfolio councillor serving in this committee has been allocated a department for oversight purposes and that portfolio councillor is responsible for that department. The executive committee meetings are six weekly and this expedite the service delivery. Again public participation is enhanced because as much as ward committees make recommendations to it, it is enabled to have a broader understanding of issues due to this arrangement or devolution of power to the public in the form of ward committees.

Executive Committee convene its meeting on a monthly basis depending on the availability of its members. The Executive Committee serves as the principal Committee of Council, it also serves as the committee of the municipality which receives reports from other council Committees with recommendations.

1.2 THE FUNCTIONS AND POWERS OF THE COUNCIL

Council has the functions and powers assigned to it in terms of sections 156 and 229 of the constitution. The functions and powers between district adjusted and local municipalities are divided and adjusted in terms of section 84 and 85 of the Municipal Systems Act 32 of 2000.

Council has 18 councillors. The council meetings sit quarterly to consider items that are delegated in terms of the law. Special council meetings are called for urgent matters in between ordinary council meetings. Council has discretion to delegate other functions and powers to officials or committees in particular those that are not mandatory in terms of the law as in terms of section 59 of MSA 32 of 2000.

Mayor: Cr V M Balura

Speaker: Cr K C Ncamiso

Portfolio Councillors and Members of the Mayoral Committee :

Infrastructural Development	-	Cr S B Funde
Community Protection	-	Cr M L Swanepoel
Corporate Services	-	Cr S R Tandani
Financial Management	-	Cr M Mateti

Members of Council:

- | | |
|------------------|-------------------|
| 1. Cr V M Balura | 2. Cr G G Cannon |
| 3. Cr G Coltman | 4. Cr G M Fogarty |
| 5. Cr S B Funde | 6. Cr L Kkoathani |

- | | |
|----------------------|--------------------|
| 7. Ms N E Mani | 8. Ms N V Maphaphu |
| 9. Ms M Mateti | 10. Mr T Mayinje |
| 11. Mr D Mbumba | 12. Mr K J Mileham |
| 13. Mr Z Ngxingo | 14. Ms K C Ncamiso |
| 15. Ms M L Swanepoel | 16. Mr A F Taai |
| 17. Mr S R Tandani | 18. Mr C J Wentzel |

On the 18th May 2011 local government elections took place where the following change occurred;

- Ndlambe Council increased from 18 Councillors to 20 Councillors in total. Wards were also increased from 9 wards to 10 wards due to the demarcation process.

The representation of political parties is as follows;

- ANC won 8 wards
- DA won 1 ward
- Independent won 1 ward

Proportional Representation is as follows;

- ANC 5 Councillors
- DA 5 Councillors

Inauguration of Council took place on the 2nd June 2011 whereby a new Council was sworn in.

Mayor Councillor S R Tandani

Speaker Councillor N V Maphaphu

Members of Council:

- | | |
|---------------------|----------------------|
| 1. Cr S R Tandani | 2. Cr N V Maphaphu |
| 3. Cr N T Donile | 4. Cr P Faxi |
| 5. Cr S B Funde | 6. Cr J Guest |
| 7. Cr S Venene | 8. Cr N Xhasa |
| 9. Cr L E Khoathani | 10. Cr M Mateti |
| 11. Cr A Marasi | 12. Cr C Metelerkamp |
| 13. Cr T Mazana | 14. Cr Z Ngxingo |
| 15. Cr R Purdon | 16. Cr R Schenk |
| 17. Cr T Stander | 18. Cr M Tarentaal |
| 19. Cr K C Namiso | 20. Cr G Cannon |

For details visit our website at - www.ndlambe.gov.za

Other Council activities will be reported on in the next financial year.

2 PUBLIC PARTICIPATION AND CONSULTATION

The municipality does not have a devoted unit that deals with public participation matters. The function is dealt with by the offices of the Mayor/Speaker and the Municipal Manager.

The Municipality has sought to consult widely with the communities on service delivery priorities and services delivery programmes. This done through Mayoral Imbizos, Ward Committee and Ward Committee forums, IDP formulation consultation process and review of such IDP.

The ward committee system is:

- To ensure the involvement of citizens in municipal planning;
- To ensure and promote the involvement of citizens and communities in the implementation-
- To ensure that the citizens and communities are involved in the sharing of benefits, municipal policies, projects, service delivery etc;
- To ensure that citizens are, amongst others, involved in the evaluation of project implementation (effect & impact), in municipal performance and is also a critical component of good governance;
- To enhance and regulate public participation a Public Participation Strategy was formulated and adopted by Council in May 2009. All the public participation activities of the municipality are regulated by this strategic document

Mayoral Imbizos and implementation of issues raised;

Citizens are occasionally consulted to contribute and ensure that their opinions are taken into consideration during decision-making process. Mayoral Imbizo's are held especially during the IDP/budget process for public inputs.

Public hearings;

Public hearings and meetings are also held with the public when considering or soliciting inputs on the IDP and also to consider budgets and projects to be implemented in the respective areas.

This can be achieved when amongst others citizens are provided adequate information to ensure that they make informed choices on both proposals and any service delivery interventions that affect them.

CDW's (Community Development Workers)

The governance structure of Community Development Workers is oppressed optimally to enhance the views and demands of the communities before such demands manifest themselves into protests. To achieve this, the CDWs have a standing invitation to the Ward Committee meetings and are encouraged to attend Council meetings, within the broader understanding of Council meetings being open meetings to all.

Customer satisfaction surveys;

Customer satisfaction surveys were held using samples through billing system for rates paying customers as a starting point. In addition as part of Customer Relationship Management (CRM) complaints books are made available at each service point in the various administrative units to solicit customer views.



3 WARD COMMITTEES' ESTABLISHMENT AND FUNCTIONALITY

The 2nd term of ward committees is still in good standing until the election day where their term will come to an end. The attendance at ward committee meetings is excellent at almost 90% members' attendance. The challenge that were having was on Ward 9 where 5 consecutive meetings could not quorate due to the unavailability of ward members.

Public participation should take into consideration that it is the citizens of a community that have the clearest and perhaps the most accurate perception of the needs and priorities of their community and should make the decisions themselves.

Through public participation more stakeholders have a better understanding of sustainable development-economic growth, social equity and ecological integration. Whilst the main goal is to deepen democracy, the main objectives of public participation and in the instance of this municipality the ward committee system is:

- To ensure the involvement of citizens in municipal planning;
- To ensure and promote the involvement of citizens and communities in the implementation-
- To ensure that the citizens and communities are involved in the sharing of benefits-municipal policies, projects, service delivery etc;
- To ensure that citizens are, amongst others, involved in the evaluation of project implementation (effect & impact), in municipal performance and is also a critical component of good governance;
- To enhance and regulate public participation a Public Participation Strategy was formulated and adopted by Council in May 2009. All the public participation activities of the municipi-

pality are regulated by this strategic document

In January 2011 as part of the establishment of a development agency as part of public participation/due diligence the IDC held sessions with stakeholders of Alexandria-the designated mandate area for the agency

Availability of minutes of ward meetings;

Ward committee minutes are made available at the next meeting of each ward. These are filed electronically and are archived for record-keeping purposes.

Written proof of tabling resolutions to Councils;

Ward committees do not resolve on matters but make recommendations to Executive Committee en route to Council. The resolutions of both Executive Committee and of Council are readily available both in hard copy and electronic record format.

Availability of minutes of feedback meetings with communities

Whilst the schedule of meetings caters for constituency/feedback meetings by ward councillors these are not held. However feedback meetings and consultation sessions are held on various matters including IDP, ward based projects (where applicable) and consultation meetings on key issues affecting communities at a particular time.

Availability of Ward committee activity reports

When sessions or activities are held under the auspices of ward committees records of these are held.

However these are very few and far in-between.

To ensure this takes place it has been identified that further strengthening and enhancing of ward committees is of cardinal importance is focused training of ward committee members and critical stakeholders to enhance public participation. Additional human resources were thus

added to this unit. In addition the

municipality needs to allocate more internal resources and create dedicated internal funding for enhanced public participation. These resources will also be used not only for ward committees but for enhancing stakeholders and different sectors/segments of the public that will by nature enrich the developmental agenda of the municipality.

4 ANTI CORRUPTION STRATEGY

The NdlambeMunicipality pledge to the National belief that corruption affects the lives of everyone in South Africa. It is our common enemy and in 2011 financial period, South Africa being in number 64 in the Worldwide Corruption Perceptions ranking of countries.

The Municipality drafted the “Fraud Prevention Plan” and is waiting to be adopted by the Council in the 2011/12 financial period. Over and above the stated shortfalls, Council have an Audit Committee, which part of its responsibilities, through the internal audit unit, is to investigate and advise council on fraud related matters.

5 LEGAL MATTERS

During the year under review no policy in place to manage legal risks. As part of the general risk assessment conducted legal risks and litigation were identified as potential risks-however a risk management framework would incorporate management of legal risk. The municipality has not identified the

need for a stand-alone policy to manage legal risk but rather the need for integrated risk management as a strategic component for the municipality moving forward. The municipality is in the process of outsourcing the function of legal matters.

**Ndlambe Municipality
Litigation Register
For the Period ended 30 June 2011**

REF	DESCRIPTION	REASON	YEAR STARTED	LEGAL COSTS TO DATE	ESTIMATED CAPITAL IN FAVOUR OF NDLAMBE	ESTIMATED CAPITAL AGAINST NDLAMBE	NAME OF LEGAL FIRM	STATUS
KS/1493	Plans were fully signed of and approved but they were wrong.	Does not comply with the Kenton-on-Sea Town planning scheme.	02/04/2009	254,207.64	-	-	Cyril Ziman & Associates Inc	Gave the file to Karin at Finance to finalise.
13/03/5/ KS/20	Building Plan contravened the Kenton-on-Sea T/P Scheme Regulations & Title Deed restrictions.(KENTON-ON-SEA)	Plan wrongfully approved and the high court set aside the approval		Action still pending	-	-	Attorneys Wheel- don Rushmere and Cole & Advo- cate M J Lowe.	Still pending as subdivision and departure not finalised.
13/03/12	Litigation by Baddenhorst and others against the municipality for inability to use erf 550 and 557 as a result of wind blown see sand. (CANNON ROCKS)	Cannot enjoy use of own property because of wind blown see sand.	2003		-	-	De Jager and Lordan; Lexicon Attorneys	Pending
Cont NM 15	Construction of Kenton on Sea Reservoir dispute with the contractor (Hohup)	Reservoir ground floor slab not within the specification	2007	Action still pending	-	-	Neave, Borman and Botha Attor- neys	Pending
542/09	Summons for rates	Timbrick	2009	20,000.00	-	-	Neave Stotter Inc	Proceeding to Trail
N/A	Application for eviction	Form Props (Snorting Grunter)	2008	5,000.00	-	-	Neave Stotter Inc	Awaiting in- structions
204/09	Summons for rates	Bethe - Rates	2007	5,000.00	12,000.00		Neave Stotter Inc	Finalised - Payments will be made.
1541/08	Summons against Ndlambe	SA local Authority Pen- sion Fund	2008	15,000.00	-	700,000.00	Neave Stotter Inc	Awaiting trail date
751/08	Summons for rates	Galeba	2008	1,000.00	8,000.00	-	Neave Stotter Inc	Awaiting trail date
1233/06	Summons against Ndlambe	Bethe - (Now deceased) Defamation	2006	30,000.00	-	1,000,000.00	Neave Stotter Inc	Awaiting trail date
98/08	Summons against Ndlambe	Badenhorst (Cannon Rocks)	2007	20,000.00		800,000.00	Neave Stotter Inc	Awaiting trail date
N/A	Unfair Dismissal	Peter (Labour)	2008	15,000.00	-	-	Neave Stotter Inc	Won the case.
674/09	Royalties	Kowie Quarry	2009	150,000.00	2,129,920.00	-	Neave Stotter Inc	Awaiting trail date
674/09	Royalties (2)	Kowie Quarry	2009	-	150,060.00	-	Neave Stotter Inc	Awaiting trail date
N/A	Review of the mining permit	Kowie Quarry	2009	30,000.00	-	-	Neave Stotter Inc	Infant stage
				545,207.64	2,299,980.00	2,500,000.00		

6 INTERGOVERNMENTAL RELATIONS

Name of farm	No of ha	Progress report	Challenges
Forest hill farm (Masselle)	630 ha	<p><u>Masselle farmers association</u></p> <p>Masselle farmers association have 267 cattle in the forest hill farm. Last year they Sell +- 30 cattle also Last year they introduce animal branding to brand their cattle so that they can identify their cattle.</p> <p>Department of Agriculture provided fencing material for fencing some internal camps for keeping their livestock for avoiding overgrazing. They want to practise rotational grazing not continues grazing.</p> <p>They dip their cattle once a week using dip tank.</p>	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. The road was eroded now during heavy rains now there is no access to forest hill farm. 2. The internal camps are not in good conditions. 3. There are trees that harmful to their livestock need to be removed. 4. There is only one source of water for the 267 cattle. 5. The dip tank is old now some poles are breaking down. 6. Their land lease Agreement with Ndlambe municipality will expire now they unable to apply for funding from government departments.
Masakhane-silime chicory project	10 ha	<p><u>Masakhanesilime chicory project</u></p> <ol style="list-style-type: none"> 1. Masakhane silime chicory project was assisted by social development with the grant of R500 000.00 for planting chicory production. 2. The project was provided with tractor by ndlambe municipality. 3. They already harvest chicory last year. 4. They sprayed chemical using round up for killing undesirable plants (weeds). 5. They will plant next month and they will be assisted by private farmer for soil preparation. 	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. 10 ha is too small for them in order to produce a high chicory production 2. The road was eroded now there is no access to their project.
Brackfontein farm (Alexandria)		<p><u>Umanyano Agricultural co-op</u></p> <ol style="list-style-type: none"> 1. The project is register as Agricultural co-operative. 2. They do have track for the transportation of chicory and vegetable production. 3. They were assisted by National Development Agency for planting chicory production and cash crops. 4. Ndlambe municipality assisted them with tractor for ploughing in order them to plant chicory and cash crops. 5. The cooperative has yielded more than 68 ton of chicory in the last season. 6. They've also had good yields of vegetables' on the 4ha land they've planted 	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. Ever since the past heavy winter rains the co-op has been faced with severe erosion on the land, which resulted to about 3.5 ha eroded. <p>The estimated cost of the eroded land is (R 16400 inclusive of input cost.)</p>

Name of farm	No of ha	Progress report	Challenges
Agricultural portions for crop production		<p><u>Agricultural portions for crop production</u></p> <p>There are portions uses by emerging farmers of Alexandria in Brackfontein farm.</p> <p>They produce various crops for the consumption and sell the surplus to the community of Alexandria.</p>	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. Tractor for prepare their land for planting vegetables. 2. Some portions are not used. 3. Lack of agricultural skills. 4. Marketing
Mill farm (Port Alfred)	228 ha	<p><u>Mill farm</u></p> <p>It is situated in Bathurst Road, Port Alfred</p> <p>Arable land is 50 ha, grazing land is 178 ha and 11 camps</p> <p><u>Resources available</u></p> <p>Tractor, trailer, planter, mould board plough and Disc</p>	
	8ha	<p><u>Empilweni essential oil project</u></p> <p>Training- 21 project members were trained in essential oil how to plant oil plants up to harvesting - What are essential oils? Why do we want to grow this crop? Rose Geranium: the plant structure and botanical origin. Current local and world production. Climatic and spatial tolerances of Geranium plants. Soil sampling, preparation and management. Fertilization: organic vs conventional. Planting geranium plants. Preparing to receive rooted cuttings. Receiving and planting. Use and care of tools during crop establishment. Plant spacing. Timing of new establishments. Irrigation and water management. Recognizing and treating pests, diseases and weeds in Geraniums Insects: their life cycle and the damage they can inflict. Scouting for insects, disease symptoms and weeds Organic weed control practices. Harvesting and distillation of rose geraniums. Harvesting Geraniums: practices and methods.</p> <p>Transportation Essential oil seedlings were transported from Pretoria to East London airport. We used air plane for transportation of the seedlings.</p> <p>L and W couriers transported 15 boxes of essential oil seedlings from East London airport to Port Alfred mill farm. On the 14 and 15 of December the seedlings were planted by 15 project members of Empilweni essential oil project and six casual workers from ward 6 and 9.</p> <p>Planting and fertilization</p> <p>Fertilizers 3X 50 bags of 2; 3; 4 were used during planting of seedlings.</p> <p>Hand trowels were used for transplanting essential oil seedlings and some seedlings were wilted because of delayed in airport.</p> <p>Irrigation</p> <p>7 project members irrigate early in the morning and afternoon using watering cans. Project members irrigate by water that they get from Ndlambe municipality to their tanks.</p>	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. Shortage of water the use watering cans for irrigation of essential oil plants. 2. They do not have shed for keeping their implements and production inputs.

Name of farm	No of ha	Progress report	Challenges
		<p>Weed control Project members removed undesirable plants (weeds) using hand hoes between plants for avoiding the competition with plants for nutrients, water, space and sunlight.</p> <p>Quotation for irrigation scheme Farmarama visited Empilweni essential oil for quoting designing and installation of irrigation scheme. The specialist from Farmarama visited the project and dam.</p> <p>Harvesting The essential oil produce were for harvesting in June this year but the project member delayed by heavy rain that falls about two months. The project members harvested the oil last week and sent to Shaw park for distillation.</p>	
	+20 ha	<p><u>Agricultural portions for crop production</u> There are portions uses by emerging farmers of Port Alfred in Mill farm for vegetable production. They produce various crops for the consumption and sell the surplus to the community of Port Alfred.</p>	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. Poor fencing. 2. Shortage of water. 3. Tractor to prepare their land
	10ha	<p><u>Masiphile Agricultural co-op</u> Masiphile Agricultural co-op is the co-operative at mill farm. They are registered as Agricultural co-operative. They will plant chicory and vegetable production. Currently they planted sweet potatoes.</p> <p><u>Livestock</u> There is a camp for livestock production. Livestock owners have got 1 dip tank for dipping their cattle in Mill farm. There is a big dam for their livestock</p>	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. No tractor 2. Poor fencing. <p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. Poor external boundary fence. 2. No internal boundary fence. 3. No grazing management in place.
Bathurst commonage (Bathurst)		<p><u>Bathurst commonage</u> The commonage is not fence properly and there are no internal fences.</p>	<p><u>Challenges of commonage</u></p> <ol style="list-style-type: none"> 1. There is no commonage management plan in place. 2. No grazing management in place. 3. Poor external boundary fence. 4. No internal fence for camps 5. No source of water for livestock production.
	20 ha	<p><u>Masiphathisane crop farming project</u> 5 hectares that will be used for Chicory production was demarcated by Extension officer from Bathurst and official from Chicory SA. The project was provided with Jojo tank, cement and blocks for stand and production inputs for chicory production by Ndlambe municipality. Contours are already there for protecting chicory not blow by strong wind.</p>	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. Shortage of water for irrigation. 2. Lack of target market for their cash crops.

Name of farm	No of ha	Progress report	Challenges
		<p>Trainings - Some project members were trained in maize production, hydroponic management, vegetable production, bookkeeping and financial management by Department of Agriculture and Social Development.</p> <p>Currently- Project members are selling vegetables and maize to the Bathurst community and to the people from Grams town and Port Alfred.</p>	
		<p><u>Beekeeping</u></p> <p>There is a beekeeping project in Bathurst commonage. The members were trained how to farm with bees by the farmer from Amahlathi municipality. Ndlambe municipality assisted the project with training, protecting clothes and equipment for bee farming. The farmer assisted them with providing bee boxes.</p>	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. No local mentor they depend to the farmer that visit for them once a month this beekeeper come from Amahlathi municipality
Gora farm (Kenton On Sea)	130	<p><u>Gora farm</u></p> <p>The project members have +-75 Cattle in Gora farm.</p> <p>They planted Maize and vegetable production in an area of 2ha.</p> <p>They do have the following implements- Tractor, planter, Boom sprayer, mould board plough.</p> <p>There is a land use by Umanyano Agricultural co-op for Chicory production at Gora farm.</p>	<p><u>Challenges</u></p> <ol style="list-style-type: none"> 1. High charges for electricity. 2. Shortage of water

Finance and Administration





1 REPORT OF THE DIRECTOR: FINANCIAL MANAGEMENT

It is once again a privilege for me to present the report on the finance directorate of the Ndlambe Municipality for the financial year ending 30 June 2011.

The annual financial statements for the financial year ending 30 June 2010 were presented on the "GRAP accounting" basis a drastic change from the IMFO accounting standards. I am pleased with the entire finance team from the meter readers to the deputy director for the effort that they put into the changes that had to be made to meet the GRAP standards. The Auditor-General issued a qualified opinion on the financial statements of the Ndlambe Municipality for the financial year ending 30 June 2010 which is consistent with the opinion issued on the previous financial year's statements. Such an opinion is however not acceptable and issues raised in the report of the Auditor-General must be taken seriously and be addressed as a matter of urgency.

The issues that led to a qualified opinion for the financial year ending 30 June 2010 were as follows;

Basis for qualified opinion

Property, plant and equipment

1. The municipality does not have policies and procedures in place which are aligned with the recognition requirements of GRAP 17 – *Property, Plant and Equipment*. Consequently, capital assets purchased during the year were incorrectly allocated to operating expenditure. I was not able to determine the full extent of this error, even through the performance of alternative procedures.

Managements Comments

The classification as to if certain improvements to assets should be regarded as capital expenditure or repairs/maintenance needs to be determined. The work done at present on the top-

ping of the roads is an example, are we maintaining the existing road or are we creating a new asset or extending the lifespan of the road to a roads useful life per our policy.

Discussions will be held with the Auditor-General to amend our policy on how such expenditure is to be classified.

2. In addition the municipality has not identified all infrastructure assets and updated these to the asset register. As a result, the accounting for the recognition of these assets is incomplete and not within the transitional provisions of Directive 4, which requires that municipality has at least recognised all assets by the 30 June 2010.

Managements Comments

The Auditor-General is correct as we have not identified all infrastructural assets such as underground water/sewer pipes, all roads in Ndlambe and all electrical reticulation items. To identify and account for all the infrastructure assets according to GRAP is going to take time and money and will take some time to complete

3. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy myself as to the completeness of property, plant and equipment amounting to R65,87 million as disclosed in note 6 the financial statements.

Managements Comments

Due to the fact that the infrastructure assets have not been recognised the Auditor-General will not be in the position to satisfy himself as to the completeness of the asset register. All infrastructure assets are lumped together in the asset register so we are unable to, for example, state that Campbell Street is on the asset register for R500 000 and the Auditor-General could go to Campbell Street to verify the asset and determine if the value is reasonable.

Irregular Expenditure

4. Irregular expenditure of R25,4 million was incurred as a result of the municipality not adhering to its Supply Chain Management Policy. The municipality has disclosed Irregular expenditure of R19.9 million in note 40. As a result irregular expenditure as disclosed is understated by R5,5 million.

Managements Comments

The main reason for the irregular expenditure was due to not all provisions of the supply chain management policy been met when procuring goods and/or services. The main factors include the point scoring of procurement not been properly documented, tax clearance certificates not attached, adjustment budgets not presented to council and declaration of interest by the supplier. This must be addressed in the new financial year by all directorates and managers.

Commitments

5. The municipality does not maintain a register of commitments as part of its contract management processes and discrepancies were found between the amounts recorded as payments against the disclosed commitments and the payments recorded in the accounting records. Consequently, I was unable to obtain sufficient appropriate audit evidence to satisfy myself as to the completeness and valuation of commitments of R1,2 million as stated in note 35 to the financial statements.

Managements Comments

The only way to provide the evidence that will satisfy the Auditor-General is to create a commitments register that details all transactions from awarding the tender until the retention money is paid out. The register will then clearly indicate the commitment that exists.

Unspent government grants

6. Included in the corresponding figure for unspent conditional grants and receipts of R19,4 million is an unreconciled amount of R2,96 million for which the municipality was unable to provide supporting evidence. Whilst the municipality reconciled all current year unspent grants, we are unable to satisfy ourselves as to the existence and valuation of the unreconciled difference in the corresponding figure of R2,96 million.

Managements Comments

Under the IMFO accounting standards this was not a requirement so the comparatives were not reconciled. The current year's figures were reconciled as per the requirements and all supporting information was provided. The comparatives moving into the new financial year will now be reconciled.

The Auditor-General has once again issued a qualified audit opinion for the financial year ending 30 June 2011. The finance directorate is unhappy with the qualification as a lot of work was put in during the year to achieve an unqualified report with emphasis of matter. The reporting and record keeping on grants led to the qualified opinion and the finance directorate has to work more closely with the other directorates to ensure that this matter is addressed by constructing a compliant grant register and ensuring that meaningful roll over budgets are approved by Council for capital expenditure funded by grants.

The two issues that led to a qualified opinion for the financial year ending 30 June 2011 were as follows;

Basis for qualified opinion

1. Supporting documentation, including a grant register and reconciliations, could not be provided by the municipality for the unspent conditional grants and receipts

(balance of R19 231 211) disclosed in note 10 to the financial statements. As a result, I could not obtain sufficient appropriate audit evidence for the completeness, existence, valuation and rights and obligations assertions, which has resulted in a qualification due to a material limitation of scope. The municipality's records did not permit the application of alternative audit procedures regarding the balance.

Management Comments

The Auditor-General is correct in his finding and it highlights the fact that all directorates involved with projects funded by means of a grant need to maintain a comprehensive grant register that sets out all grants received, payments made against grants, retention money held, commitments carrying over to the next financial year and the portion of grants not committed and are unspent.

All directorates that maintain grant registers should balance their grant registers to the financial records on a monthly basis to ensure that all records correspond at all times.

2. Included in the revenue stream for government grants and subsidies of R92 171 805, disclosed in note 14 to the financial statements is an amount of R4 508 628 for which supporting documentation and calculations could not be provided by the municipality. As a result, I could not obtain sufficient appropriate audit evidence for the occurrence, accuracy, completeness, cut off and classification assertions, which has resulted in a qualification due to a material limitation of scope.

Management Comments

The issue raised is as a result of the VAT and interest recovered from grant expenditure booked to operating revenue. The total of the VAT and interest booked to revenue is in respect of all grant expenditure incurred during the year under review. However not all expenditure incurred during the year un-

der review is funded from grants received during the year under review. Certain of the expenditure is from unspent grants from the year prior to the year under review and as directorates did not submit roll-over budgets to Council so it is debatable as to in which financial year the revenue should be recognised.

Every effort will be made to address the issues raised by the Auditor-General in both the audit report and the audit management letter. An audit check list was developed and is been monitored by the internal auditor to ensure that we improve in the areas identified.

The demands on the finances of the Ndlambe Municipality continue to be significant as backlogs in services, aging infrastructure, and maintenance remain a serious challenge. Emphasis has to be put on enhancing our revenue streams and collecting debt due to the Ndlambe Municipality by consumer and ratepayers that have the ability to pay.

The removal of an internally funded capital budget and the reduction in the maintenance budget as a means to balance the budget and limit the increase to our customer's needs to be seriously addressed. The aging infrastructure needs to be replaced and maintained.

A major challenge facing the administration of the Ndlambe Municipality is the implementation and compliance to regulations emanating from the Municipal Finance Management Act including but not limited to supply chain management issues, asset management and budget control.

What we set out to do in 2010/2011

It has been highlighted that the finance directorate were over ambitious and set out too many plans to deal with in the 2010/2011 financial year but significant progress has been made in most areas. Funding remains an issue as finance finds it very difficult to access funding from internal funds, any government department or external funders.

The following plans formed the base of our service delivery budget implementation plan and finance turn-around strategy;

- To revise and complete the entire Municipality's asset register to be GRAP Compliance (Generally Recognised Accounting Practice) over a period of one year
 - Everything except infrastructural assets have been dealt with and comply with GRAP standards taking directive 4 into account
 - Funding needs to urgently be obtained to deal with the recognition and valuation of all infrastructure assets
- To maintain all Finance assets that are currently at our disposal
 - This has been completed and the meter readers bakkie is the last asset that is been refurbished and will be completed in July 2011
- To ensure financial resources are utilised in an economical, efficient and effective manner
 - This has been addressed during the year but the use of paper remains a huge challenge. Telephones, e-mails, internet, faximilies and photocopy machines are still not used economically. Monthly reports on the telephone usage is not received regularly from corporate services so private usage cannot be identified and recovered from the staff.
- To ensure that all revenue is collected on a monthly basis to cover the operating expenditure of the municipality on a daily basis
 - The finance directorate has failed in this regard as debt continues to escalate at unacceptable levels and the operating expenditure cannot be met by the monthly collections
 - The four additional credit control posts have still not been filled due to an objection lodged by the unions and this matter remains unresolved.
- All residents who do not have the financial means to pay for basic services in terms of the indigent policy are registered
 - The finance directorate has undertaken numerous registration drives but it is felt that there are still many households that qualify for indigent status that are not registered.
- Increase in response time to be within 7 days and resolution of complaints to be within 14 days
 - There has been a vast improvement on the turn-around time with regards to correspondence but we need to still improve on the 14 days for the enquiry to be resolved especially when we rely on information from other directorates
- To ensure an effective customer care service to all residents
 - The finance directorate has still got a far way to go in the "township" areas to meet this objective as all the finance offices are in town and thus an effective customer care service is not extended to "township" areas
- BTO is established in line with treasury guidelines
 - This has been completed but when cash-flow and budgets allow, the post of assets manager needs to be made permanent.

With the GRAP requirements around property, plant and equipment it is critical to have a person dealing with the municipal assets on a daily basis.

- Relevant officials are trained to ensure that they are able to contribute to the financial management system
 - The finance directorate has failed in this regard as funding to undertake the training could not be sourced. It is hoped that funds will be made available from the training vote for the finance staff to receive the much needed training.
- Percentage increase in the possible local revenue base
 - A supplementary valuation was undertaken during the year to get all properties not paying rates and property owners that have done improvements to their property onto the rates base.
 - Funding was requested to undertake a data cleansing exercise to ensure that all consumers are billed for services that they receive. Unfortunately funding could not be secured for this purpose so we are still not sure if everyone is been billed for the actual services that they receive.
- 100% spending of FMG and MSIG funds
 - Both the FMG and the MSIG were spent for the 2010/2011 financial year on numerous issues such as the internship programme, relocating all finance offices into one building, enhancing our IT network, asset register, GRAP related issues and addressing issues raised in the report of the Auditor-General
- Percentage decrease in non-payment
 - As previously mentioned, the finance directorate has failed in this regard as debt continues to escalate at unacceptable levels. Although there has been a slight reduction in non-payment levels, debt continues

to rise due to interest charged on outstanding debt. As mentioned, the four credit control posts that have not been filled is hampering the collection of debt due to council.

- Strict credit control procedures to ensure monthly accounts are paid
 - The staff that are doing credit control are trying their best to deal with the volume of work but are facing an uphill battle. It is critical that the four vacant posts be filled so that the debt collection can receive their full attention. This is one of the most critical factors that needs to be addressed to ensure that the Ndlambe Municipality continues as a going concern.
- Submit business plans to obtain funding for all finance projects
 - This has been completed and forwarded to numerous funders but to-date no funding has been received or committed
- Meet with Provincial Valuations department to recover costs of General Valuations
 - Numerous meetings have been held and correspondence addressed to the provincial valuations department regard to the funding of the general valuation but despite positive feedback, no funding has been received. I am of the view that we can now conclude that provincial government is not going to honour their commitment and that the funding will not be received
- Look at how we can stagger cashiers' working hours to remain open during lunch hours
 - The cashiers are not opening during lunch hour as yet but the cashiers do now open on a Saturday to sell pre-paid electricity

- Payments by debit or credit cards
 - Discussions have been held with the bank to integrate the systems to our financial system and to procure the machines.
- Access to account information on internet
 - The e-mailing of accounts is now up and working and many customers are receiving their statements via e-mail. We are still dealing with the link for account details to be viewed on internet.
- Improve communication with all stakeholders
 - This process has begun but only people with access to internet and e-mails have been addressed. The challenge is how to deal with all stakeholders that do not have the same facilities and that are not able to read or write
- Performance Management System to be implemented for all staff
 - This process is still not completed and we are awaiting assistance from the performance manager in this regard.
- Fully operational computerised SCM system in line with SCM Policy
 - The supply chain management system is now functional and we have already got orders going electronically.
- Percentage of elements of financial system utilised
 - The cash book module remains a point of concern as we are not able to integrate the banks information into our financial system.
- Increased in number of staff trained to effectively use the financial system
 - Quotations were obtained from the service provider but the costs were excessive and finance does not have such a budget to implement the training. We are now exploring other ways to get our staff trained.
- Percentage of improved cash flow by reducing expenditure to match actual cash on hand
 - The withholding of rates and escalation in people not paying for services has continued to put a strain on our daily cash flows. This needs to be addressed as a matter of urgency and the appointment of the staff will assist.
- Decrease payment to 30 days from date of invoice in respectable creditors
 - During the financial year it was noted that our initial plan could not be achieved as many invoices arrived at the finance office after the 30 days after the date of the invoice had already passed. It was decided to amend our plan to 30 days after the date that the invoice is received by the finance directorate. At times the negative cash-flow did not permit us to reach our target
- Salaries and salary deductions paid by relevant due dates
 - All salaries and salary deductions were paid by the respective due dates
- Reclassification of job titles
 - An offer was made to the finance staff to sit and reclassify the posts in finance but this offer was not entertained as certain staff felt that it would be in their interest to go the objection route. Once the objection process is finalised the matter will be discussed again
- Mutual respect between management and staff
 - A team building session was held but not all staff were able to participate so the outcomes were not achieved. However, the staff that were able to attend did benefit.

- Uniforms and dress code
 - The finance staff were not prepared to contribute financially to uniforms so the matter regarding uniforms was closed and the dress code to be dealt with in accordance with the finance code of conduct
- Interdepartmental relations and communications
 - This was implemented through “Project Committee” involvement. There is still much room to improve, but this approach proved to be very effective in communicating issues of interest to the other department, without which, finance would have taken longer to facilitate on time billing of “THORNHILL” residents
- Upgrading of faxes and photo copiers
 - All supply chain management issues have been finalised and the new equipment should be received before the end of the financial year
- Management of telephone calls
 - This is difficult to implement as the current telephone system has a problem with pin numbers. The telephone system is been replaced and hopefully the new system will have management features included
- Office environment not conducive to working condition
 - This has been addressed and alterations to the finance directorate are underway. Funding from grants is been used to undertake the alterations as no capital budget was granted by Council for the work to be done.
- All Computers to be installed with UPS and Generators
 - The UPS’s have been installed by the generator has not been purchased as yet. The IT Manager is looking into having a generator installed to take over in the event of power surges or outages
- Update Systems Daily
 - This is now in place and the system is been backed-up daily on and off site. We are confident that we can now restore the finance system within a day if hit by some or other disaster.
- Control Indigent Water Usage
 - High indigent water usage is a combination of water leaks and wastage, infrastructure has implemented a “Water leak repair project” in few wards, the impact of this project will be assessed when completed. The next step will be to engage with ward councillors and communities on water-management system.
- All meters to be read and ensuring correct readings
 - Letters were written to accountholders of affected properties. A number of responses were received, but not much has been done as others indicated that they will be phoning in the readings while others indicated interest to convert to prepaid electricity. The installation processes has commenced and a status quo assessment will be done.
- Increase number of meter reading handhelds
 - Bulk of unread meters is as a result of meter faults, infrastructure is doing their best to repair/replace the meters, however funds to acquire new meters is hampering progress.
- Creditors to be paid on due dates to avoid interest payments
 - This remains a point of concern as creditors are still not been paid within 30 days of invoice. Finance is now stamping the invoices once they are received by the finance directorate as at times the invoice arrive after the 30 day period.

- Reduce Indigent debt
 - The indigent policy was revised to give effect to a new registration process and approval procedure. Department of Provincial Local Government and Traditional Affairs, has created a stakeholder forum which includes departments like, Labour, Home affairs etc. These are critical in availing information which is important in deciding whether the account holder is indigent. The forum will facilitate sharing of this information and enable early problem identification and relevant action.
- Disconnections/Reconnections to be done Internally
 - This can only be done on expiry of the current agreement with the service provider. However, a limited number of disconnections will be done internally by blocking prepaid electricity consumers.
- Procurement to be done for emergencies only
 - Through the assistance of the Municipal Manager this has been done but due to crisis management there are many emergencies that do occur.

Highlights for the finance directorate during 2010/2011

The following is a list of the main highlights that were noted during the 2010/2011 financial year;

- Finance staff pulling together to ensure that the financial statements were prepared according to GRAP standards
- Moving all finance staff into one building
- Pre-Paid Electricity
- Training of interns in the budget and treasury office
- Revising finance controls and procedures
- Improving on financial reporting
- Maintaining a working cash flow

Challenges faced by finance during 2010/2011

The following is a list of the major challenges that were faced by the finance directorate during the 2010/2011 financial year;

- The exceptions raised in the management report from the Auditor-General for the financial year ending 30 June 2010 were not all addressed and resulted in the same issues once again been raised as exceptions
- The withholding of rates by certain rate-payers impacted on the cash flow and resulted in many man-hours spent dealing with all related issues
- Sever cash flow issues due to non-payment off debt
- Collection of outstanding debt hampered due to the four credit control posts not been filled
- Minimal impact of debt recovery by Councils attorneys where the debt collected equates to the legal costs that have to be paid
- Appointment of vacant posts in the finance directorate been hampered due to various issues
- Lack of financial training for the finance staff
- The implementation of the job evaluation
- Office environment not conducive to working condition

Budget

The budget process for the 2011/12 financial year did not follow the required time table during the 2010/2011 year. This is going to have to be addressed by the Mayor and Municipal Manager in the next financial year

Budget Control

Directorates exercised very little control over their expenditure during the year and the result being that many votes were overspent and not all adjustment budgets were submitted to Council for approval.

The overspending on votes was not reported to the Accounting Officer or the MEC for local government and is thus regarded as unauthorised, irregular, fruitless or wasteful expenditure.

Internal Control

During the year, the following policies, relating to finance, were amended and approved by Council;

- Budget policy
- Supply Chain Management Policy
- Property Rates Policy
- Fixed Asset Policy
- Banking and Investment Policy
- Anti-Fraud and Anti-Corruption Policy

It is all well and good to have all the policies and by-laws in place but the challenge is for all employees to comply with the policies and by-laws. Non-compliance is going to result in unnecessary audit queries and this must be avoided at all costs. All staff must be familiar with all the policies and by-laws of the Council and must ensure that they comply with all aspects.

During the 2011/2012 financial year, internal controls have to now receive further attention.

Revenue

During the 2010/2011 financial year all ratepayers and consumers on record were billed monthly but the collection of overdue accounts still remains a point of great concern. A further concern is the access to meters in homes that are locked and having to average meters for long periods. The general was concluded during the financial year with the 4th supplementary valuation and many concerns are still been raised by concerned ratepayers.

Supply Chain Management Unit

One of the biggest challenges that needs to be overcome is to get all directorates to adhere to the Ndlambe Supply Chain Management Policy. This point has been highlighted in both the internal audit report and the report of the Auditor-General.

The supplier data base has to be improved so that the emerging companies and local based businesses are registered. Once this is done the opportunities for the previously disadvantaged should increase dramatically.

Expenditure

Although hampered by serious cash flow problems the expenditure section has ensured that, as far as possible, creditors are paid within 30 days of receipt of the invoice and correct documentation by the finance directorate. All salaries and third party payments have been paid on time. Special payment arrangements have been made for emerging contractors in order for them to maintain their cash flows.

Finance Grants received 2010/2011

Of the grants received by the finance directorate, the equitable share was utilised to cover the charges raised on indigent households properties and to write off bad debt in respect of deceased owners. The finance management grant was used to remunerate the interns that are employed and for the mentors that are training and capacitating the interns in all finance related matters. Other projects funded from the finance management grant include systems improvement and addressing matters raised in the audit report and the finance turn-around strategy. The municipal systems improvement grant was used to fund the work done on the asset register, the supplementary valuation roll and GRAP conversion.

Staff Matters

During November 2010 a team building session was held but unfortunately not all finance staff participated so the intended results were not achieved but those that attended had memorable experiences. Other methods to unite the staff in finance need to be identified so that the entire finance team works together as a team

and offers the community the quality of service they deserve.



During the financial year the staff turnover was very low but many staff were demotivated due to the implementation of the job evaluation and the grading of their posts. This is a point of concern and the matter needs to be addressed.

The appointment of the four staff to man the credit control office has been hampered by various factors and this has a direct effect on the ability of the directorate to recover outstanding debt.

Finance Directorate - Staff Component – 2010/2011

Director: Financial Management

Personal Assistant – Vacant – Unbudgeted Post

Deputy Director: Finance - Income

Assistant Director: Finance - Expenditure

Budget and Treasury Manager – Vacant – Budgeted Post

Supply Chain Unit Manager

Secretary

Senior Accountant: Income

Senior Accountant: Revenue/Credit Control

Senior Accountant: Expenditure – Does the paymasters work as well

Senior Accountant: Budget and Treasury

Senior Accounts Clerk: Credit Control – Vacant – Budgeted Post

Senior Accounts Clerk: Expenditure – Creditors

Accounts Clerk: Expenditure – Creditors

Data Operator: Expenditure

Accounts Clerk: Supply Chain Unit

Storekeeper/Buyer

Assistant Storekeeper

Accounts Clerk: Rates

Accounts Clerk: Indigent

3 x Accounts Clerks: Credit Control – 2 Vacant – All three budgeted posts

2 x Data Operators: Income

3 x Accounts Clerks: Income Enquiries

6 x Cashiers – 1 Post Vacant – Budgeted Post

Senior Meter Reader

8 x Meter Readers

The staff component does not fall into an ideal structure and this needs to be addressed when the budget and cash flow allows. It is also critical that the budgeted posts in finance must be filled at all time or debt collection and segregation of duty becomes a problem and in turn increases the risk factor.

The job evaluation has been concluded and this has in turn caused tremendous dissatisfaction among the finance staff. The result is that staff morale is at a low and it is resulting in staff getting restless and looking for alternate employment. To attract competent staff on the current levels, per the job evaluation, will be a challenge but staff retention is far more important at this point in time.

Staff Training – 2010/2011

Training needs to be prioritised during 2011/2012 as many staff lack general computer skills, understanding of the financial system ABAKUS and understanding of basic accounting principles. Once training has been conducted I am positive that the moral of the staff will improve dramatically as they will then be confident in their working environment. The following training occurred during the 2010/2011 financial year;

- Supply Chain Management
- Caseware
- Budget
- Revenue Management
- Intern Training



The following table represents the finance performance score card for the 2010/2011 financial year, as approved by Council and indicates the following;

- Finance Objectives
- Finance Key Performance Areas
- Finance Baselines
- Finance Targets
- Finance Actual Results
- Reasons and Comments on achieving targets or not achieving targets

OBJECTIVE	KEY PERFORMANCE INDICATOR PROJECT	BASE-LINE	TARGET 2010/2011	ACTUAL 2010/2011 ¹	REASON FOR VARIANCE / COMMENTS
To revise and complete the entire Municipality's asset register to be GRAP Compliance (Generally Recognised Accounting Practice) over a period of one year.	Percentage of progress made towards maintained and rehabilitation of Asset register including all Finance Leases, Operating Leases, Infrastructure Assets and municipal and Investment properties.	25 % Complete Asset Register	25%	30%	Ndlambe Municipality applied directive 4 and as a low capacity municipality full GRAP compliance is only required in 2011/2012
	New asset acquisitions are recorded/captured on a monthly basis.	0	100%	80%	Directorates and offices did not all submit their asset acquisition forms to the finance directorate. The finance directorate did however capture all new assets through the creditors system when payments were made but donated assets were a challenge
	The existence of all assets is verified half yearly.	Unknown	100%	50%	The half yearly asset verification forms were sent out to all directorates and offices but very few were returned. The year –end verification was then done by finance but not all directorates co-operated with the process
	All infrastructure assets are identified	Unknown	50%	25%	Could only identify infrastructure assets as totals and could not obtain components
To maintain Finance assets	All assets acquired are bar coded and insured on a monthly basis.	0	100%	80%	Lots of assets acquired were not reported to finance and were only picked up when the verification exercise took place
	Number of Finance assets assessed and ensuring that they are utilized economically.	3 Vehicles	3	2	One of the finance vehicles has been in the workshop for almost the entire year and cannot be used
To ensure financial resources are utilised in an economical, efficient and effective manner.	Income and expenditure reports are provided on a monthly basis to offices and directorates for them to do budget control.	12	12	12	The financial system has also been net-worked to the directors and managers so that they can exercise control
	Finance investment plan is developed for development priorities in the IDP.	0	1	1	Finance investment plan was developed but not linked to the IDP as yet
To ensure that all revenue is collected on a monthly basis to cover the operating expenditure of the municipality on a daily basis	A process plan in place to ensure all new buildings, additions to buildings, re-zoning of properties, sub-divisions and consolidations are forwarded to the finance directorate on a monthly basis for billing and valuation purposes.	0	12	12	This information is been obtained from the building control office but we are still concerned about illegal structures

OBJECTIVE	KEY PERFORMANCE INDICATOR PROJECT	BASE-LINE	TARGET 2010/2011	ACTUAL 2010/2011	REASON FOR VARIANCE / COMMENTS
To ensure all indigents have access to free basic services.	All residents who do not have the financial means to pay for basic services in terms of the indigent policy are registered.	70%	30%	18%	Registrations were undertaken in all wards but we did not register all per our estimation. Additional measures to register indigents is going to be developed
	A complain register to reduce number of complaints from residents resulting from account queues is developed	0	1	1	The register is now in place but not all correspondence is going through one point as yet so not fully effective
	Increase in response time to be within 7 days and resolution of complaints to be within 14 days of receipt	0	90%	80%	Many of the complaints received that require input from other directorates is not been responded to within 14 days
Develop the capacity of the Budget and Treasury Office to meet the requirements of credible financial management	BTO is established in line with treasury guidelines (structure).	2 Permanent Staff 4 Interns	1 additional intern and 1 asset clerk	1 additional intern, 1 asset clerk and 1 intern mentor	To ensure that the intern program is successful a mentor for the interns was appointed on a contract basis and this has been very successful in the development of the intern
	Relevant officials are trained to ensure that they are able to contribute to the financial management system (treasury departments and departmental managers)	4 Staff members trained	7 staff trained	7 staff trained	The interns are receiving day to day in-house training from their mentor
Ndlambe is able to raise sufficient revenue (internal and external sources) and manage the assets to meet their responsibilities in terms of service delivery incorporating both capital and operational costs	Percentage increase in the possible local revenue base	4% increase on current revenue base	4%	2%	The economic recession we are coming through has contributed to this and the data cleansing exercise is not completed
	100% spending of FMG and MSIG funds	100%	100%	100%	All allocations spent to improve financial systems
	Increase in % of equitable share based on more accurate statistics in terms of the DORA	10% increase on current allocation	10%	0%	All attempts to get the equitable share increased by submitting more updated statistics has not resulted in any additional allocations. The only positive response is that National Treasury will be re-looking at the formula and basis of distribution of the equitable share.
	Percentage decrease in non payment	Current payment rate 70%	Increase current rate by 10%	Current rate increased by 14%	Despite the withholding of rates, there has been an improvement in this area but the positive results are also due to the water consumptions of indigents been reduced due to leakages been repaired

OBJECTIVE	KEY PERFORMANCE INDICATOR PROJECT	BASE-LINE	TARGET 2010/2011	ACTUAL 2010/2011	REASON FOR VARIANCE / COMMENTS
Develop the Supply Chain Management System to be in line with the SCM policy and meet the requirements of good practice	Fully operational computerised SCM system in line with SCM Policy and MFMA implemented	1 Supply Chain Management Module	1 Module	0 Module	The development of the module has only recently been completed and we decided to wait and see that it is operating properly before we install
An updated (contemporary) financial system of Ndlambe is optimally used by competent staff.	Percentage of elements of financial system utilised	8 Modules	8	7	We are experiencing problems to get the bank statements to integrate to the financial system. We will continue to press our bankers to assist us in this regard
	Increased in number of staff trained to effectively use the financial system	27	27	4	The cost to do the training of all staff could not be sourced as our original budget was reduced
	Increase in the investments of maintenance / upgrade of financial system	50 000	50 000	127 525	Adjustment budget had to be done as more work on the system was required and was carried out
	Increase in the number of useful reports generated for planning and monitoring purposes	7 income/expenditure and budget reports	12	12	This is now happening on a monthly basis
	Number of reports that meet the legal requirements at the right time	12 Financial Reports	12	12	Although all reports were done to meet legal requirements not all due dates were met as the month end procedures at times were delayed and that resulted in the reports been submitted late
Ndlambe Municipality is able to meet all payments to creditors and staff on due dates	Percentage of improved cash flow by reducing expenditure to match actual cash on hand.	30%	20%	20%	This was done but had a direct impact on service delivery.
	Decrease payment to 30 days from date that invoice is received by finance	unknown	100%	92%	We are still having a problem getting directors and managers to authorise the invoices stating that the work has been done or the goods have been received
To improve communication of the budget process	Relevant advertisements and loud hailing are done within the legislated time frames	1 Advert and 9 ward loud hailing	1 Advert and 9 ward loud hailing	1 Advert	The public participation process on the budget was done in a different manner this year due to the elections

2 PRESENTATION OF THE ORGANIZATIONAL STRUCTURE (APPROVED ORGANOGRAM)

The total number of posts approved for the 2010/2011 financial year is **458**

For the 2010/2011 financial year there were no changes to the organisational structure.

The total number of vacant positions for the reporting year was 25.

The municipality could not submit performance agreements during the set time-frames.

As a result of problems encountered with the implementation of a fully fledged Performance Management System (PMS) and the funding of an effective PMS for the municipality the municipality entered into a partnership with GTZ in February 2009. In April 2009 terms of reference were drafted for the appointment of a service provider to assist the local municipality with the following actions:

- Formulate a draft Performance Management System framework
- Formulate a Performance Management Policy for the municipality and same to be adopted by Council;
- Develop a performance based measurable organisational scorecard;
- Develop performance based measurable departmental scorecards for all the municipal departments;
- After these were in place-process plan has to be developed for performance review sessions for all Section 57 Managers to be held during the 2009/2011 financial year with the new system
- As the process only commenced in April 2009 it was therefore resolved that Performance review sessions for section 57 employees be conducted for the last quarter of 2010/2011 financial year ending in June 2011;
- The performance review sessions are scheduled to take place in mid August 2011 as 'mock/trial' assessment so that they can be used as capacity building sessions;
- Please find the Ndlambe organisational structure attached Annexure 3

3 STAFF DEVELOPMENT INITIATIVES DURING THE FINANCIAL YEAR

During the 2009 a draft Human Resources Strategy was formulated and adopted by Council. The Human Resources Strategic Plan incorporates the formulation of a Workplace Skills Plan which is closely aligned with the National Human Resources Strategy and the municipality's strategy as enshrined in the Integrated Development Plan (IDP).

It must be noted that despite the minimal budget that is allocated to the skills development, the municipality dedicated itself to develop its human capital. As required by the Skills Development Act, through the Local Government Sector Education and Training Authority, the municipality has developed and submitted the Workplace Skills Plan by 30 June 2010 for the 2010/11 financial year.

4 KEY HR STATISTICS PER FUNCTIONAL AREA

4.1 Full time staff complement per functional area

	Approved positions (e.g MM-S57 etc...)	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Section 57	5	5	0
2	Deputy	5	4	1
3	Assistant	5	5	0
	Total	15	14	1

4.2 Technical staff registered with professional bodies

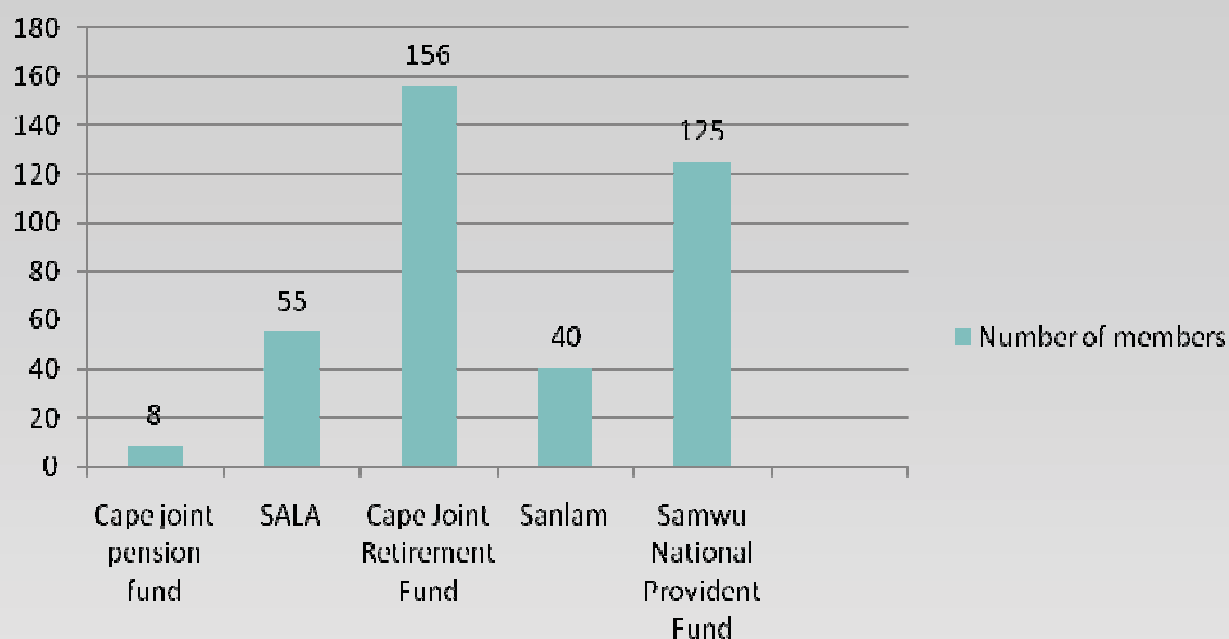
Directorate	Total number of technical service Managers	Total number registered in the Accredited professional body	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
Infrastructural Development	3	3	3	0
Community/Protection Services	6	4	4	2

4.3 Trends on total personnel expenditure

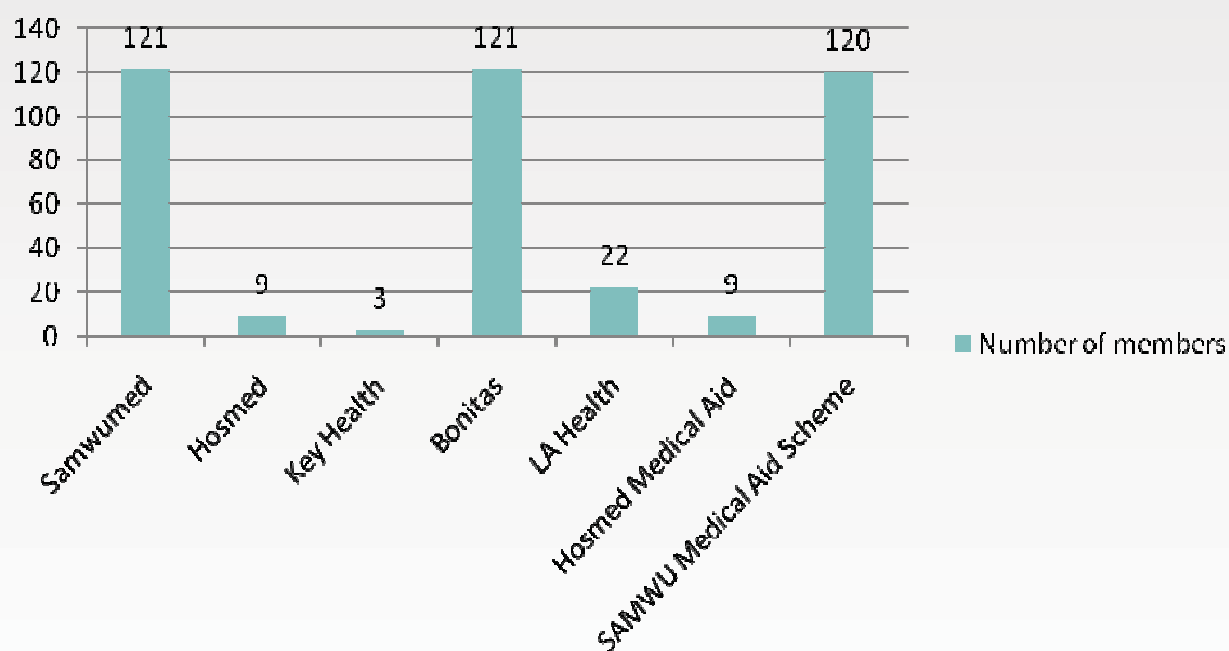
Years	Number of staff	Operating Budget	Expenditure (salary and salary related)
2008F 2009	455	R123 709 750	R51 345 144
2009F 2010	455	R170 228 950	R57 798 754
2010- 2011	458	R172 558 710	R62 250 901

4.4 List of pension and medical aids to whom employees belong

Pension Funds to whom employees belong:



Medical Aids to whom employees belong:



5 IMPLEMENTATION OF THE PERFORMANCE MANAGEMENT SYSTEM (PMS)

The Executive Committee Meeting of 20 May 2009 noted a report from the Director: Corporate Services in which she cited various problems experienced with the Howard Cook Performance Management System, *inter alia*:

- Its non-compliance with performance management (SMART) principles; and
- Its complex design which made it impossible to operationalise it.

Flowing from previous reports to Council about the complexity of the Howard Cook Performance Management System, the Corporate Services Directorate was tasked to explore alternatives while the Municipality would continue with the said system. Cacadu District Municipality was approached for assistance as they were previously on the Howard Cook Performance Management System. Furthermore, Sundays River Valley Municipality was also visited to explore their system.

Numerous attempts were made to secure funding for this process but with no success. Subsequently, the German Agency for Technical Cooperation (GTZ) whose area of focus includes municipal support on Integrated Development Planning (IDP) and implementation, Performance Management (M&E), Municipal Financial Management and budgeting, Good Local Governance, Local Democracy and Public Participation and Local Economic Development. GTZ agreed to support the Municipality and appointed a Service Provider whose tasks included conducting Performance Management System awareness workshops with both Councillors and Officials, the development of a Performance Management Policy Framework for Ndlambe, and the development of Organisational and Departmental Scorecards. GTZ's system is based on the Balanced Scorecard Methodology. A good performance management system should integrate easily with the goals and strategies of a Municipality. It

must furthermore allow the Municipality to put its goals and strategies into action in order to provide quality service to its customers, as well as its employees.

Following an assessment of the underlying principles of systems currently in practice worldwide, it became clear that a performance management system based on the principles of an approach called the **Balanced Scorecard** is the only one that will really work for Ndlambe Municipality –to *transform ideals and goals into tangible results*.

The *Balanced Scorecard* is a worldwide-accepted strategic management tool that translates an organisation's strategy into terms that can be understood, communicated and acted upon. It provides the understanding, focus and alignment that unlocks and focuses the strategic skills and knowledge of the organisation towards a shared vision. The *Balanced Scorecard* focuses primarily on *strategic* issues and will –

- translate Ndlambe's organisational strategy into tangible objectives and measures;
- use four perspectives to ensure a balanced approach, i.e.: Customer (Community) perspective, Financial perspective, Internal Processes, and Learning and Growth;
- provide a visual representation of the organisational game plan; and
- allow Ndlambe to measure financial and customer (community) results, operations and organisational capacity.

The traditional balanced scorecard is often criticised as a private sector methodology that is not applicable for either the South African public sector or local government environment. However, if one considers the traditional scorecard depicted in figure 1 above, then it is clear that even the traditional Balanced Scorecard dimensions are very relevant and applicable for South African local government.

However, it is critical that the strategic direction of Ndlambe is aligned with that of Cacadu District, the Eastern Cape Provincial Government and the National Government's programmes and priorities. In this regard the following **National Municipal Key Performance Areas** have been identified in the **Local Government: Municipal Performance Management Regulations for Municipal Managers, 2006** (published in Government Gazette No 29089 of 1 August 2006):

- Service delivery & infrastructure
- Municipal transformation and institutional development
- Financial viability and management
- Local Economic development
- Good governance and community participation.

Up to 2007/2008 financial year the municipality was using the Howard Cook Performance Management System (HCPMS) to develop performance plans for Section 57 employees. On analysis of the performance management system the following key problems and institutional performance management weaknesses were identified:

- The Performance Management System could not set **measurable Key Performance Indicators** (KPI's) as a yardstick for measuring performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its integrated development plan;
- The performance management system could set **measurable targets** with regard to each of those development priorities and objectives;
- Through a performance management system and performance review process the municipality takes steps to improve performance with regard to those development priorities and objectives where performance targets are not met- this has not been achieved as part of the performance review process;
- There was lack of alignment between

the IDP, SDBIP, Budget and PMS;

- In addition even the Section 57 could not undertake performance reviews on their own-these had to be undertaken under the auspices of costly consultants from Howard Cook.

As a result of the complex and not user-friendly nature of the Performance Management System the municipality had to take bold decisions on whether to continue with the system they could not implement internally and continue with perpetual dependence on consultants or look for a new user-friendly system.

- The Department of Provincial and Local Government (DPLG) was approached-in November 2008 for possible financial support for the municipality to migrate to a new and more effective Performance Management System. As a result of lack of support from this department GTZ was then approached for PMS assistance.
- In February 2009 the municipality entered into a partnership with GTZ.
- In April 2009 terms of reference were drafted for the appointment of a service provider to assist the local municipality with the following **actions**:
 - > Formulate a draft Performance Management System framework
 - > Formulate a Performance Management Policy for the municipality and same to be adopted by Council
 - > Develop a performance based measurable organisational scorecard
 - > Develop performance based measurable departmental scorecards for all the municipal departments;
 - > Determine a full cycle performance oriented business process and management approach-from employment stage during employment through to employee exit stage;

- > Determine procedures to deal with failure to develop and submit suitably measurable IDP/strategy based performance plans-those that do not, amongst others meet SMART principles ;
- > Cascading of PMS to at least the first three levels of management i.e. Deputy Directors and Assistant Directors/similar level –as applicable;
- > In addition this is also to ensure that performance management should also measure **institutional performance** rather than concentrate solely on the human resource/staff (section 57) performance as has been the case to date.

In July 2009 Council adopted the Policy Framework on the Performance Management System Policy; In August 2009 the municipality formulated the performance scorecard adopted and It was also resolved that after these actions were completed a process plan has to be developed for performance review sessions for all Section 57 Managers to be held during the 2009/2011 financial year using the new Performance Management System (PMS). Clearly defined performance review process including defining standards and norms for balanced scorecards (PMS) , provision and recording of evidence of performance (full cycle) etc.

6 MAJOR CHALLENGES AND REMEDIAL ACTIONS IN REGARD TO HUMAN RESOURCE AND ORGANIZATIONAL MANAGEMENT

Human Resources Development HRD and Training

Challenges have been identified in the implementation of the Workplace Skills Plan including the lack of a systematic approach to monitoring and evaluation of training impact on the institution and its effectiveness.

As part of the Workplace Skills Plan implementation all departments ensure that staff training takes place in line with WSP. Mechanisms being developed to monitor and evaluate impact of training and impact on overall strategy (IDP).

Implementation of Workplace Skills Plan

Due to the shortcomings in implementation of Employment Equity Plan especially in relation to employment of people with disabilities- wherever possible the municipality strives to fill the remaining vacancies with disabled persons to reach the 2% target

Development and implementation of Employee Wellness Program

With the implementation of the Human Resources Strategy the development of an Employee Assistance Program (EAP) has been identified as a critical challenge. Some of the areas to focus on included-

- Absenteeism
- Disease Management
- Manager sensitisation and
- Direct counselling to the infected and affected in cases of HIV/AIDS

Measures are being put in place to develop a comprehensive Employee Assistance Program but amongst others, the critical challenge has been funding.

In November 2010, an Employee Wellness and HIV/AIDS Day was held by the municipality in partnership with the Department of Health as well as support groups within the Ndlambe Municipal area. The purpose of this event was to make awareness on to municipal employees on health matter.

7. ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the Gap
1	Vacancy rate for all approved and budgeted posts	455	23	95%	Municipality will strive to fill all critical and strategic vacancies
2	Percentage of appointment in strategic positions (Municipal Manager & section 57 Managers)	N/A	N/A	N/A	No new vacancies existed during the year
3	Percentage of section 57 Managers including Municipal managers who attended at least 1 skills development within FY	5	5	100%	No gaps in this regard
4	Percentage of managers in Technical Service with a professional qualification	9	None	N/A	There no
5	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5 year term	Skills audit is being conducted annually for all staff members as part of Workplace Skills Plan and Human Resource Development Strategy	All staff	100%	As part of the Workplace Skills Plan implementation all departments ensure that staff is trained in line with WSP. Mechanisms being developed to monitor and evaluate impact of training and impact on overall strategy (IDP).

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the Gap
6	Percentage of councillors who attended a skills development training within the current 5 year term	18	14	80%	14 out of 18 Councillors attended training development
7	Percentage of staff complement with disability	4	N/A	0%	As part of Employment Equity Plan interventions e.g. succession planning, recruitment etc. reach the 2% target
8	Percentage of female employees	120	26%	0	No new appointments

8 INDIGENT POLICY IMPLEMENTATION

An indigent registration program was developed and registration process started in April/May 2011. Registration of indigents is done in different ways;

Mass Registration

Potential Indigent households are invited to a central venue where the Municipal officials and casual employees assist the applicants to fill in the the forms.

Walk-Ins

These are households who walk in voluntarily to reapply for their subsidies.

Door to door registration

This form of registration is used as a last resort as a when mass registration turn out is low. Theoretically, more applicants could be captured through door to door registration. However, there are inherent problems with this type of registration i.e.

- Documents cannot be commissioned at point of registration
- Documents cannot be duplicated
- It is time consuming
- It is costly, more people had to employed to assist with the registration process.

Registration results

The registration effort, gave us an increase of 9.8% on the previous years' number of registered indigents. This increase is very minimal relative to the increase in indigent household debt.

The policy seems not to be effective in addressing the indigent debt due to indigent household not reporting changes in their economic status or not responding to mass registration invitations and limited write-off provision.

Policy Improvements.

On evaluating policy effectiveness, the results showed a need to change the policy. This was done with the assistance of DPLGTA. Furthermore, an intergrated policy implementation and review is critical for the success of the policy. In terms of credit Control and Customer Care policy, availability charges were payable by the property owner or main tenant. This resulted in tenants occupying the property/ beneficiary tenants being subsidised for consumption charges only, leaving the bulk of the services being charged from the main tenant who is not consuming services in that property. The policy had to be changed to address the arnomally and support the indigent policy.

Implementing the indigent policy is one of the greatest challenges that the finance directorate is faced with. Challenges revolve around indigent registration, keeping the water usage within the limits per the indigent policy and property ownership.

8.1 Preparation and approval process of the indigent policy

Ideas for policy development are identified through the challenges experienced in implementing the current indigent policy. The objective of identifying implementation challenges is to develop a practical policy that is easy to implement but not open to abuse by prospective indigent households.

Another approach, is situation/status quo analysis and stakeholder identification. Indigent assistance is meant to address socio-economic problems. Therefore, to deal with this problem, you need to link with other government departments dealing with this problem i.e Social development, they have most of indigent beneficiaries in their databases.

They play a critical role in confirming information when there questions related to certain indigent verification.

Registration of Beneficiaries.

Beneficiaries do not voluntary apply for indigent support consequently municipal staff had to do visits to the communities in order to have the beneficiaries registered. During the visits, turn out is poor to an extent that such visits had to be done more than once in order to register or renew previous years applicants.

Despite communication and emphasis by municipal staff that applications must renewed annually, beneficiaries still do not do so until debt collection procedures are followed. Registration process is not user friendly to enable door to door visits in to reach the targeted and new beneficiaries. Copying and certifying required document is one of the hindrances of door to door visits. This requires use of a central venue to do the registration.

Service(s) Consumption by beneficiaries

Usage of most services made available to beneficiaries is controllable but water is the most difficult service category to deal with. The municipal policy makes a provision for 10KI per household but average consumption is far beyond this limit. The results in municipality having to absorb excess costs of consumed water.

Property ownership

When the registered property owner is deceased, change of ownership is always delayed. This impacts negatively on the payment of rates and minimum service charges as these are paid by a property owner and when ownership transfer is done the account would be in arrears and had to be written due to the status of the new owner.

Beneficiary registers

The municipality has an existing indigent poli-

cy that was approved by Council. All indigent matters are handled according to this policy. The indigent policy together with all other budget related policies of finance are reviewed on an annual basis before the adoption of the budget and all interested parties have the opportunity to comment on the policies.

We were recently been approached by the provincial "Free basic Services" department to consider a comprehensive draft policy proposal for indigent support. We have analysed, amended and adopted the policy. It offers solutions to our problems.

8.2 Implementation of the policy

The indigent policy is made available to all councillors, ward committee members and community development workers. These are the groups confronted with questions or complaints when the debtors cannot do the necessary payments. During budget consultations, people are told about the policy and encouraged to apply as beneficiaries.

Finance, municipal officials play a critical role in disseminating and implementing the policy. Beneficiaries are advised and assisted to complete the necessary application forms when visiting finance office.

The municipal website is used to make the policy available to those that have access to the internet.

The main implementation tool of the policy is visits by Municipal employees to the various wards, where they follow a yearly registration program of potential beneficiaries. Registration is done in community halls after which all the forms are evaluated and captured in the Municipal billing system.

The billing system debits the debtor accounts for the various service categories and same accounts are credit with funds from the equitable share.

The indigent register is created by our billing system and is continually updated; however, the updating is a continuous process as debtors' status changes from time to time.

9 BUDGET TO ACTUAL COMPARISON

All the actuals below are the billed accruals:

Rates and General

Income

Budgeted Income R138 836 023 vs. Actual Income R116 356 813

Variance Income of R22 479 210

Expenditure

Budgeted Expenditure R152 211 745 vs. Actual Expenditure R118 322 547

Variance Expenditure – R33 889 198

Water

Income

Budgeted Income R36 545 065 vs. Actual Income R2 870 084

Variance Income R33 674 981

Expenditure

Budgeted Expenditure R274 807 913 vs Actual Expenditure R18 269 635

Variance Expenditure – R256 538 278

Electricity

Income

Budgeted Income R39 704 617 vs. Actual Income R40 622 744

Variance Income - R918 127

Expenditure

Budgeted Expenditure R33 547 923 vs. Actual Expenditure R43 616 926

Variance Expenditure – R10 069 003

Grants Expenditure

Income

Budgeted Income R40 715 531 vs. Actual Income R29 852 630

Variance Income R10 862 901

Expenditure

Budgeted Expenditure R40 715 531 vs. Actual Expenditure R29 852 630

Variance Expenditure R10 862 901

See Annexure: 4

10 GRANTS AND TRANSFERS' SPENDING

See Annexure : 5

11 MEETING OF DONORS' REQUIREMENTS IN RESPECT OF CONDITIONAL GRANTS

Finance Directorate – Conditional Grants

Equitable Share – R 43 895 995

Equitable share of R 43 895 995 was received and the entire grant was used to subsidize indigent debt and to write off bad debt brought forward on indigents accounts

Finance Management Grant – R2 000 000

Finance management grant of R2 000 000 was received and used to cover the costs of all five interns, competency training, GRAP conversion and deal with audit queries. The grant received was fully utilized but did not cover all expenditure that was incurred.

Municipal Systems Improvement Grant – Finance Directorate R 615 000

Municipal system improvements grant of R615 000 was received and used to complete the general valuation and to update the asset register to be GRAP compliant. The grant was fully spent but did not cover the total costs of the projects.

Infrastructure directorate - Conditional Grants

FUNDER	GRANT NAME	AMOUNT	CONDITIONS
DCOG / DLGTA	MIG	R 18 664 000.00	SERVICE DELIVERY TO THE POOR AND DISADVANTAGED COMMUNITIES.
ELECTRIFICATION GRANT (EG)	DoE	R 8 000 000.00	BULK INFRASTRUCTURE RELATED
CACADU/DWA	CDM	R 4 128 155.00	DROUGHT RELATED PROGRAMME
DWA	DROUGHT RELIEF	R 500 000.00	DROUGHT RELATED PROGRAMME
DWA	DROUGHT RELIEF	R 1 892 870.00	DROUGHT RELATED PROGRAMME

LONG TERM CONTRACTS ENTERED INTO BY THE MUNICIPALITY

Finance Directorate – Long Term Contract

Bank Contract

The current long term contract for banking services with First National Bank has ended and is continuing on a month to month basis while the tender procedures are followed with regards to long term contracts. The process regarding long term contracts includes public participation so interested parties will have the opportunity to comment on the contract to be entered into. The banking contract is for a period of

Insurance Contract

The current long term contract with AON for insuring Council's entire assets end at the end of the 2010/2011 financial year. A tender will be put out during March 2011 for interested parties to tender for the insurance portfolio for a three year period.

Legal Services – Debtors

The current long term contract for debt collection is with Messer Neeve Stotter Inc. A tender will be advertised by end October 2010 for interested parties to tender for legal services/collections for a period of three years. The reason for the tender only going out by end October 2010 is to get our collection department fully functional and then to decide on the scope of work to go out to tender

Infrastructure Directorate - Long Term Contracts

NAME OF THE CONTRACTOR	DATE OF COMMENCEMENT	DATE OF TERMINATION	TYPE OF SERVICE
URSA/GIVE CIVILS	25 TH AUGUST 2011	12 TH NOVEMBER 2012	UPGRADING OF PORT ALFRED SEWER PONDS
MENELEC	18 TH NOVEMBER 2000	30 TH SEPTEMBER 2015	MAINTENANCE OF ELECTRICITY IN NDLAMBE
P&S Consulting	DURING TLC PERIOD	-	WATER SERVICE WATER IN ALEXANDRIA

13 ANNUAL PERFORMANCE AS PER KEY PERFORMANCE INDICATORS IN FINANCIAL VIABILITY

	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage of expenditure on capital budget	Target set for the year R(36 758 914)	Achievement level during the year R(22 219 453)	Achievement percentage during the year vs the operational budget 0.60.%
2	Salary budget as a percentage of the total operational budget	Target set for the year (32%) R(66 166 583)	Achievement level during the year R(62 250 901)	Achievement percentage during the year vs the actual revenue 32%
3	Total actual trade creditors as a percentage of total actual revenue	Target set for the year (64% and more) R(131 221 628)	Achievement level during the year R(130 686 360)	Achievement percentage during the year 0.68%
4	Total municipal own revenue as a percentage of the total actual Budget	Target set for the year R(258 301 236)	Achievement level during the year R(215 592 121)	Achievement percentage during the year 0.83%
5	Percentage of MIG budget appropriately spent	18 664 000	18 664 000	100%
6	Percentage of MSIG budget appropriately spent	R750 000	750 000	100%

14 ARREARS IN PROPERTY RATES AND SERVICE CHARGES

See Annexure 6

Functional Areas Reporting





. 1 GENERAL INFORMATION

Reporting Level	Detail	Total	
	<p>Ndlambe Municipality was established as a result of the Local Government Elections of 2000 and in accordance with the provisions of section 12(1) of the Local Government Structures Act (No 117 of 1998).</p> <p>Since then, Ndlambe Municipality incorporates former Councils of Alexandria, Bathurst, Boesmansriviermond, Kenton-on-Sea and Port Alfred, as well as the former local areas of Boknesstrand/Cannon Rocks and Seafield.</p> <p>Ndlambe Municipality consists of 9 wards and is Classified as Category B Municipality.</p> <p>The developmental vision of Ndlambe Municipality is moulded within the context of the five (5) National Key Performance Areas of the Local Government Strategic Agenda, Namely:</p> <ul style="list-style-type: none"> • Municipal Transformation and Institutional Development • Basic Service delivery and Infrastructure Development • Local Economic Development • Financial Viability and Management • Good Governance and Public Participation 		
1	Geography: Geographical area in square kilometres Source: Community Survey 2007	16.3	
2	Demography: Total population Source: Community Survey 2007	63, 122	
3	Aged breakdown: (%) -65 years and over -between 20 and 64 years -Between 5 and 19 years - 4 years and under Source: Community Survey 2007	8.55 55.99 27.55 7.91	
4	Household income: (%) -between R1 001 and R2 500 per month -between R 201 and R1 000 per month -Between R0 – R200 per month Source: Community Survey 2007	25.61 23.80 6.02	

2 FINANCE AND ADMINISTRATION FUNCTION'S PERFORMANCE

Function: Finance Sub Function: Finance	
Reporting Level	Detail
Overview	<p>The finance directorate is a support directorate to other directorates and customers of the Ndlambe Municipality. The finance directorate consists of four sections namely the Budget and Treasury Office, Supply Chain Unit, Revenue and Expenditure. The main office of finance is situated in Port Alfred with three satellite offices in Alexandria, Kenton-on-Sea and Bathurst.</p> <p>The objectives of the finance directorate for the 2009/2010 financial year were as follows;</p> <ul style="list-style-type: none"> • To revise and complete the entire Municipality's asset register to be GRAP Compliant (Generally Recognised Accounting Practice) over a period of one year. • Ndlambe is able to raise sufficient revenue (internal and external sources) and manage the assets to meet their responsibilities in terms of service delivery incorporating both capital and operational costs • An updated (contemporary) financial system of Ndlambe is optimally used by competent staff • To maintain Finance assets • To improve communication of the budget process • Households living below the poverty line (R 800 per month), as well as vulnerable groups, have improved access to all required basic services, health facilities and social/ work creating programs • Develop the Supply Chain Management System to be in line with the SCM policy and meet the requirements of good practice • To ensure financial resources are utilised in an economical, efficient and effective manner • Develop the capacity of the Budget and Treasury Office (BTO) to meet the requirements of credible financial management. • To ensure that all revenue is collected on a monthly basis to cover the operating expenditure of the municipality on a daily basis • To ensure all indigents have access to free basic services. • To ensure an effective customer care service to all residents. <p>To meet the above objectives the following indicators were set that we needed to achieve;</p> <ul style="list-style-type: none"> • Percentage of progress made towards maintenance and rehabilitation of Asset register including all Finance Leases, Operating Leases, Infrastructure Assets and municipal and Investment properties • New asset acquisitions are recorded/captured on a monthly basis. • The existence of all assets is verified half yearly. • All assets acquired are bar coded and insured on a monthly basis. • Percentage increase in the possible local revenue base • 100% spending of FMG and MSIG funds • Increase in % of equitable share based on more accurate statistics in terms of the DORA • Percentage decrease in non payment • Percentage of elements of financial system utilized • Increased in number of staff trained to effectively use the financial system • Increase in number of useful reports generated for planning and monitoring purposes • Increase in the investments of maintenance / upgrade of financial system • Number of reports that meet the legal requirements at the right time

<p>Overview</p>	<ul style="list-style-type: none"> • Percentage of improved cash flow by reducing expenditure to match actual cash on hand. • Number of Finance assets assessed and ensuring that they are utilized economically. • Relevant advertisements and loud hailing are done within the legislated time frames • Increase in number of households benefiting from poverty alleviation programs • Fully operational computerised SCM system in line with SCM Policy and MFMA implemented • Income and expenditure reports are provided on a monthly basis to offices and directorates for them to do budget control. • Infrastructure investment plan is developed for development priorities in the IDP • BTO is established in line with treasury guidelines (structure). • Relevant officials are trained to ensure that they are able to contribute to the financial management system (treasury departments and departmental managers) • A process plan in place to ensure all new buildings, additions to buildings, re-zoning of properties, sub-divisions and consolidations are forwarded to the finance directorate on a monthly basis for billing and valuation purposes. • All residents who do not have the financial means to pay for basic services in terms of the indigent policy are registered. • A complaint register to reduce number of complaints from residents resulting from system errors is developed • Increase in response time and resolution of complaints to be within 7 days of receipt
	<p>BUDGET AND TREASURY OFFICE</p> <p>Budget and Treasury Office was established in terms of section 80 of the MFMA. It consist of BTO manager reporting directly to the CFO, Senior Accountant, Asset Clerk, Five Interns and the Cleaner reporting to the BTO manager. The functions of the BTO are as follows: Budgeting, Financial Statements & Reporting, Asset Management, Cash Management, Investments, and Insurance.</p> <p>The function of the budget and treasury office within the municipality is administered as follows and includes:</p> <p>Budgeting:</p> <p>BTO's involvement in budgeting starts from the planning, strategizing, preparing, and tabling, approving, finalizing and implementation stage.</p> <p>The planning and strategizing stages are done through the political guidance by the Mayor. i.e. review of time table schedule and the previous year's budget process to determine what went wrong, what should be corrected and the way forward. This can be done through internal and external participation.</p> <p>The preparation to the finalizing stage of the budget is done by the BTO with the assistance of the Accounting Officer and the co-operation of the other directorates.</p> <p>After the implementation the BTO conducts the in-year monitoring of the budget.</p> <p>The major difficulties we encountered in the budget preparation are the directorates are not adhering to the time table schedule approved by the council. The directorates are not procuring according to their budget.IDP is not aligning to the budget. The directorate does not prepare their departmental SDBIP.</p> <p>The strategic objectives of this function are to:</p> <p>Compile well balanced, representative and affordable budget informed by the IDP and available resources.</p> <p>The key issues for 2011/12 financial year are:</p> <ul style="list-style-type: none"> • The in-year monitoring to control the budget. • Engaging of the Mayor and the Accounting officer involvement in the budget in order to achieve a smooth budget process. • To include the SDBIP and PMS in the IPD/Budget process.

- Evaluation of the SDBIP.
- To improve budget reporting.
- Engaging of directorate involvement in the mid-year's adjustment budget and
- performance assessment (Sec 72 report).

FINANCIAL STATEMENTS AND REPORTING

The BTO coordinates the process of preparing the financial statements with the finance management team.

The finance management team is required to prepare statements that are in accordance with generally recognized accounting practice (GRAP)

The financial Statement are handed over to Auditor General at the 31 August for auditing purposes as required by the S126 (1) b of the MFMA.

The BTO prepares the monthly, quarterly, half yearly and yearly reports to Council, National and Provincial Treasury based on the requirements required by the MFMA.

The strategic objectives of this function are to:

Compile accurate and reliable financial statements and reporting which reflect the true financial position of Council. An updated (contemporary) financial system of Ndlambe is optimally used by competent staff to achieve an unqualified audit report.

The key issues for 2011/12 are:

Striving to produce financial statements that are fully complying with GRAP.

To develop a monthly checklist to correct errors on matters affecting the financial statements before the reporting date.

ASSET MANAGEMENT

BTO coordinates the verification of assets towards the year end. Controlling the movement, transfers, acquisitions and disposals of Council assets on a daily basis. Report to Council a list of assets to be disposed for approval.

The strategic objectives of this function are to:

Keep record and the movement of Council assets.

An updated (contemporary) financial system of Ndlambe is optimally used by competent staff to locate, identify and revalue all Municipal Assets.

Ndlambe Municipality is able to raise sufficient revenue (internal and external sources) and manage their assets to meet their responsibilities in terms of service delivery incorporating both capital and operational costs.

The key issues for 2011/12 are:

To maintain the asset register on a monthly basis.

Ensuring that the Council asset register fully complies with GRAP.

Conducting a monthly checklist ensuring that asset register balances with the ledger.

CASH MANAGEMENT

Prepares a daily cash flow to determine whether the council is in the status to spend from the budget. Informs the directorates if there are cash flow problems.

The strategic objectives of this function are to:

To secure sound and sustainable cash flow management of the Council.

The key issues for 2011/12 are:

To review the cash management and investment policy in accordance with any framework that may be prescribed in terms of s13 (1) of the MFMA.

INVESTMENTS

The BTO maintains the quotation register. Identify monies that are transferred to the Council current account and invest monies not immediately required. Prepares the monthly reconciliation, realizes and re-invest investments on the due date. Make withdrawals on the investments to the revolving fund, debit the current account with the original money invested and credit the vote provided by a specific director.

The strategic objectives of this function are to:
To secure sound and sustainable investment procedures of the Council.
[The key issues for 2011/12 are:](#)

Implement authorization and review of the investment decision made of the employee making the investment

INSURANCE

The BTO register all the new assets to the insurance company take out the disposed assets from the insurance list. Make insurance claims for the damage or stolen assets. Allocate payments received from the insurance company to the relevant vote. Update insurance claim register.

The problems encountered when implementing the insurance activity are directorates are not informing the BTO of the new acquisitions and stolen assets for insurance additions. Directorates are submitting insufficient information for insurance claims and are not adhering to the terms of the insurance contract. i.e. late submissions

The strategic objectives of this function are to:

To ensure all the Council assets as per asset register are insured.

The key issues for 2011/12 are:

To review the fixed asset register to comply with GRAP and ensuring that the fixed assets are at the market value for the insurance purposes.

CREDITORS

PAYROLL:

SENIOR ACCOUNTANT: MS A. BARKHUIZEN

Administer payment of salaries and allowances. Monthly reconciliation of salaries. Payroll runs on the Friday closest to the 25th of each month where salaries are transferred electronically to staff members bank accounts .Payments made to the Pension Funds, SDL, PAYE and UIF as well as other salary deductions due, are done before the 7th of the following month. Segregation of duties between the pay office and human resources must take place during the 2010/2011 financial year as the pay office is doing far too many of human resources tasks and this creates a financial risk.

CREDITORS PAYMENTS.

SENIOR CREDITORS CLERK: MS T. AJAH

CREDITOR'S CLERK: MS. T MAMA

Administer payment of creditors. Creditors to be paid within 30 days of invoice date on a monthly basis, statements of creditors reconciled with the orders/requisitions issued- This has been a challenge seeing that not all documentation relating to these payment s have been received in time as well as the ongoing cash flow problem within the Municipality- resulting that creditors not being paid within 30 days.

Direct payments are done on a day to day basis for emergencies ,accommodation ,travelling and temporary wages

As from 1 January 2010 we have been able to implement more functions relating to creditors payment process and all cheques have been printed and no manual cheques issued.

STORES:

STOREKEEPER: MS D. RUDMAN

ASS. STORE KEEPER:MR.G TISANI

Execute control over stock/stores -Buying and controlling of stock which includes stationery, petrol and diesel, water meters etc.. Stocking taking at year end will no longer involve the participation of the storekeeper and Ass. Store Keeper, but will be done by the internal auditor and delegated staff members.

The strategic objectives of this function are to:

Creditors:

To utilize all the functions available on the creditors-abakus system in order to be more effective on directs/creditors payments

The key issues for 2010/11 are:

- To get all expenditure processes computerized

SUPPLY CHAIN UNIT

During the 2010 Financial Year, the two members of the Unit continue to work under difficult and uncomfortable conditions. The physical size of the office as well as noise levels from the adjacent yard tended to make the smooth operation of the Unit rather difficult. The lack of office and document storage (archive) space is challenges which still need to be addressed.

Although tendering procedures and many other provisions of the Supply Chain Management Policy were adhered to, many deviations, mostly relating to the Informal and Formal Written Quotation provisions, occurred on a regular basis. Management of the Unit was mostly restricted to providing guidance/advice, Supplier Database and Formal Tender (Committee System) matters. There is also a general tendency of requesting departments to attempt to work around the provisions of the Supply Chain Regulations rather than adhering to the legislated processes.

Other challenges include the lack of central co-ordination regarding Supply Chain matters such as bid notice preparation, bid committee minutes and agendas, notice placement and other related issues, notwithstanding the processes contained within the Supply Chain Management Policy.

The empowering and obtaining of commitment to the legal parameters of the Supply Chain Management process in terms of the Municipal Finance Management Act remains the biggest challenge facing both the Unit and Municipality as a whole. During the course of the 2009 audit, many issues were identified and the standard of operation of the Unit was unsatisfactory.

The Municipal Asset Transfer Regulations, which contain stringent procedures and requirements relating to the disposal of municipal assets, need to be incorporated or referenced into the Supply Chain Management Policy and adhered to by all parties.

Draft Preferential Procurement Regulations were issued in August 2009, which, once effective, will also have a considerable impact on the Supply Chain Management Policy in that the Preferences Management section of the policy will need to be revised.

It is suggested that workshops be convened at the highest level to:

1. Address and finalise systems, procedures, accountabilities, education and empowerment issues relating to Supply Chain matters. It is vital that the Municipality complies with all relevant provisions of the Municipal Finance Management Act.
2. Review the Supply Chain Management Policy, with particular reference to new legislation and regulations.
3. There is also a need to refine the Policy to take account of matters relating to the specific situation in the Ndlambe Municipality's area of jurisdiction, particularly the methods used to equitably distribute certain categories of procurements.

REVENUE

Overview:

Financial Administration function within Ndlambe Municipality covers a wide range of functions which are of an administrative nature. The department provides billing, revenue collections and other services to internal departments.

One of the critical functions of the department is to continuously, monitor expenditure and give advice to other directorates to ensure that expenditure is within approved budget. Financial management is not only inward focused; it provides a wide range of services to local communities. It serves as a delivery mechanism for free basic services.

Free Basic Services

Financial function is responsible for facilitating an enabling environment for the implementation of free basic services by developing policies to be approved by council. It is through these policies that local communities can access this service. Communities are assisted by the Finance department to apply for these services and thereafter facilitate payment for such services.

Service Delivery

Finance plays an indirect role in service delivery. Continuity, of service delivery is to a great degree dependent on available cash resources, these resources are generated through various billing activities, collections of payments due are done by the finance department.

Property Valuations

Levying of rates, there of or the 2009/2010 financial year was delayed by the availability of the valuation roll. Valuers were appointed to prepare a valuation roll aligned to the Local Government Municipal: Property Rates Act, No.6 of 2004. The service level agreement signed with the service provider stipulated that the General Valuation roll be made available to the municipality in 2008 for implementation in July 2009.

The service provider could not honour the agreed date. The provincial valuations directorate, municipality and the service provider held meetings to reschedule delivery timeframes. The finance department requested an extension of the roll that was to be replaced to avoid a possibility of a cash flow problem. The request was turned down by the provincial valuations directorate as authorizing an extension would not have been legal.

Therefore, the municipality had to wait for a new roll to be submitted by the valuers.

The general valuation roll submitted by the service provider had lots of errors that were identified during the inspection process, as a result the municipality had to ask the service provider to redo the valuation roll.

The delays in submissions and the errors led to the valuation roll being implemented only in October 2009. This resulted in cash flow problems, and higher rates installments as the rates had to be raised and paid over a 9 months period instead of 12 months. The valuation errors identified had an influence in other processes. Objection, review and appeal processes were delayed. These processes were not only delayed but they were costly to us in terms of the number of appeals to be handled by the appeal board. Some ratepayers had to pay higher rates due to incorrect values, others refused to pay for rates on properties that were not supposed to have been valued.

This process strained the relationship between municipality and the public.

The problems around general valuation limited our ability to raise and collect rates that were due to the municipality.

Strategic Objectives

The revenue division of the finance directorate would like to identify the following strategic objectives which will contribute towards achievement of the municipality's strategic objectives;

- Creation and maintenance of a credible valuation roll
- Building and maintenance of a good customer relationship
- Creation and maintenance an internal customer approach when serving other internal departments.
- Reduction of errors in billing
- Ensuring maximum collection of municipal revenue through billing and revenue collection.
- Capacitating of departmental staff

Key issues for 2010/2011 financial year

As a short term goal, in 2010/2011 financial year, the focus will be on the following issues, which are critical for service delivery and financial viability of Ndlambe Municipality, these will include but not limited to the list below;

- Resourcing the department
- Capacitating staff

	<ul style="list-style-type: none"> • Improving billing and credit control information system/reports • Increasing the number of registered indigents • Reduce account queries • Shorten account query response time • Increasing debt collection efforts • Improving customer relations <p>The current statics provided on the departmental tasks were achieved within the operating environment and issues described above. The strategic objectives and key issues identified above are critical to ensure achievement Municipal strategic objectives of financial administration and performance.</p>
Analysis of the Function:	Statistical information from finance records for 2010/2011 financial year
1	Debtor billings: See Annexure 7
2	Debtor collections: See Annexure 8
3	Debtor analysis: See Annexure 9
4	Write off of debts: See Annexure 10
5	Property rates (Residential and Commercial): See Annexure 11
6	Rates collectable for current year See Annexure 12
8	Property valuation: See Annexure 13
9	Indigent Policy: See Annexure 14
10	Credit Rating: To date the Ndlambe Municipality has not obtained a credit rating. It would be in our interest to obtain a credit rating within the next financial year. The intention of the credit rating is not to raise any credit but to be used as an independent rating of our financial sustainability and to give comfort to customers that we will be operating as a going concern.
11	External Loans: Awaiting information from DBSA - Total loans received and paid during the year Note: Create a suitable table to reflect the balance of each external loan at the beginning of the year, new loans raised during the year and loans repaid during the year as well as the balance at the end of the year. Interest rates payable on each loan, together with the date of repayment should be also disclosed in the table. See attached register:
12	Delayed and Default Payments: The Ndlambe Municipality did not delay any statutory payment of any nature during the 2009/2010 financial year that were of a material or lesser nature

3 COMMUNITY AND SOCIAL SERVICES FUNCTION'S PERFORMANCE

Function:	Community and Social Services
Sub Function:	All inclusive
Reporting Level	Detail
Description of the Activity:	<p>The function of provision of various community and social services within the municipality is administered as follows and includes:</p> <p>Environmental Conservation, Fire & Emergency Services, Environmental Health Services (MHS), Parks, Recreation & Cemeteries, Cleansing Services and Traffic Services</p> <p>These services extend to include <i>all urban/ semi urban areas</i> but do not, as yet, take account of <i><rural/ farming areas</i>. The municipality has a mandate to render:</p> <p>Environmental Conservation, Fire & Emergency Services, Environmental Health Services (MHS), Parks, Recreation & Cemeteries, Cleansing Services and Traffic Services</p> <p>The strategic objectives of this function are to:</p> <p>Provide community and protection services in a cost-effective and efficient manner in order to ensure a safe and healthier living environment for residents and visitors</p> <p>The key issues for 2010/11 are:</p> <p>To provide a service that will meet the basic requirements for an improved social existence of its the area's residents and visitors</p>

4 HOUSING FUNCTIONS PERFORMANCE

Function: Housing		Sub Function: N/A	
Reporting Level	Detail	Total	
Overview:	Includes all activities associated with provision of housing		
Description of the Activity:	<p>The function of provision of housing within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> • The Municipality has to identify suitable land for Low Cost Housing • Submission of Applications for Housing Projects to the Department of Housing • The Administration of Beneficiary Lists <p>The municipality has a mandate to:</p> <p>Manage and implement all housing projects as funded by Dept Housing.</p> <p>The strategic objectives of this function are to:</p> <p>Implement the projects for people to have shelter</p> <p>The key issues for 2011/12 are:</p> <ul style="list-style-type: none"> • Bulk Water supply quantity • Insufficient and inadequate bulk services • Eradication of Squatter areas • Identification of appropriate and affordable land for Kenton on Sea, Alexandria (Kwanonqobela) and Bathurst communities 		
Analysis of the Function:			
1	<p>Number and cost of all personnel associated with provision of municipal housing:</p> <p>- Office (Clerical/Administration)</p>	7	R1 509 294
2	<p>Number and total value of housing projects planned and current:</p> <p>- Current (financial year after year reported on)</p> <p>- Planned (future years)</p>	<p>5</p> <p>8</p>	<p>R (2650525)</p> <p>R114 696 000</p> <p>to be calculated per the rate at the time of approval</p>

Function: Housing			
Sub Function: N/A			
Reporting Level	Detail	Total	
3	Total type, number and value of housing provided: Note: total number and total value of housing provided during financial year	784	R56 448 000
4	Estimated backlog in number of (and costs to build) housing:	7040	
5	Type of habitat breakdown:		
	- number of households living in a house or brick structure	8863 (RDP)	
	- number of people living in a flat in a block of flats	104 (Row Houses)	
	- number of people living in a town/cluster/semi-detached group dwelling	125	
	- number of people living in an informal dwelling or shack	10 000	
Reporting Level	Detail	Total	
6	Type and number of grants and subsidies received:		<i>R (000s)</i>
	- Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.	784	R 56 448 000
7	Total operating cost of housing function		R 56 448 000
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	<ol style="list-style-type: none"> Achieved 784 new structures with services Able to put services on 784 erven The planned was 7040 Rectification Projects planned That planned could not be achieved because of bulk services limitation		In line with Provincial Govt.

5 WASTE MANAGEMENT FUNCTION'S PERFORMANCE

Function:	Waste Management
Sub Function:	Solid Waste

Reporting Lev-	Detail	Total	
Overview:	Entails solid waste refuse collection, transportation & removal, solid waste disposal, landfill management, street cleaning, maintenance of public ablution facilities and recycling		
Description of the Activity:	<p>The refuse collection functions of the municipality are administered as follows and include:</p> <p>Waste collection, transportation, disposal, landfilling and facilitating & encouragement of involvement in recycling initiatives in its area of jurisdiction. This also entails the operation of all disposal sites.</p> <p>These services extend to include <i>general and non-hazardous waste</i>, but do not take account of <i>hazardous waste</i> which resides within the jurisdiction of provincial government or the private sector. The municipality has a mandate to:</p> <p>Collect, transport, dispose and landfilling of general household and non-hazardous waste and recycling of recyclable waste in partnership with community interest groups and the private sector</p> <p>The strategic objectives of this function are to:</p> <p>Provide a healthy and clean environment to all residents by having an efficient and effective solid waste management service.</p> <p>The key issues for 2010/11 are the:</p> <p>Collection & transportation of waste, street sweeping and maintenance of waste disposal sites and public ablution facilities</p>		
Analysis of the Function:			
1	<p>Number and cost to employer of all personnel associated with refuse removal:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract 	<p>1 shared</p> <p>7/5 shared</p> <p>1 shared</p> <p>81/27 shared</p> <p>100</p> <p>1</p>	<p>R (000s)</p> <p><cost></p> <p><cost></p> <p><cost></p> <p>1 622 170</p> <p><cost></p> <p><cost></p>

Function:	Waste Management
Sub Function:	Solid Waste

Reporting Level	Detail	Total	
2	Number of households receiving regular refuse removal services, and frequency and cost of service: - Removed by municipality at least once a week - Removed by municipality less often - Communal refuse dump used - Own refuse dump - No rubbish disposal	8% 10% unknown unknown 5%	R (000s) <cost> <cost> <cost>
3	Total and projected tonnage of all refuse disposed: - Domestic/Commercial - Garden	36700 T est 8 800 T (est.)	45 875T (est. @ 25% incr) 11 010T (est. @18% incr)
4	Total number, capacity and life expectancy of refuse disposal sites: - Domestic/Commercial (number) - Garden (number)	7 landfill sites 2 (Kenton & Cannon Rocks)	8 years (Ave.) Zero (0) years
5	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household)	7 768 HH (Ave.) <value>	
6	Total operating cost of solid waste management function		5 704 184

6 WASTE WATER MANAGEMENT

Function: Waste Water Management		Sub Function: Sewerage etc	
Reporting Lev-	Detail	Total	Cost
Overview:	Includes provision of sewerage services not including infrastructure and water purification, also includes toilet facilities		
Description of the Activity:	<p>The sewerage functions of the municipality are administered as follows and include:</p> <p>All management, operational and maintenance functions. Projects are managed by a team, which includes professional service providers and support, Ndlambe Municipality operates and maintains all sewerage systems within both Water Services Authority and Water Services Provider functions. Water-borne sewerage is available to the majority of households.</p> <p>There are five (5) waste water treatment works being fed from water-borne sewerage systems which service the following communities:</p> <ol style="list-style-type: none"> 1. Wentzel Park, Alexandria and Kwa-nonqobela 2. Marselle and Harmony Park 3. Ekuphumleni 4. Port Alfred and Nemato 5. Nolukhanyo <p>The municipality does not take account of regulatory monitoring, which resides within the jurisdiction of national and provincial government.</p> <p>The municipality has a mandate to Operate and maintain all sewerage systems within both Water Services Authority and Water Services Provider functions.</p> <p>Provide at least a reticulated water supply to all households, with safe and hygienic full water-borne sewerage systems. This is the case in the vast majority of consumer households. Levels and standards of water are stringently monitored, to ensure a safe and sustained supply.</p> <p>The key issues for 2011/12 are: Recent national legislation requires that Green Drop performance management is adhered to.</p>		

Function: Waste Water Management Sub Function: Sewerage etc			
Reporting Lev-	Detail	Total	Cost
	<p>The key issues for 2011/12 are: Recent national legislation requires that Green Drop performance management is adhered to. This is a compliance requirement and is a mandate of the regulator being Department Water Affairs. Ndlambe Waste Water Management strives to achieve these compliance requirements which are a challenge. This also has cot implications which are either borne by Council or through Grant Funding.</p> <p>New connections have added load to already stretched waste water treatment works which have all been assessed and plans submitted for consideration.</p> <p>The fleet of sanitation tankers, has been improved substantially in this financial year 2010/2011. Operational capacity has been considered and training of operators and critical personnel is underway. Over-stretched treatment works is an acknowledged challenge. The municipal infrastructure grant has been dedicated to resolving this. No capital funds except grant funding is a continuing challenge.</p>		
Analysis of the Function: 1	<p>Number and cost to employer of all personnel associated-</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p>	2 10 1 See ID staff N/A Project specific only	<i>R (000s)</i> R 2 344 Included Included Included Included Need dependent
2	<p>Number of households with sewerage services, and</p> <ul style="list-style-type: none"> - Flush toilet (connected to sewerage system) - Flush toilet (with septic tank) - Chemical toilet - Pit latrine with ventilation - Pit latrine without ventilation - Bucket latrine - No toilet provision <p>Note: if other types of services are available, please provide details</p>	8620 5334 Unknown Unknown 1500 (Est) 0 Unknown	<i>R (000s)</i>

Function:		Waste Water Management	
Sub Function:		Sewerage etc	
Reporting Level	Detail	Total	Cost
3	Anticipated expansion of sewerage:		<i>R (000s)</i>
	- Flush/chemical toilet	509+Marselle	Project-funded
	- Pit latrine	0	0
	- Bucket latrine	0	0
4	- No toilet provision Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) Detail	2000 (Est)	0
Reporting Level	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. The detail in the level of Free Basic Services is that 10KL water and all effluent disposal costs are provided, as a municipal function.	8 842 Unknown Total	Cost
5	Total operating cost of sewerage function	8 842 Households received FBS	(000s)

7 ROAD MAINTENANCE'S FUNCTION'S PERFORMANCE

Function: Road Transport Sub Function: Roads			
Reporting Level	Detail	Total	Cost
Overview:	Construction and maintenance of roads within the municipality's jurisdiction		
Description of the Activity:	<p>The road maintenance and construction responsibilities of the municipality are administered as follows and include: A dedicated team, managed by a superintendent and managed by Infrastructural Development Management, with a physical presence in all communities in Ndlambe. These services extend to include all urban road and storm-water networks, but do not take account of rural roads, which resides within the jurisdiction of provincial and other private sector organisations.</p> <p>The municipality has a mandate to: Maintain, improve and extend the road network, to specified safety and traffic standards, within available resources and budget.</p> <p>The strategic objectives of this function are to: Maintain, improve and extend the road network, to specified safety and traffic standards, within available resources and budget.</p> <p>The key issues for 2011/12 are: Existing layerworks materials are below specification. Maintenance fleet is highly under-capacitated. No operational backup. The condition of the road network in Ndlambe is generally poor due to the lack of inadequate or non-existing storm water control, lack of adequate plant and restricted financial resources. A general shortage of maintenance staff, necessary to maintain in excess of 280km of surfaced and gravel roads, is a continual challenge.</p>		
Analysis of the Function: 1	<p>Number and cost to employer of all personnel associated with road maintenance and construction:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract 	<p>2 7 1 See staff register As reqd Project specific</p>	<p><i>R (000s)</i> R8 270 Included Included Included Included Cost to project</p>

Function: Road Transport			
Sub Function: Roads			
Reporting Lev-	Detail	Total	Cost
2	Total number, kilometres and total value of road projects - New bitumenised (number) - Existing re-tarred (number) - New gravel (number) - Existing re-sheeted (number) Note: if other types of road projects, please provide details	0 7 0 3 DME	R (000s) 0 R 4 000 Included Included Unknown
3	Total kilometres and maintenance cost associated with exist- - Tar - Gravel Note: if other types of road provided, please provide details	172Km 140Km	R (000s) R 400 000 Included
4	Average frequency and cost of re-tarring, re-sheeting roads - Tar - Gravel Note: based on maintenance records	Unknown	R (000s) N/A
5	Estimated backlog in number of roads, showing kilometres - Tar - Gravel	172Km 140Km	R 400 000 Included
Reporting Level	Detail Note: total number should appear in IDP, and cost in future	Total	Cost
6	Type and number of grants and subsidies received: <list each grant or subsidy separately> Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.	0	R (000s) R 0
7	Total operating cost of road construction and maintenance		R (000s) R12 815

8 WATER DISTRIBUTION FUNCTION'S PERFORMANCE

Function: Water			
Sub Function: Water Distribution			
Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of water		
Description of the Activity:	<p>The water purchase and distribution functions of the municipality are administered as follows and include:</p> <p>That the Ndlambe Municipality (NM) is the legislated Water Services Authority for the area.</p> <p>Ndlambe Municipality operates and maintains all water supply systems within both Water Services Authority and Water Services Provider functions, with the exception of the Amatola Water Board (previously Albany Coast Water Board) supply footprint, where bulk water is supplied by the Amatola Water Board.</p> <p>These services extend to include the supply of potable water to all consumers in urban footprints, but do not take account of regulation monitoring, which sits within the jurisdiction of national/provincial sector government</p> <p>provide at least a reticulated water supply to all households</p> <p>The strategic objectives of this function are to:</p> <p>Provide the supply of potable water, with pressure greater than 1Bar, in a sustainable and affordable manner, and on a continuous basis, to the consumer base of Ndlambe Municipality</p> <p>The key issues for 2011/12 are:</p> <p>Poor quality of low cost house plumbing leads to leaks and subsequent loss</p> <p>Massive peaks in demand</p> <p>Insufficient supply quantity to meet the growing demand</p> <p>Drought</p> <p>Aged infrastructure</p> <p>Aggressive environment</p> <p>Restricted operating budget</p> <p>Poor Water quality</p> <p>Untrained personnel</p> <p>Aged and insufficient fleet</p>		

Function: Water			
Sub Function: Water Distribution			
Reporting Level	Detail	Total	Cost
1	Provide statistical information on: Number and cost to employer of all personnel associated with the water distribution function: - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract	2 7 1 See staff register As required As required	R (000s) R3 696 Included Included Included Included Cost to project
2	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package. Percentage of total water usage per month to highlight percentage of total water stock used per month	98%	100%
3	Number of households with water service, and type and cost of service: - Piped water inside dwelling - Piped water inside yard - Piped water on community stand: distance < 200m from dwelling - Piped water on community stand: distance > 200m from dwelling - Borehole - Spring Note : Alexandria, Amatola Water Board, Seafeld and Port Alfred systems utilise spring water supply on a varying proportion. - Rain-water tank. Note : All blg plans submitted to include minimum 5000l tank.	Total 15 000 (Est) 3 500 (Est) All Green-field Sites 0 Unknown Unknown 500	Cost R (000s) Unknown Unknown Unknown 0 Unknown Unknown Project-funded
4	Estimated backlog in household number (and cost to provide) water connection: - Piped water inside dwelling	6500	R (000s) R350 000
5	- Quantity (number of households affected)	8 842 Households received FBS	
6	- Quantum (value to each household)	10 000l/Mth * R5.50/Kl	

9 ELECTRICITY DISTRIBUTION FUNCTION'S PERFORMANCE

Function: Electricity Sub Function: Electricity Distribution			
Reporting	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of electricity		
Description of the Activity:	<p>The electricity purchase and distribution functions of the municipality are administered as follows and include: Ndlambe Municipality renders electrical services in the towns of Port Alfred and Alexandria. Eskom supplies electricity in bulk to both components. Port Alfred town has one 11-kilovolt-supply point and Alexandria has one 11-kilovolt-supply point. Eskom supplies electricity to the rural areas outside Ndlambe, also Boknes, Cannon Rocks, Bushmans River, Marselle, Bathurst, Nemato, Alexandria, Ekuphumleni, Station Hill and Kleinemonde.</p> <p>These services extend to include supply of electricity to consumers. Ndlambe Municipality buys electricity in bulk from Eskom and is responsible for the distribution thereof within its approved areas of supply, under license from the National Electricity Regulator. Electricity is taken from Eskom at two intake substations, i.e. Port Alfred and Alexandria, and redistributed to the end consumer through a series of cables, lines and substations.</p> <p>, but do not take account of bulk supply, which resides within the jurisdiction of Eskom. The municipality has a responsibly distribute electricity within its approved areas of supply, under license from the National Electricity Regulator.</p> <p>The strategic objectives of this function are to: responsibly distribute electricity within its approved areas of supply, under license from the National Electricity Regulator and to measure and secure income from the consumer base for this consumption..</p> <p>The key issues for 2011/12 are:</p> <p>In Port Alfred there are still numerous medium voltage feeders which were laid many years ago. These have now become inadequate to carry the required increasing load. This requires upgrading. The problem is not purely an overload one, but it also prevents safe management practice.</p> <p>Due to a lack of funds we have not been able to upgrade these cables, which are now practically redundant. Alexandria is also at the stage where all MV cabling needs urgent upgrading.</p>		

Function: Electricity			
Sub Function: Electricity Distribution			
Reporting	Detail	Total	Cost
	Due to a lack of funds we have not been able to upgrade these cables, which are now practically redundant. Alexandria is also at the stage where all MV cabling needs urgent upgrading. Although the expansion of the town is not excessive, this should be considered in the near future. Funding should be prioritized to cater for the increasing loads.		
Analysis of the Function:			
1	<p>Number and cost to employer of all personnel associated with the electricity distribution function:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract 	<p>1</p> <p>1</p> <p>0</p> <p>1</p> <p>0</p> <p>0</p>	<p><i>R (000s)</i></p> <p>R293</p> <p>Included</p> <p>0</p> <p>Included</p> <p>0</p> <p>0</p>
2	<p>Free Basic Service Provision:</p> <ul style="list-style-type: none"> - Quantity (number of households affected) - Quantum (value to each household) 	<p>8 842</p> <p>Households received FBS</p> <p>R5 259</p>	

10 INFORMATION TECHNOLOGY

Function:	Information Technology (IT)		
Sub Function:			
Reporting Level	Detail	Total	
Overview:	<p>Includes all activities associated with IT</p> <p>The purpose is to provide quality services to customers. Information Technology offers, perhaps, the single greatest opportunity for maintaining and improving public service in the face of increasing demands and increasing costs. Technology can be to make incremental improvements in service delivery and operations such as having all computers connected to Ndlambe network. It can also have broader impact, changing the ways Ndlambe staff do their “jobs” or changing types of services IT provides and the ways of service delivery. Obtaining the full value from technology investment requires the management of organizational change coupled with the management specific technologies.</p> <p><u>GOALS</u></p> <p>Ndlambe Municipality cannot operate without computer based information system as basic services such as billing assets budgets etc, administration and infrastructure depend on these systems (Abakus, Payday, Imis and Gis, Baud). They must be planned managed and deployed with same care and attention as are roads, buildings and staff. Information must be applied to achieve the following:-</p> <ol style="list-style-type: none"> 1. Improve service delivery 2. Information and agenda's be forwarded to I.T for website publishing 3. Promote co-operation among departments 4. Increase the efficiency and quality of work by employees 5. Increase information availability in order to make more informed decisions 6. To make the best use of I.T resources (money, staff and equipment) <p>To realise goals Ndlambe must form an information steering committee to drive technology initiatives. This must include development, continued evolution of a ongoing technology strategy and cost effective means to improve day to day business functions.</p> <p><u>CURRENT SITUATION – WHERE ARE WE SINCE 1 JANUARY 2010</u></p> <p>The Information Technology Department is currently serving 140 users with computer and network services. The coverage area consists of:-</p> <p>Port Alfred - Finance (B.T.O, Stores, Supply Chain and Administration)</p>		
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Reporting Level	Detail	Total	
	<ul style="list-style-type: none"> • Infrastructure (Administration, Building Control, Housing, Town Planning, Estate, Fleet Management, Roads, Water and Electricity). • Community Protection Service (Administration, Clinic, Nature Conservation, Fire and Traffic, Cleansing and Environmental Health) • Corporate Services (Administration and Library) • I.T Office and Server Room • Municipal Manager and Mayor (Secretaries,Audit,SPU,HIV Co-ordinator, • IDP and Communications Officer) <p>Sea Field - Foreman</p> <p>Bathurst - Finance and Infrastructure</p> <p>Kenton -on-Sea - Finance</p> <p>- Infrastructure</p> <p>- Environmental Health</p> <p>- Library</p> <p>Alexandria - Finance</p> <p>- Infrastructure</p> <p>- Youth Centre</p> <p>- Library</p> <p>- Housing</p> <p>- Corporate Services</p> <p>The Financial Server (Abakus and Pay day), X1 Server (Mail, Documents) , Kaspersky Server (Antivirus Software) Virtual 01 Server (Monitoring Hardware and Software)and Firewall Server (Security) housed in I.T Server Room. The Server Room is air cooled, with fire extinguisher and smoke detector installed.</p> <p>The Imis Server and Backup Server are housed in a room at Corporate Services. This room needs to be secured I.E steel door, security gate, fire extinguisher and smoke detector. Buildings in Port Alfred is networked and interconnect via a wireless network. Bathurst, Kenton and Alexandria connect to server via ADSL and VPN servers. These VPN servers must be secured (lockable cabinets) as to deny unauthorized access.</p> <p>Automated backup of financial info, documents and e-mails for domain .gov.za is being done daily to backup server housed at Corporate Service.</p>		

Reporting Level	Detail	Total	
	<p>The aim is to migrate from .co.za to .gov.za and install a backup domain control server at Corporate Services which will replicate info of servers housed in I.T server room. This all depends on when funds become available. Currently Ndlambe have two ISP's – Border Internet (.co.za) and Zimbira Collaboration suite (.gov.za) The I.T disaster policy should form part of Ndlambe's disaster recovery plan / policy and not be seen in isolation. Council have approved the Internet\ E-mail Policy and IT Data and Network Security Policies.</p> <p>It must be noted that to have policies (as required) is good but cannot be implemented without staff. Currently there are one Manager .</p> <p><u>Some challenges I.T are facing:-</u></p> <ol style="list-style-type: none"> 1. Funding 2. Buy-in from Directors and officials 3. Resistance to change 4. Capacity issues such as I.T staff and budgets 		
Description of the Activity:	The function of IT within the municipality is administered		
	<p>Abakus :Centralised server-Users connect to same via network-a user code issued to each user who in turn enter own password-password change is forced to happen every 30 days. Access to programs is set up on a must have basis i.e creditors or ledger etc</p> <p>Zimbira :(gov.za)Centralised server- Users connect to same via network-User names and passwords set up where after user must change password .For communication between staff and public and for research purposes.</p> <p>Border Internet: (.co.za) Centralised server- Users connect to same via network - User names and passwords set up .For communication between staff and public and for research purposes.</p> <p>Kaspersky Antivirus: Centralised server- Users computers connect to same via network - update computers on regular basis automatically – protection against malware ,Trojans and other viruses.</p> <p>Caseware : Software installed on 2 laptops –drawing up of annual financial statements.</p> <p>Baud : Software installed on one laptop – asset management.</p> <p>Imis/TGIS: Centralised server-- Users computers connect to same via network- a user code issued to each user who in turn enter own password. Access to programs is set up on a must have basis i.e land or building etc</p>		
	Other: Cacadu District Municipality installed servers with 3G (internet connection) to Port Alfred, Bathurst, Alexandria and Ekupmleni libraries for public use of internet and		

Reporting Level	Detail	Total	
	The key issues for 20011/12 are:		
	<p>To install 2 new domain control servers with windows 8 operating system, 1 at I.T and 1 at Corporate service as a backup (duplication) of domain controller at I.T.</p> <p>To connect all users to domain and gov.za as to have auto saving of documents and e-mails on the domain server.</p> <p>To set up file sharing as to minimise printing and paper, example documents will be placed in folders for staff to view only or to have read and write options(edit) depending on need to see basis.</p> <p>Setup GLIP monitoring system/inventory of I.T assets</p>		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
1	Number and cost to employer of all IT personnel:		R (000s)
	- Professional (Directors / Managers)	1	276
	- Non-professional (Clerical / Administrative)		
	- Temporary		
2	- Contract till 30 June 2011	1	94
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
	Detail and cost of business investment: (hardware and software)		R (000s)
	ANYTIME UPGRADE + PROFESSIONAL PKC		3
	ANYTIME UPGRADE + PROFESSIONAL PKC		3
	ANYTIME UPGRADE + PROFESSIONAL PKC		3
	ANYTIME UPGRADE + PROFESSIONAL PKC		3
	ANYTIME UPGRADE + PROFESSIONAL PKC		3
	ANYTIME UPGRADE + PROFESSIONAL PKC		5
	COMPUTER PC		5
	COMPUTER PC		5
	COMPUTER PC		5
	COMPUTER PC		5
	COMPUTER PC		5
	COMPUTER PC		4
	COMPUTER PC		4
	COMPUTER EXTERNAL HARD DRIVE		2
	COMPUTER EXTERNAL HARD DRIVE		1
	COMPUTER EXTERNAL HARD DRIVE		2
	COMPUTER DAT TAPE DRIVE		6
	COMPUTER HARD DRIVE		4
	COMPUTER LAPTOP/NOTE BOOK		8
	COMPUTER LAPTOP/NOTE BOOK		8
	COMPUTER LAPTOP/NOTE BOOK		8
	COMPUTER LAPTOP/NOTE BOOK		8
	COMPUTER LAPTOP/NOTE BOOK		13
	COMPUTER LAPTOP/NOTE BOOK		22
	COMPUTER LAPTOP/NOTE BOOK		8
	COMPUTER LAPTOP/NOTE BOOK		9

Reporting Level	Detail	Total	
	2 XCOMPUTER MONITOR FLATSCREEN		2
	COMPUTER MONITOR FLATSCREEN		1
	COMPUTER MONITOR FLATSCREEN		1
	COMPUTER MONITOR FLATSCREEN		1
	COMPUTER MONITOR FLATSCREEN		1
	COMPUTER MONITOR FLATSCREEN		1
	COMPUTER SOFTWARE		4
	COMPUTER SOFTWARE		4
	COMPUTER SOFTWARE		4
	COMPUTER SOFTWARE		1
	COMPUTER SOFTWARE		1
	COMPUTER SOFTWARE		1
	COMPUTER SYSTEM UPGRADES		1
	COMPUTER SYSTEM UPGRADES		1
	COMPUTER SYSTEM UPGRADES		2
	GPS SPEEDPOINT INGENICO (CARD READER)		14
	GPS SPEEDPOINT INGENICO (CARD READER)		14
	MS OFFICE		4
	PRINTER EPSON		1
	PRINTER EPSON		1
	PRINTER LASER		4
	PRINTER LASER		2
	PRINTER LASER		2
	PRINTER LASER SAMSUNG		6
	PRINTER LASER SAMSUNG		3
	PRINTER LASER SAMSUNG		3
	PRINTER LASER SAMSUNG		2
	PRINTER LASER SAMSUNG		2
	PRINTER RECEIPT		1
	PRINTER RECEIPT		2
	PRINTER RECEIPT		2
	PRINTER RECEIPT		2
			244
	Note: list incentives by project, with total actual cost to municipality for year	NA	NA
	Detail and cost of other IT related matters:		R
	Radix meter reading system – interface with financial system		3
	Abakus Cobol runtime 30 users		14
	S A On Line 3 x modems 15 gig pm		36
	Zimbra Licence fee 75 users(gov.za)		21
	Border Internet hosting fee (.co.za)		72
	Kaspersky Antivirus licence fee 100 users		18
	Caseware licence fee(financial statements)		8
	Baud fees (asset management)		
	Note: list strategies by project, with total actual cost to municipality for year	NA	
	Detail and cost of IT Service Contracts:		R (000s)

Reporting Level	Detail	Total	
	Payday (Payrol)Licence fee only		16
	Fujitsu (Financial system)-30 hrs per month		268
	Licence fees		166
	Ubertechnologies (Technical support and maintenance of Servers and network and operating systems)16 hrs per month		172
	TGIS (Electronic document system, cadastral data ,deeds ,diagrams etc)site visits 8 hrs every 2 months,telephone support 2 hrs per month,maintenance and updating data on monthly basis		191
	Licence fee		79
	Details of IT Issues Dealt With:		
	- Maintenance of networks ,servers pc's, laptops, printers network switches, software malfunctioning etc. Pc's laptops and printers are old and need constant attention. Operators of equipment not fully trained on use of equipment and software	Not quantifiable until necessary software	
	- Value of work	Included in salary bill	
	Type and number of grants and subsidies received:		R
	Application made to Province and other stakeholders with-	0	0

Annexures





1. WHAT WERE OUR ACHIEVEMENTS

Key Performance Element	Key Performance Indicator	Baseline	Target	Comments
Water	Decrease in number of households without potable water	500 households without access to potable water	500 households	Achieved
	Water supplied as per DWAE standards	80% compliance	100% compliance	Achieved
	Decrease in water shortfalls during peak season by 1000 kilolitres per day	3000 KI /day	1000 KL per day	Achieved
	Increase investment in the upgrade of the existing infrastructure by 5%	R 2.1 Million	5%	Achieved
	Increase in investment in the maintenance of infrastructure to R1,6 million	R1.4 million	R1.6 million	Achieved
Sanitation	Decrease in number of household using septic tanks and pit latrines	19,000	2400 households	Achieved
	Increase in investment in the upgrading of the existing infrastructure by R9 Million	R456 million	R9 million investment	Achieved
	Increase in investment in the maintenance of existing infrastructure by R1,8 million	R300 million	R 1,8 million	Achieved

Key Performance Element	Key Performance Indicator	Baseline	Target	Comments
Housing	Decrease in number of households without low cost houses	8,000	509 houses at Thornhill	Achieved
	Reduction in the number of unoccupied houses	50 houses unoccupied	50 houses	Achieved
	Reduction in the number of households living in informal settlements	1,700	400 houses	Achieved
Electricity	Response time for fixing non functional lighting and electrical supply in Port Alfred & Alexandria	Non Functional - 3 days, Electricity supply - 30 minutes	2 days non functional, 30 minutes in electricity supply	Achieved
	Increase in the percentage of targets met by service providers as per agreement	95%	100%	Achieved
Land	Reduction in number of land use practices/decisions that are not aligned to the approved SDF	23 cases	23	Achieved
Community / Public facilities	Increase in number of functioning libraries with computerised systems	1 in Port Alfred town (partially computerised); 6 not computerised	6 libraries	Achieved
	Increase in number of community halls that meet requirements in terms of facilities management strategy	All community halls in Wards, except Boknes, Cannon Rocks and Seafield	16 halls	Achieved

Key Performance Element	Key Performance Indicator	Baseline	Target	Comments
Recreational and sport facilities	Good maintenance of existing parks	one park in Port Alfred	1	Achieved
	number of beach facilities maintained at a standard equivalent to blue flag standard and receiving at least a 90% rating	1 blue flag beach	2 beaches ward 4 and 7	Achieved
Waste Management	Increase in the investment for maintenance of sites (fencing)	All fencing of waste sites are delapidated	1	Achieved
Environment	Number of people reached through outreach programme	none	1400	Achieved
	Increase in investment to protect the environment with reference to enforcement	none	40 patrols per annum	Achieved
	Number of jobs created through the use of natural resources	45 jobs created	45 jobs	Achieved
Access to basic services (more especially to vulnerable groups)	Increase in number of indigent households that have access to free basic services	9072 indigent households receiving free basic services	5161 households	Achieved
	Number of female headed households that have access to free basic services	5054 households female headed households	2683 households	Achieved

Key Performance Element	Key Performance Indicator	Baseline	Target	Comments
Competent and Performance - driven Municipal Officials	Increase in number of section 57 Managers that receive 100% plus performance rating	0%	100%	Achieved
	Increased number of staff that successfully complete relevant training according to skills development plan	50%	80%	Achieved
	The level of satisfaction of customers/ community is measured	none	1 survey	Achieved
	Monitoring of implementation of legal compliance in all departments	None	all departments	Achieved
Corporate Governance	All section 57 performance agreements concluded within the context of IDP objectives and project outputs	5 performance agreements	5 signed performance agreements	Achieved
Integrated development planning/strategic planning	Monthly & quarterly reports that are in line with the 5 Local Government KPAs are submitted	None	12 Monthly 4 Quarterly	Achieved
	Formal Inter Governmental Relations arrangements with other government agencies and maximum participation in the strategic planning (IDP of the municipality)	none	5 SLAs plus quarterly reports	Achieved
Full capacitation of the Budget and Treasury Office (BTO)	BTO is established in line with treasury guidelines (structure)	3 permanent staff and 2 interns are employed	8	Achieved
	Relevant officials are trained to ensure that they are able to contribute to the financial management system (treasury department and departmental managers)	5 staff members trained	8	Achieved

Key Performance Element	Key Performance Indicator	Baseline	Target	Comments
Economic growth	Number of projects implemented in line with the LED Sector Plan	none	3	Achieved
	Number of new and existing SMMEs supported by municipality	6 SMMEs	15	Achieved
	Number of formalised engagements with organised and representative businesses	none	2	Achieved
	Number of projects maintained in line with Tourism Sector plan	6	6	Achieved
	2010 and legacy projects supported and implemented	none	3 projects	Achieved
	Feasibility of a development agency investigated	none	1	Achieved
	Monitoring of households benefiting from poverty alleviation programmes	unknown	Monthly Reports	Achieved
	Percentage of MIG funds spent	100%	100%	Achieved
Revenue Collection	Percentage increase in the possible local revenue base	8 % increase on current revenue base	8%	Achieved
	Funding sources are maintained	16 direct funding and 18 partnerships	16 and 18	Achieved
	Increase in % of equitable share based on more accurate statistics in terms of the Division of Revenue Act (DORA)	DORA 2009/10	DORA plus 4,7%	Achieved
	Percentage decrease in non-payment	Current payment rate (76%)	8%	Achieved

Key Performance Element	Key Performance Indicator	Baseline	Target	Comments
Internal Audit	Audit Charter developed and implemented	none	1 Audit Charter	Achieved
Enterprise risk management	Enterprise risk management institutionalised	none	1 risk management charter	Achieved
Supply Chain Management (SCM)	Fully operational computerised SCM system inline with SCM Policy and MFMA implemented	1 supply chain management module	R275, 000	Achieved
Sound Financial Management System	Percentage of elements of financial system utilised	8 Modules	8	Achieved
	Increase in number of staff trained to effectively use the financial system	27	27	Achieved
	Increase in number of useful reports generated for planning and monitoring purposes	7 income/expenditure and budget reports	7	Achieved
	Increase in the investment of maintenance / upgrade of financial systems	R 150, 000	R 150,000	Achieved
	Number of reports that meets the legal requirements at the right time	12 GRAP(financial reports)	12 GRAP	Achieved
	Percentage of improved cash flow	95%	5%	Achieved

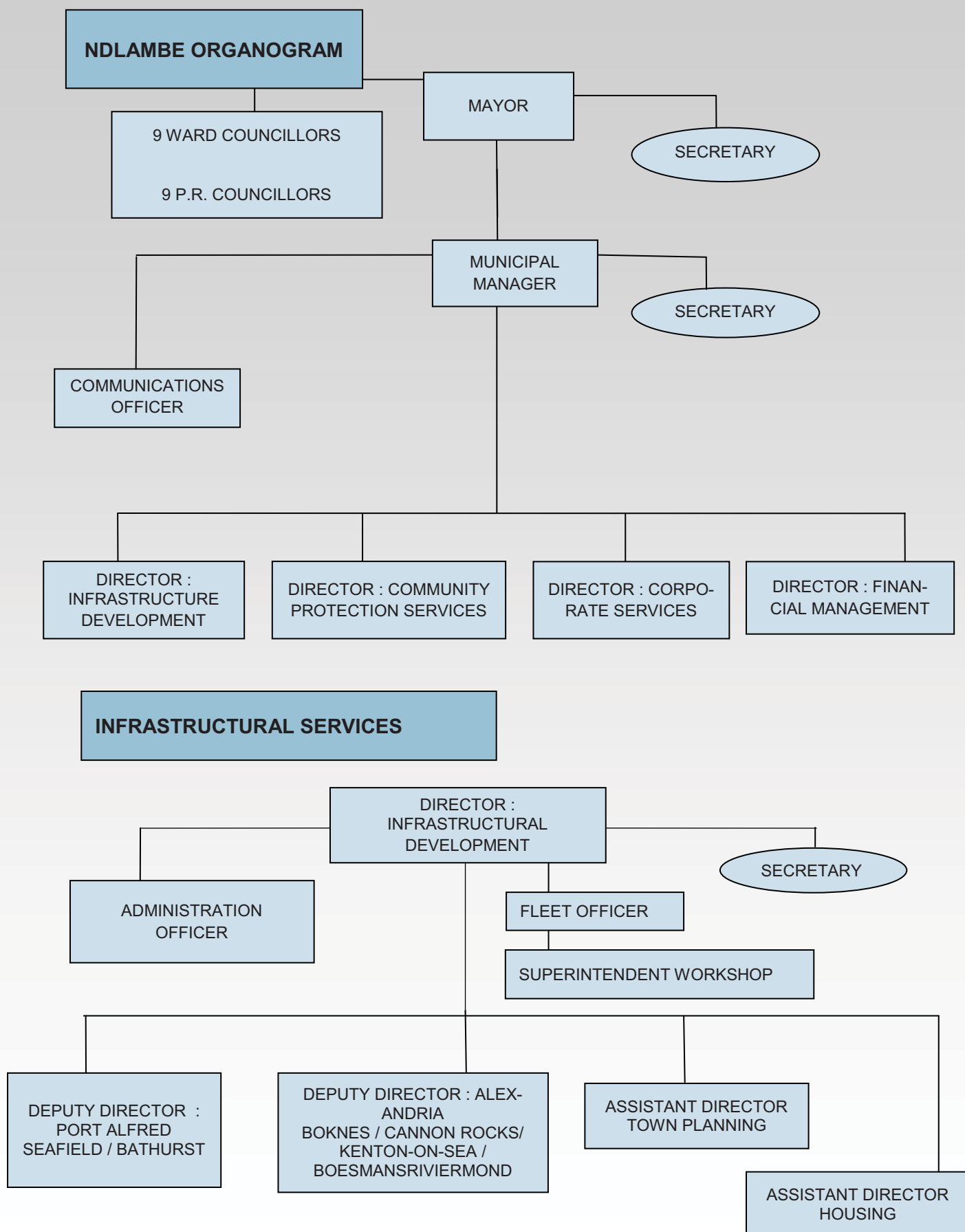
Key Performance Element	Key Performance Indicator	Baseline	Target	Comments
Well functioning Council	Increase in Council resolution implementation	unknown	100%	Achieved
	Timely production and delivery of agendas	3 days	5 days	Achieved
	Approved systems in place to regulate and support the political/administrative interface	90%	100%	Achieved
	Newsletter developed	0 newsletters	4 newsletters	Achieved
Communications	Radio slots held	0 radio slots	Every 2 weeks	Achieved
	Media briefings held	4 media briefings	4 media briefings	Achieved
	Intranet based newsletter	0 intranet based newsletter	9 intranet based newsletters	Achieved
	Updated website covering all departments	1 incomplete site	1	Achieved
	Communications Strategy reviewed	1 media policy	1 communication strategy	Achieved
Public participation/consultation	Increased IDP/Budget/PMS based engagement and reporting to public and key stakeholders	9	9	Achieved
	Number of feedback sessions to Wards	0	every 8 weeks	Achieved

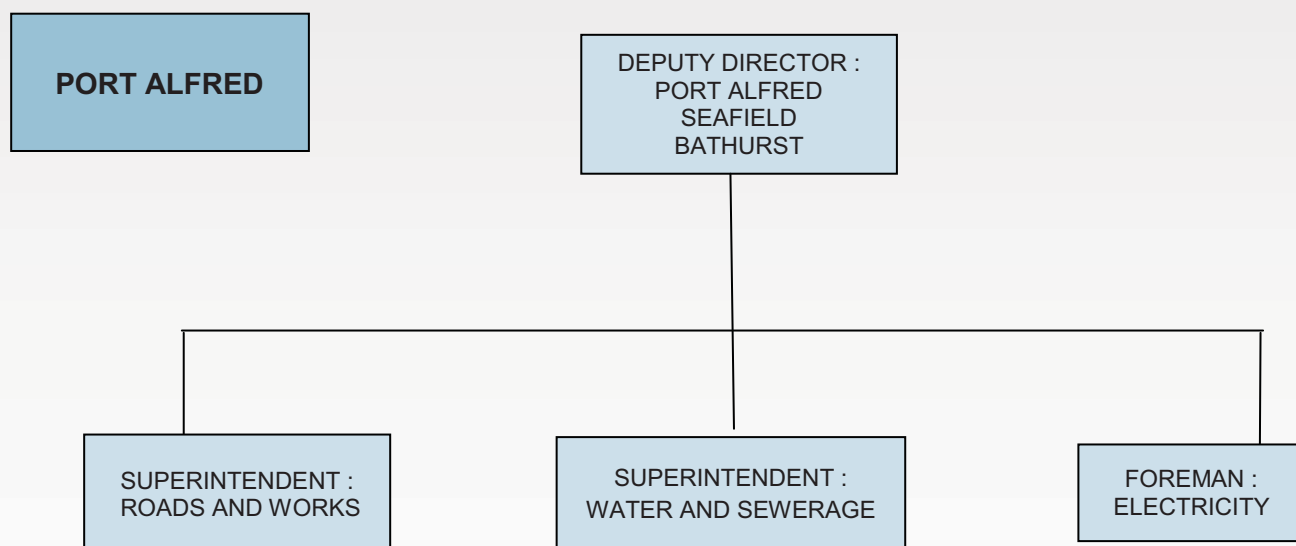
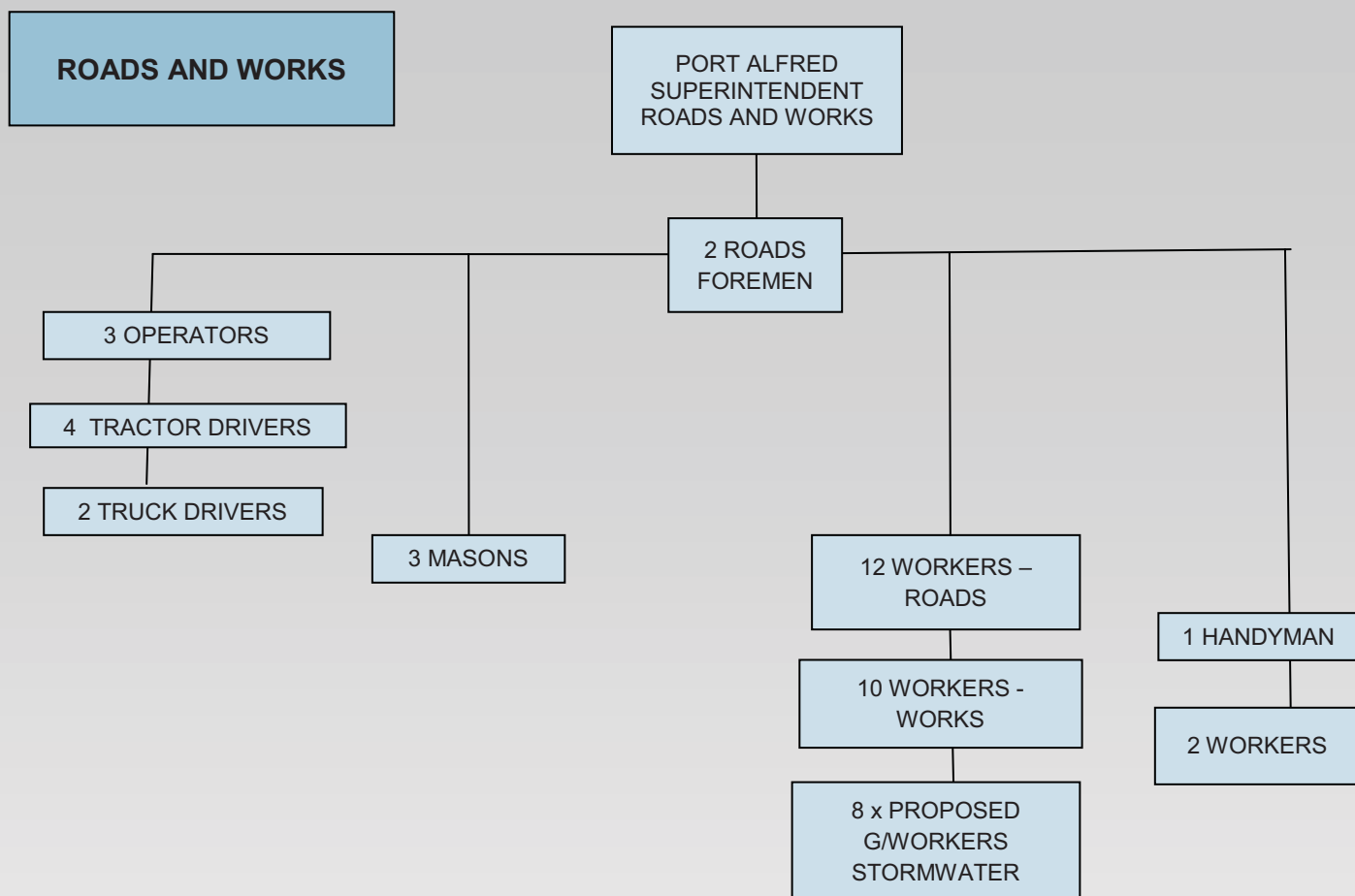
2. CORE COMPETENCY REQUIREMENTS

The Municipal Manager and Directors were assigned all of the Core Competencies each weighted according to its importance to their jobs with a weighting according to the guidelines.

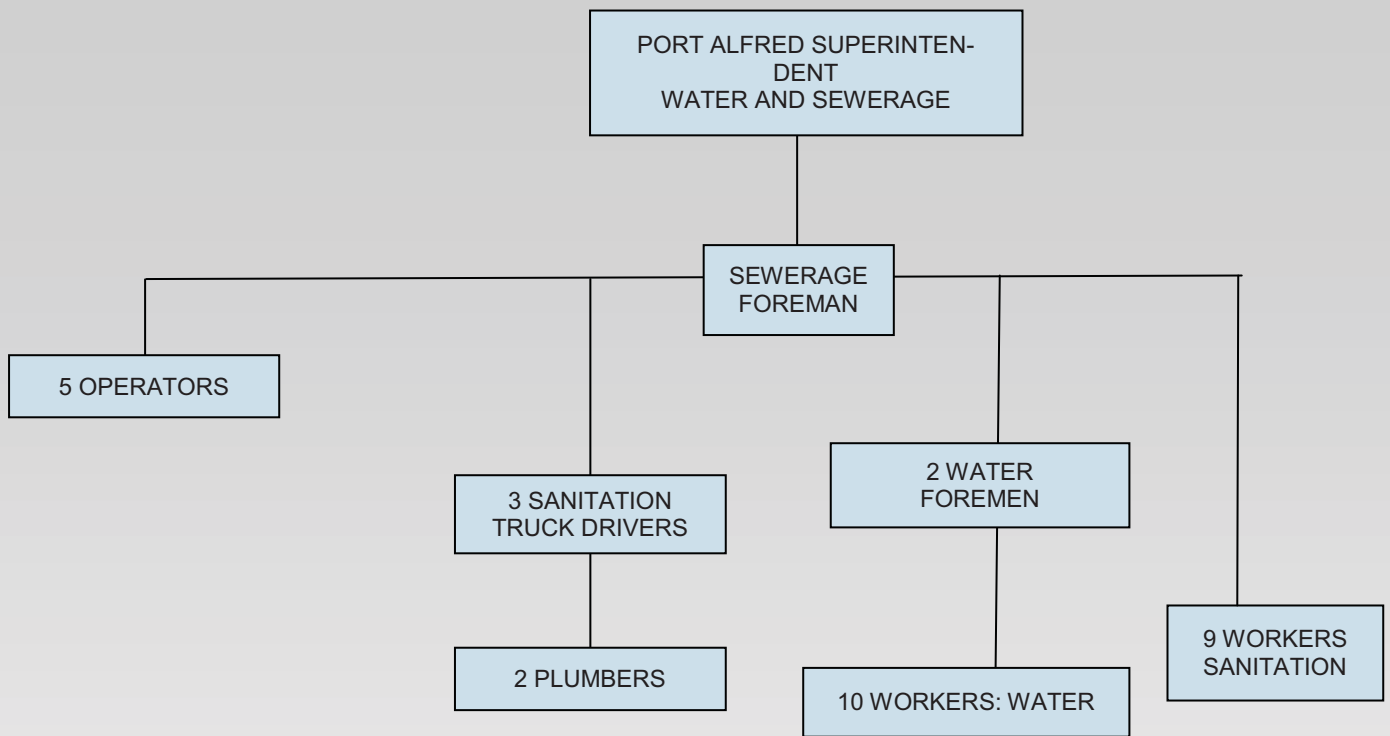
CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES
CORE MANAGERIAL COMPETENCIES (CMC)
Strategic Capability and Leadership
Programme and Project Management
Financial Management
Change Management
Knowledge Management
Service Delivery Innovation
Problem Solving and Analysis
People Management and Empowerment
Client Orientation and Customer Focus
Communication
Honesty and Integrity
CORE OCCUPATIONAL COMPETENCIES (COC)
Competence in Self Management
Interpretation of and implementation within the legislative and national policy frameworks
Knowledge of Performance Management and Reporting
Knowledge of global and South African specific political, social and economic contexts
Competence in policy conceptualisation, analysis and implementation
Knowledge of more than one functional municipal field / discipline
Skills in Mediation
Skills in Governance
Competence as required by other national line sector departments
Exceptional and dynamic creativity to improve the functioning of the municipality

3. NDLAMBE MUNICIPALITY ORGANIZATIONAL STRUCTURE

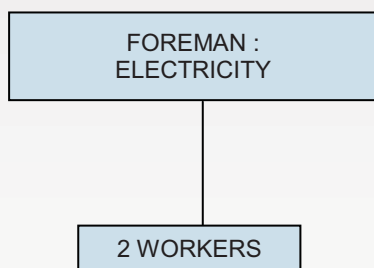




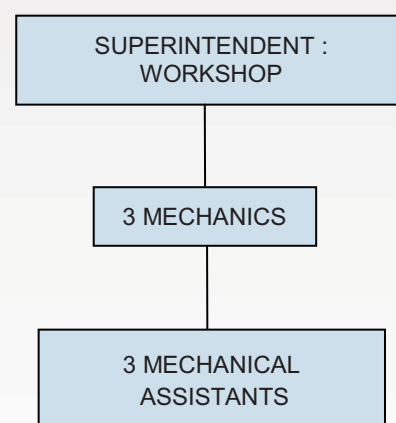
WATER AND SEWERAGE



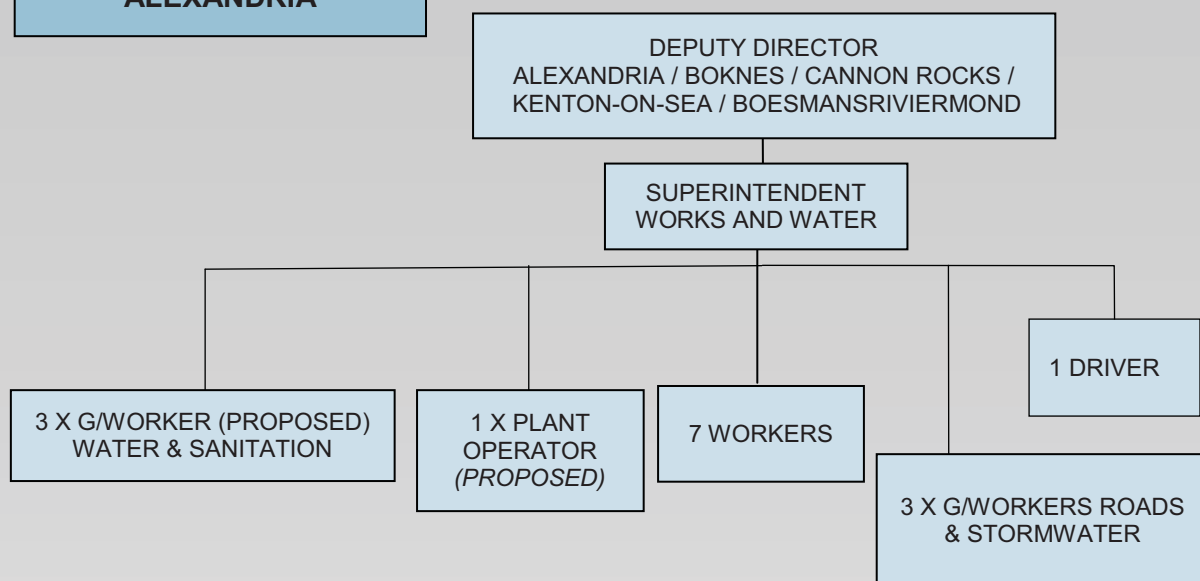
ELECTRICITY



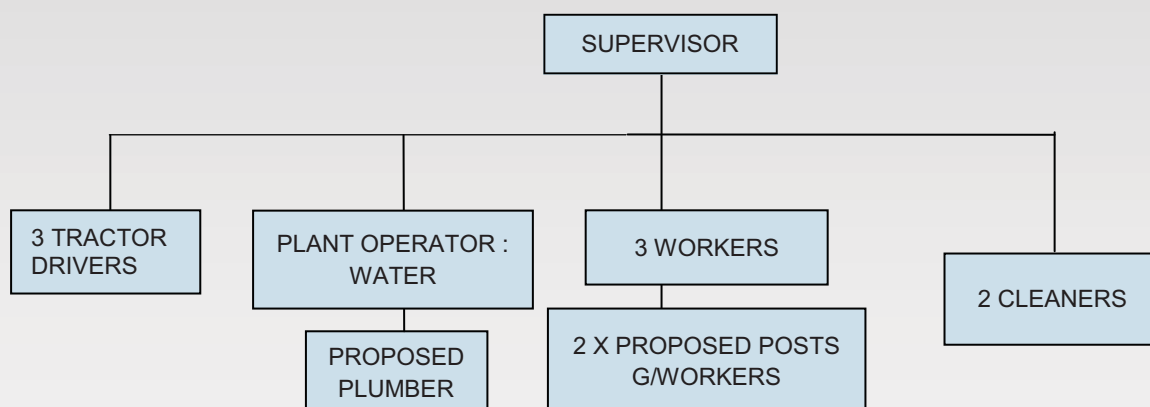
WORKSHOP



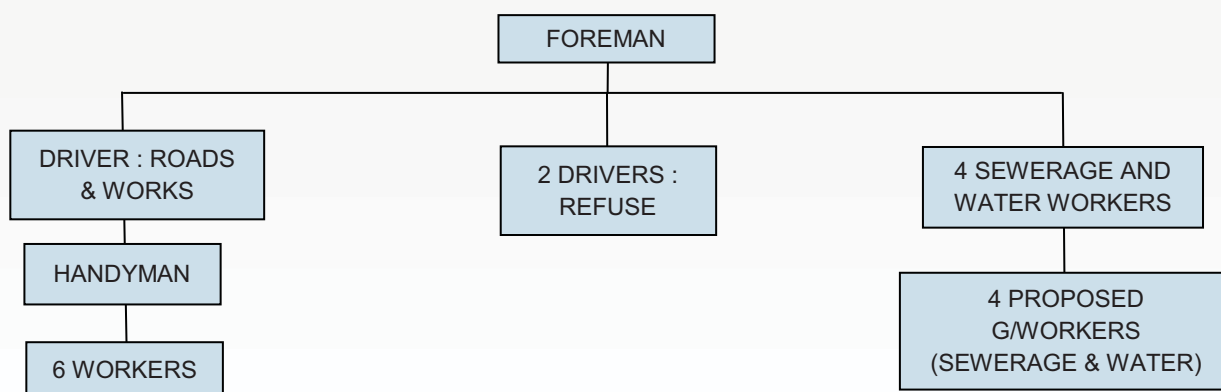
ALEXANDRIA

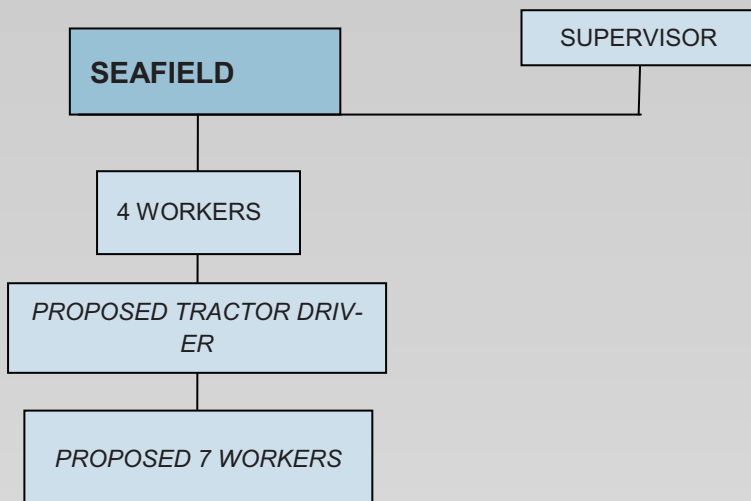


BOKNES / CANNON ROCKS

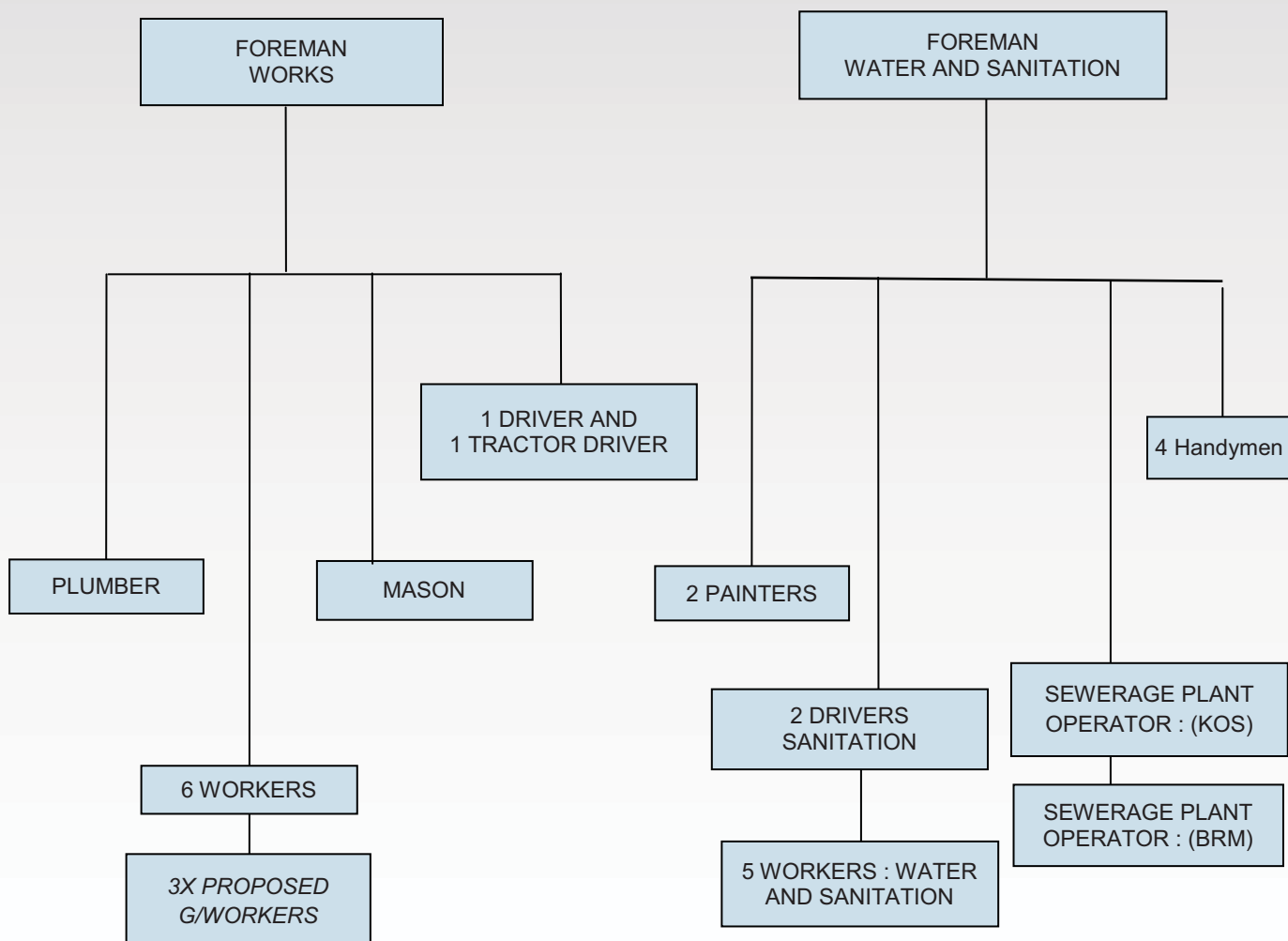


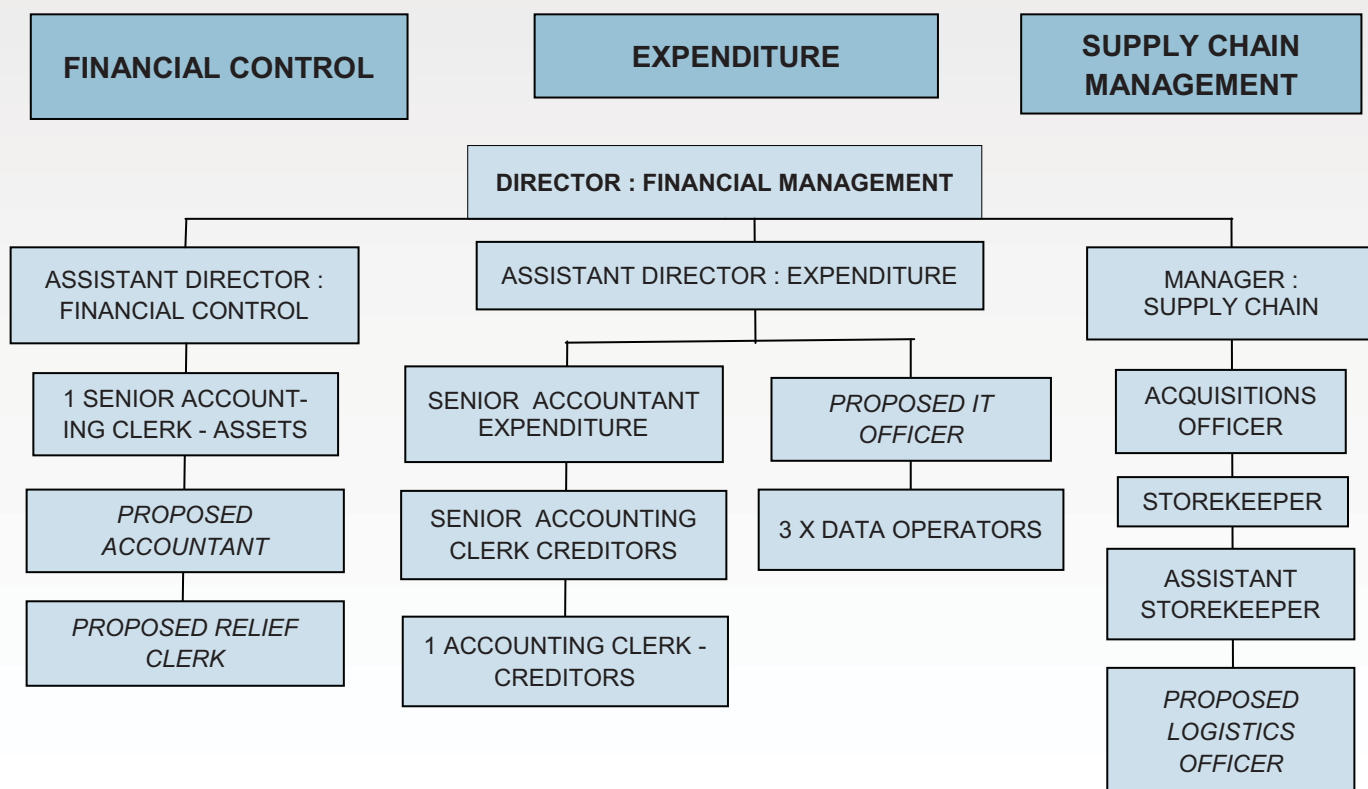
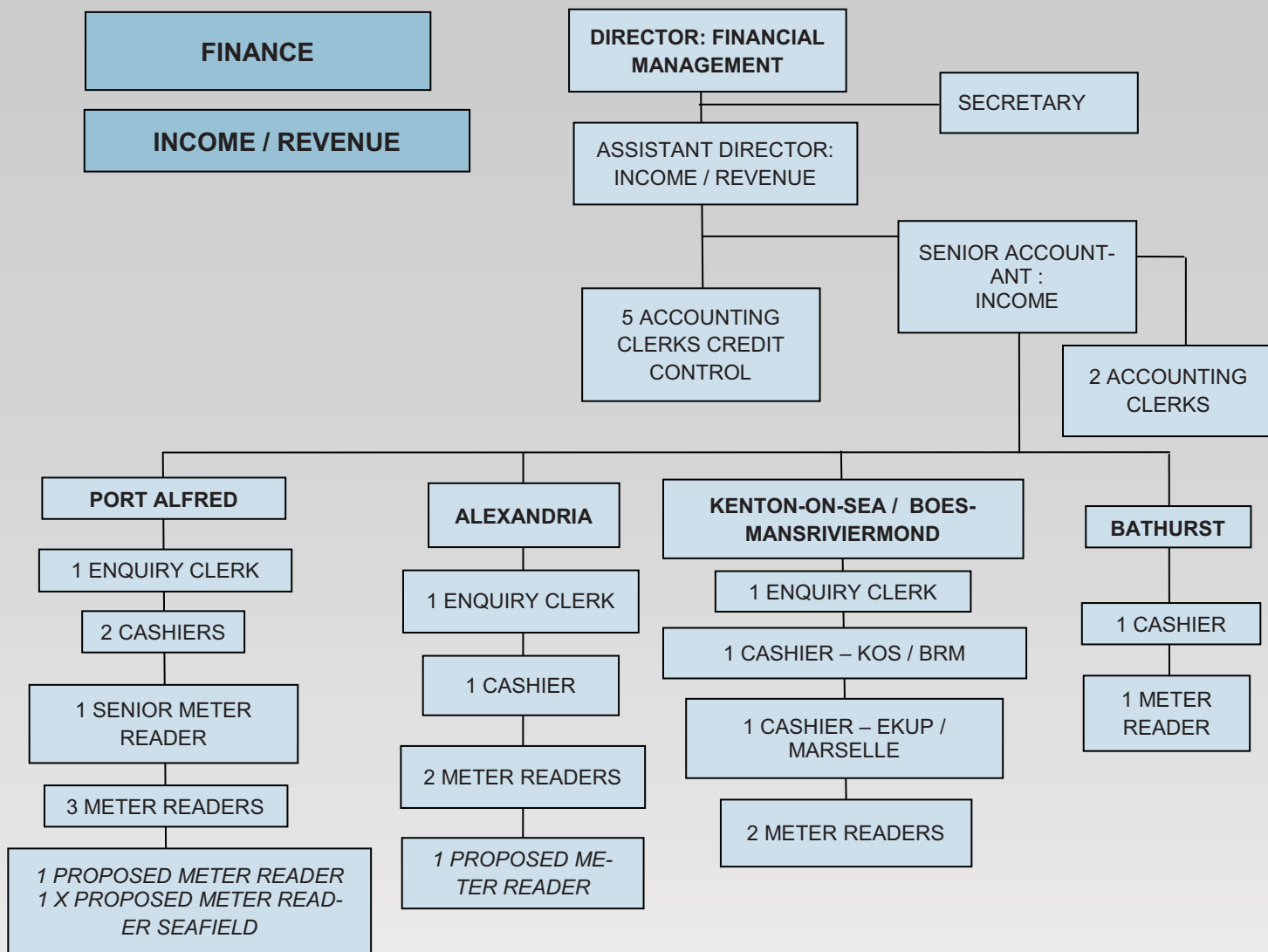
BATHURST



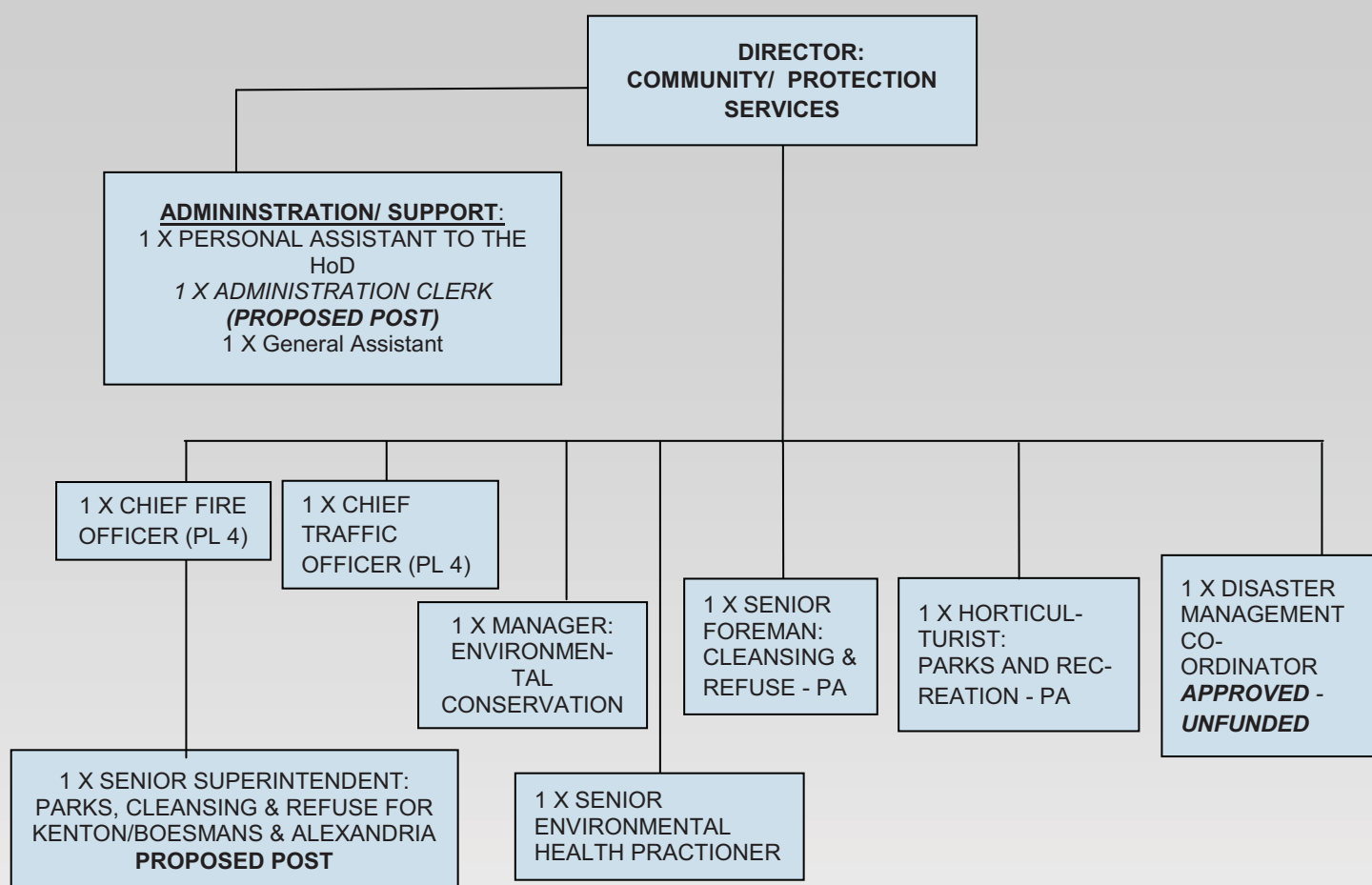


BOESMANSRIVIERMOND / KENTON-ON-SEA

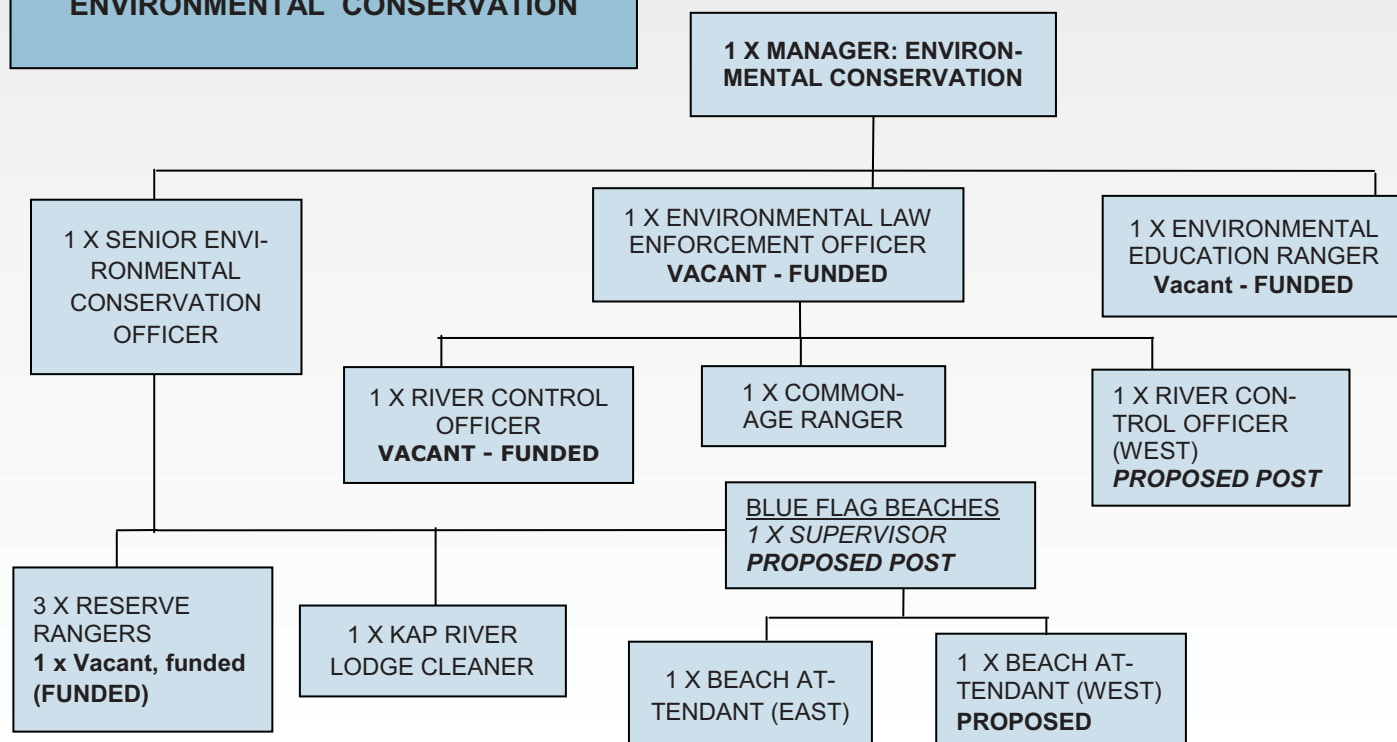




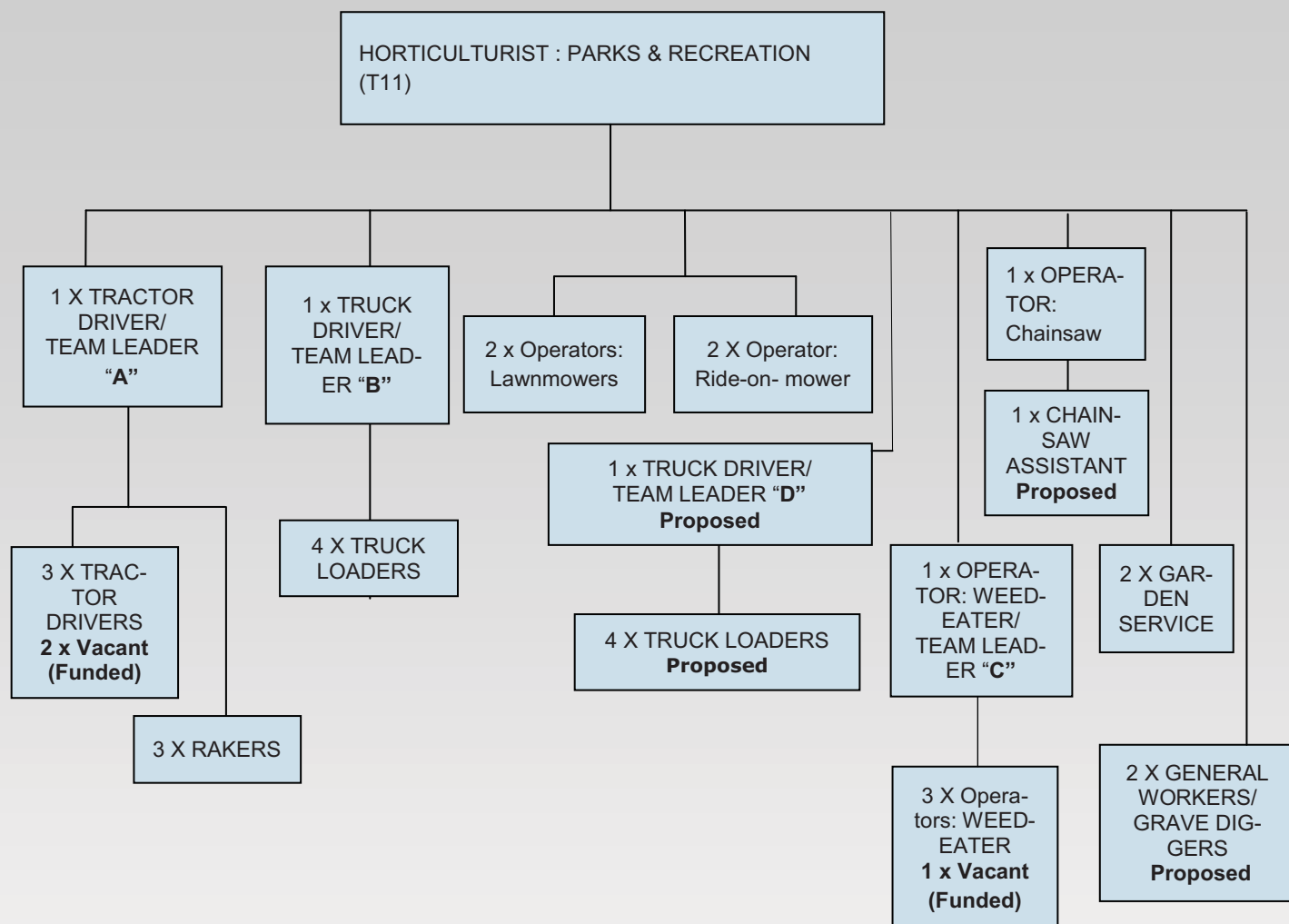
DIRECTORATE: COMMUNITY PROTECTION SERVICES



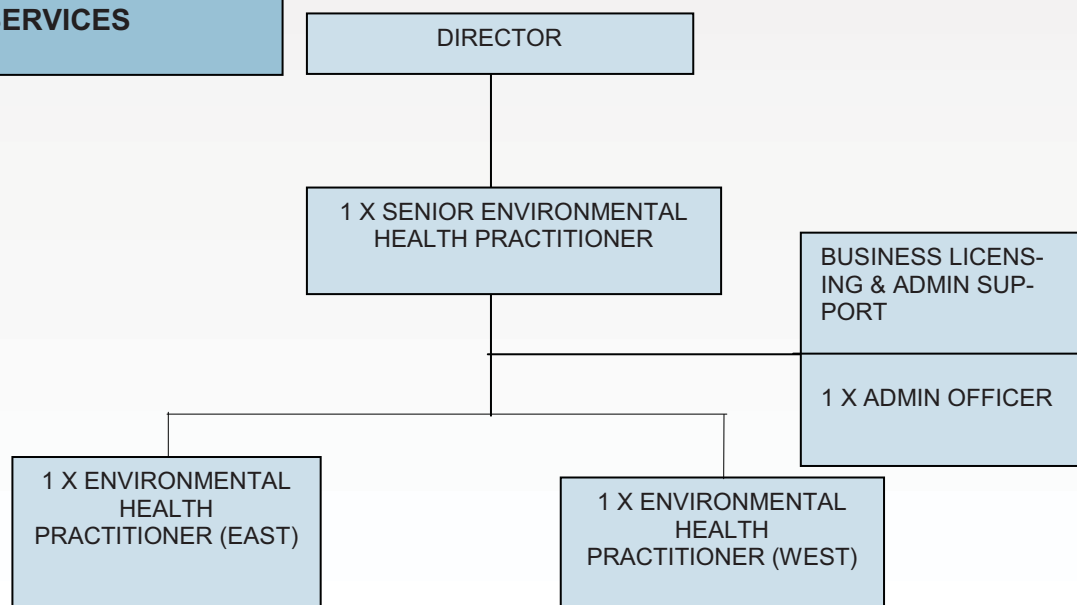
ENVIRONMENTAL CONSERVATION



PARKS, GARDENS & CEMETERIES : PORT ALFRED



ENVIRONMENTAL HEALTH SERVICES



**ALEX AND KENTON ADMIN UNITS : PARKS,
CLEANSING AND REFUSE**

DIRECTOR

1 x SENIOR SUPERINTENDENT: PARKS
AND REFUSE

**ALEXANDRIA ADMIN
UNIT**
1 X FOREMAN: PARKS &
REFUSE
Vacant but funded

**KENTON/ BUSH-
MANSRIVERMOUTH UNIT**
1 X FOREMAN: PARKS &
REFUSE

PARKS AND CEMETERIES

REFUSE & CLEANSING

REFUSE SITE
1 X General Assis-
tant

1 x Senior
Team Leader:
Grass cutting

3 x Operators:
Weed-eaters
1 x Proposed
Post

1 X Operator: Ride-
on-mower

1 X Operator:
Lawnmower
Vacant, funded

REFUSE REMOVAL
1 X Truck driver
(Team Leader)

5 X General Assistants

STREET CLEANS-
ING

2 X General Assis-
tants

GRASS COL-
LECTION

1 X DRIVER:
TRACTOR (Team
Leader)

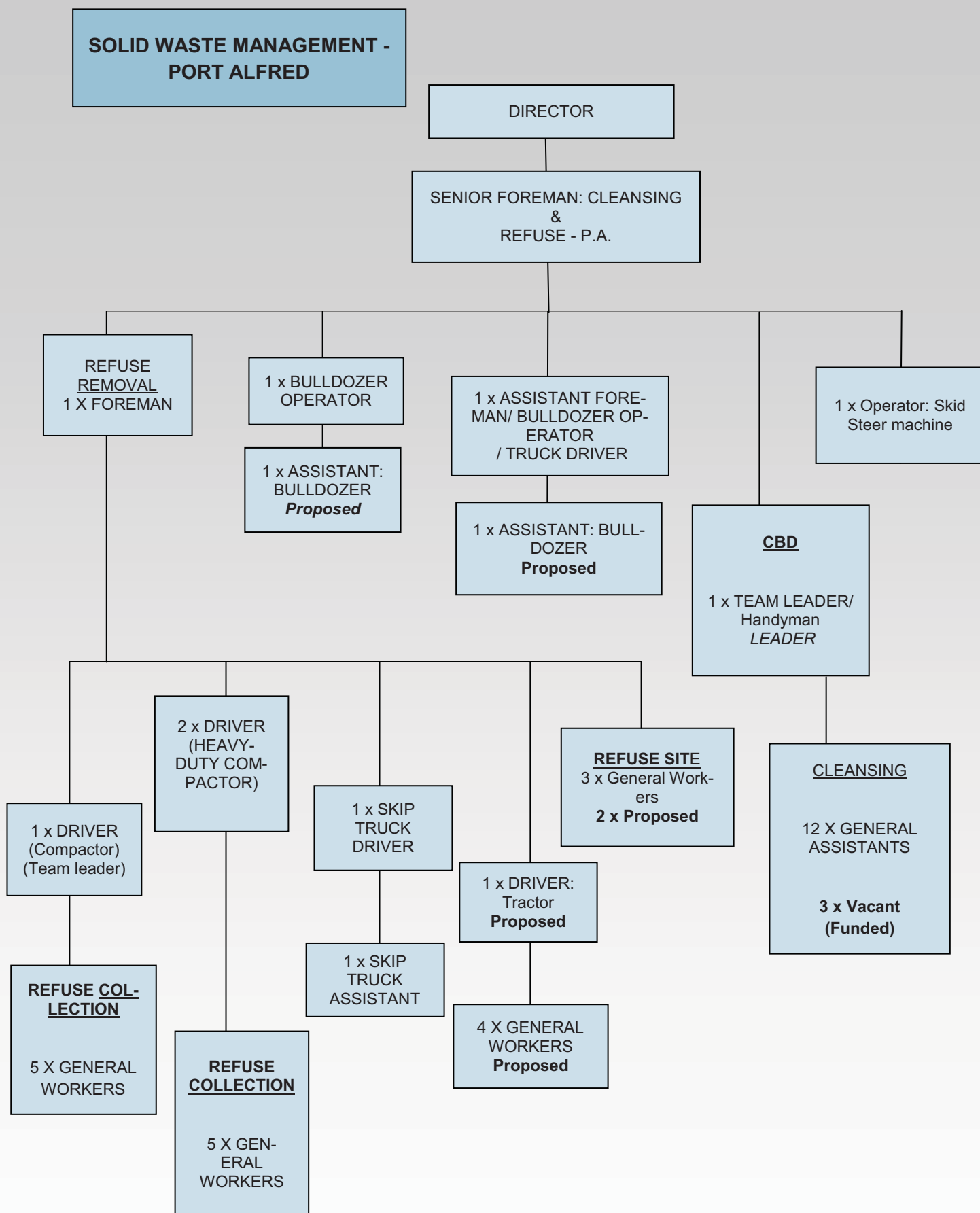
3 X General
Assistants:
Grass Loading

**1 X Proposed
Post**

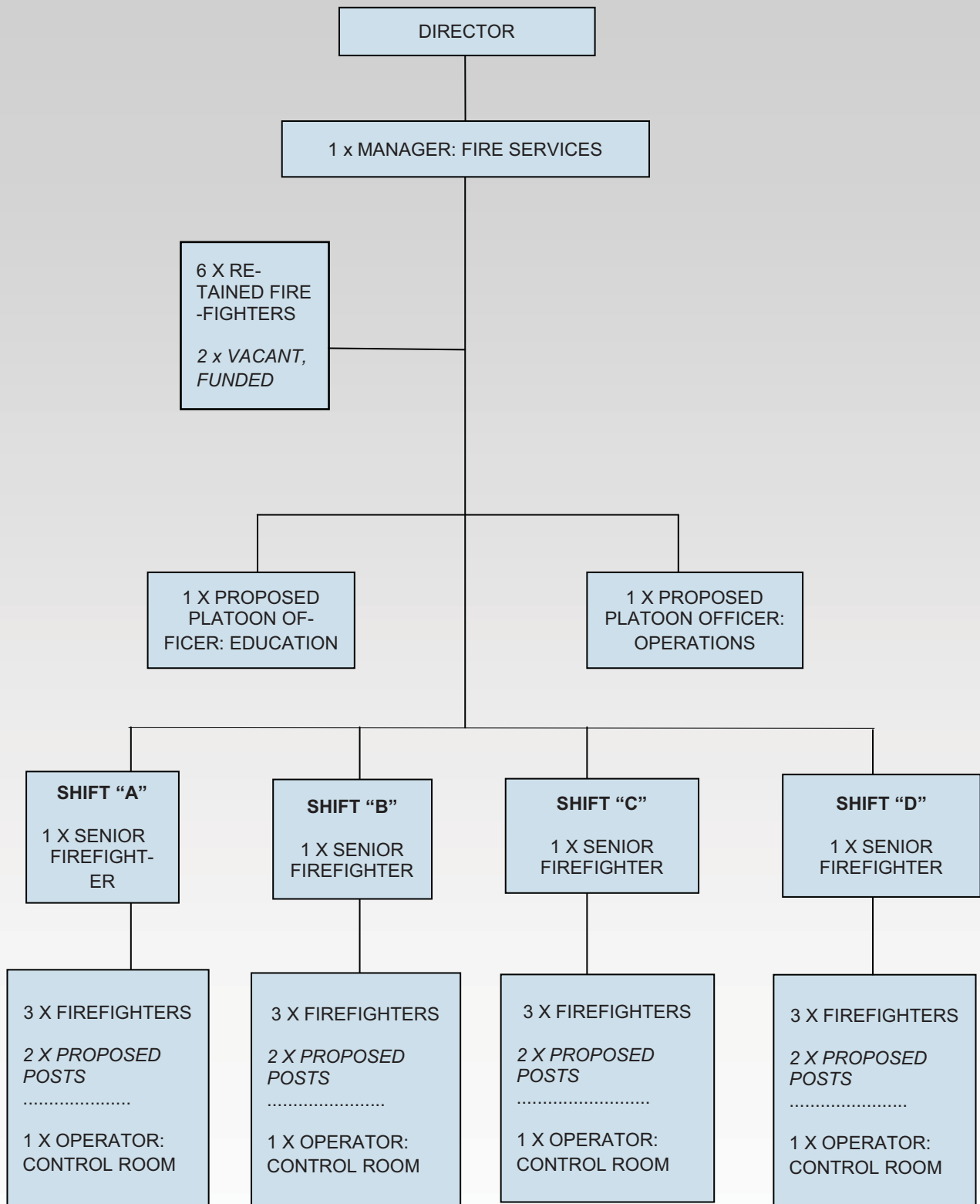
GRASS CUTTING

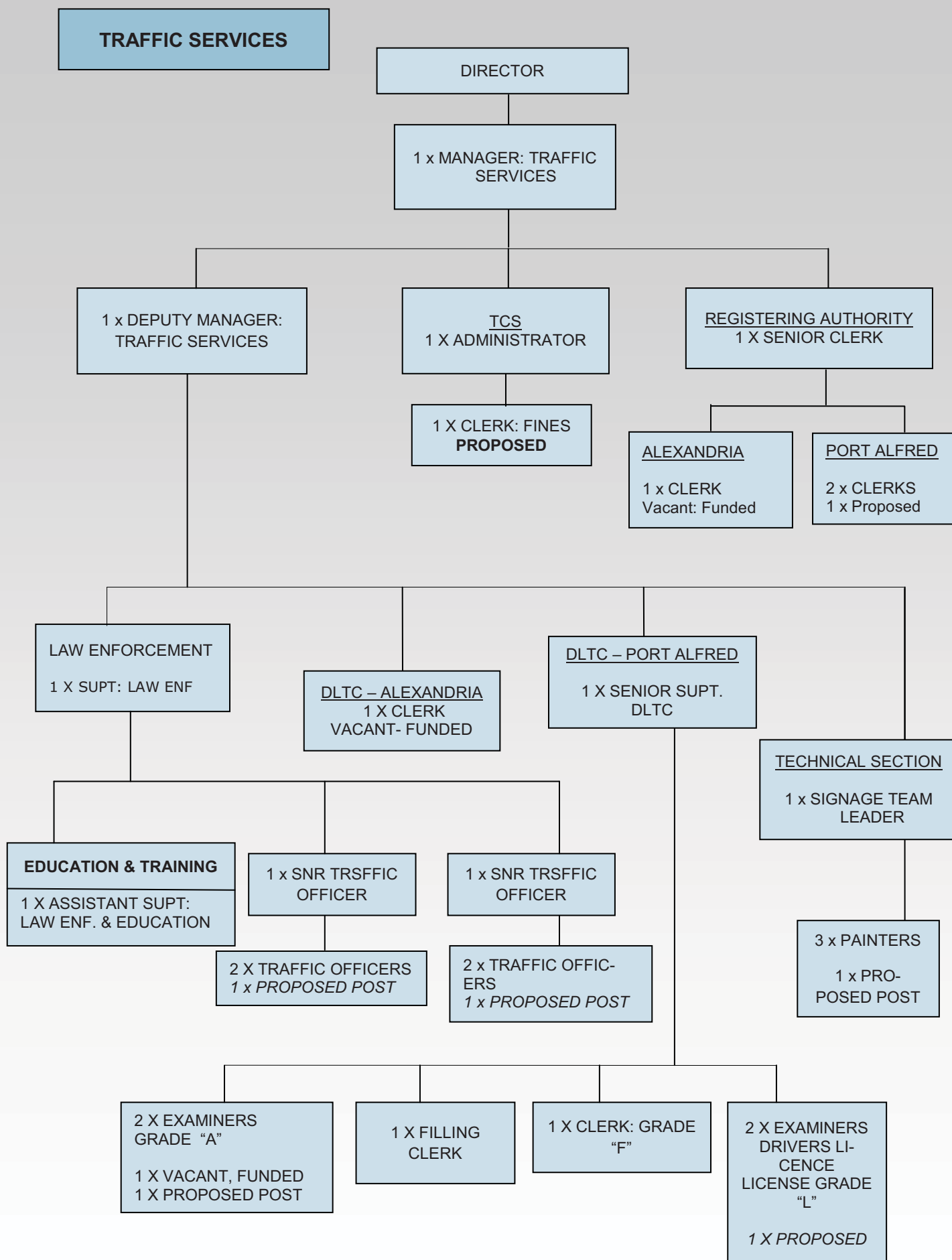
2 X DRIVERS: TRAC-
TOR
1 Vacant (unfunded)

3 x General Assistants:
Grass Raking

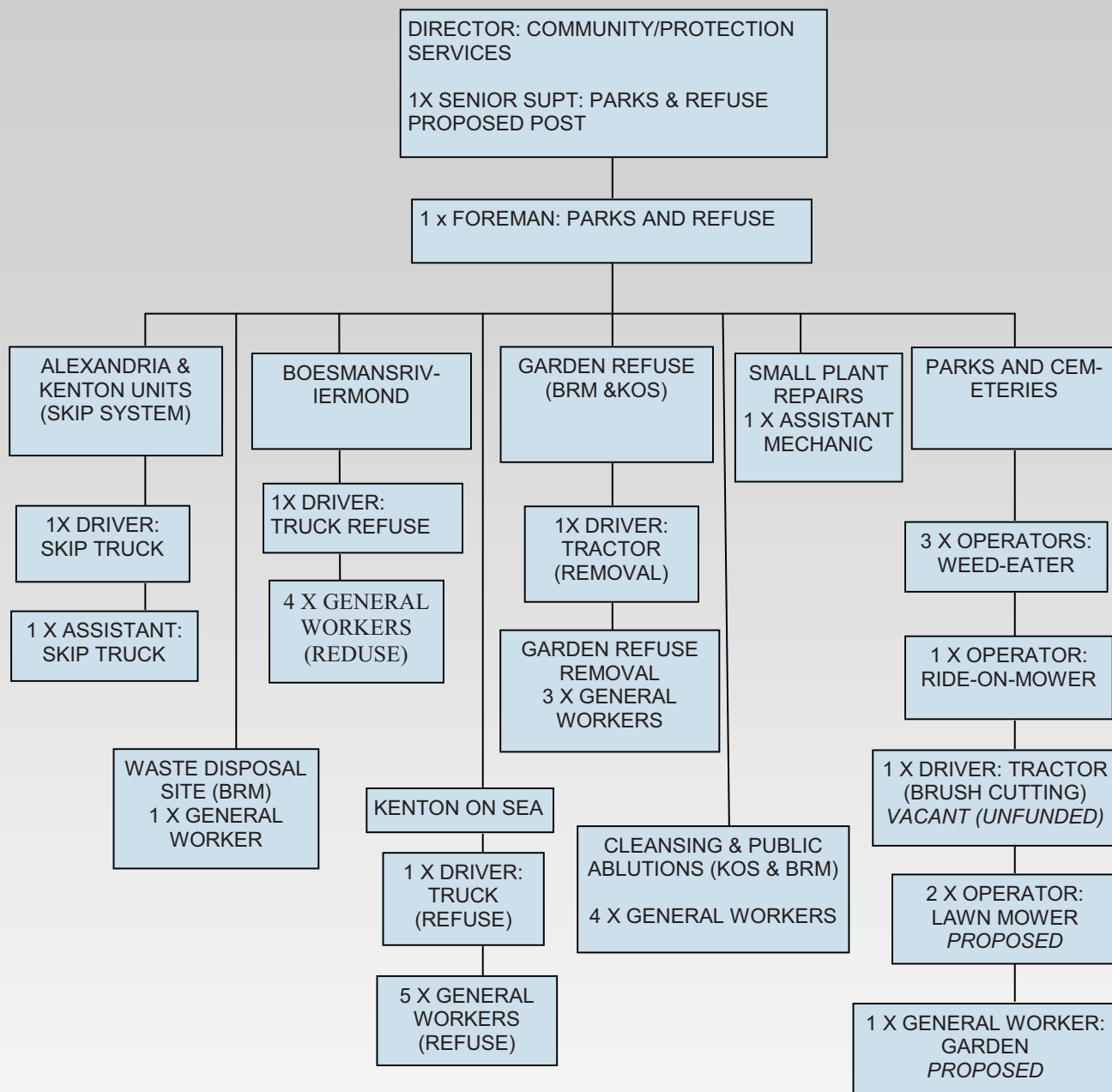


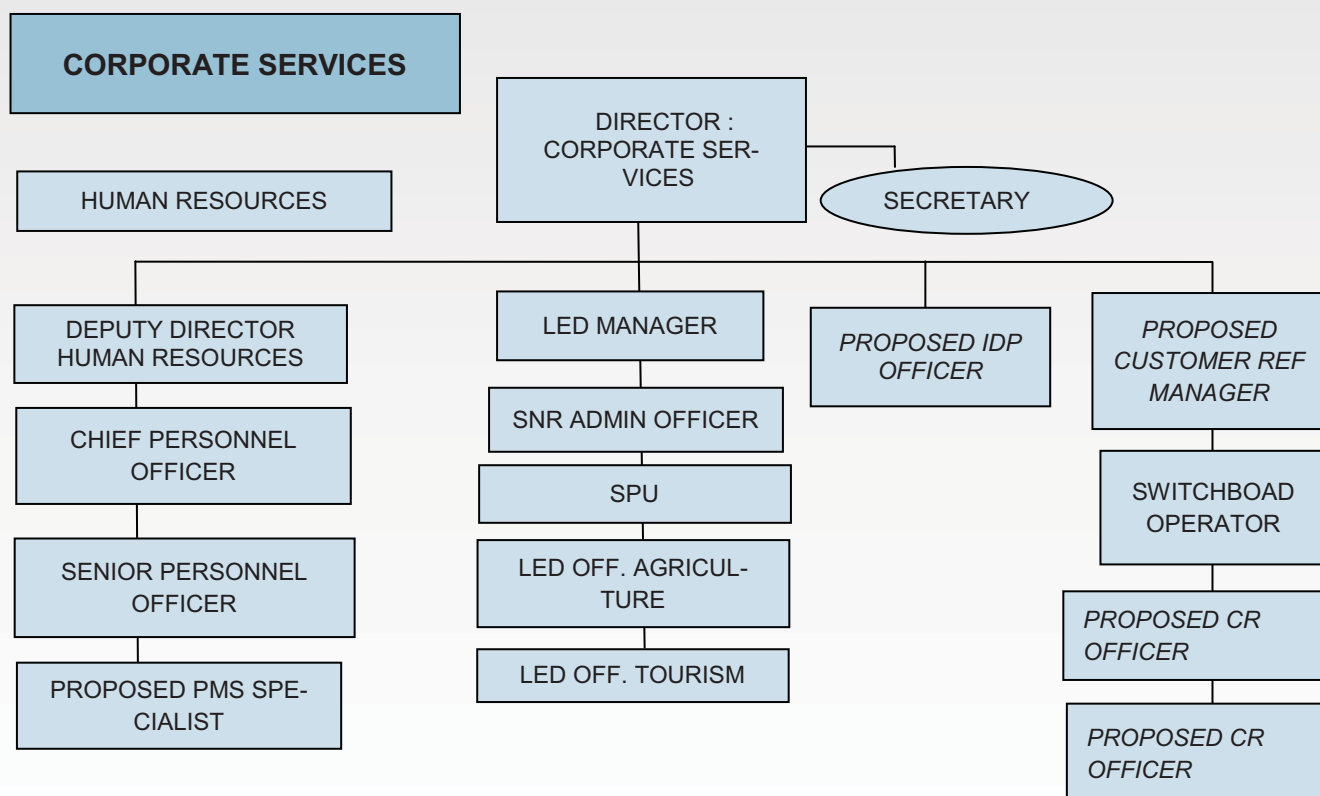
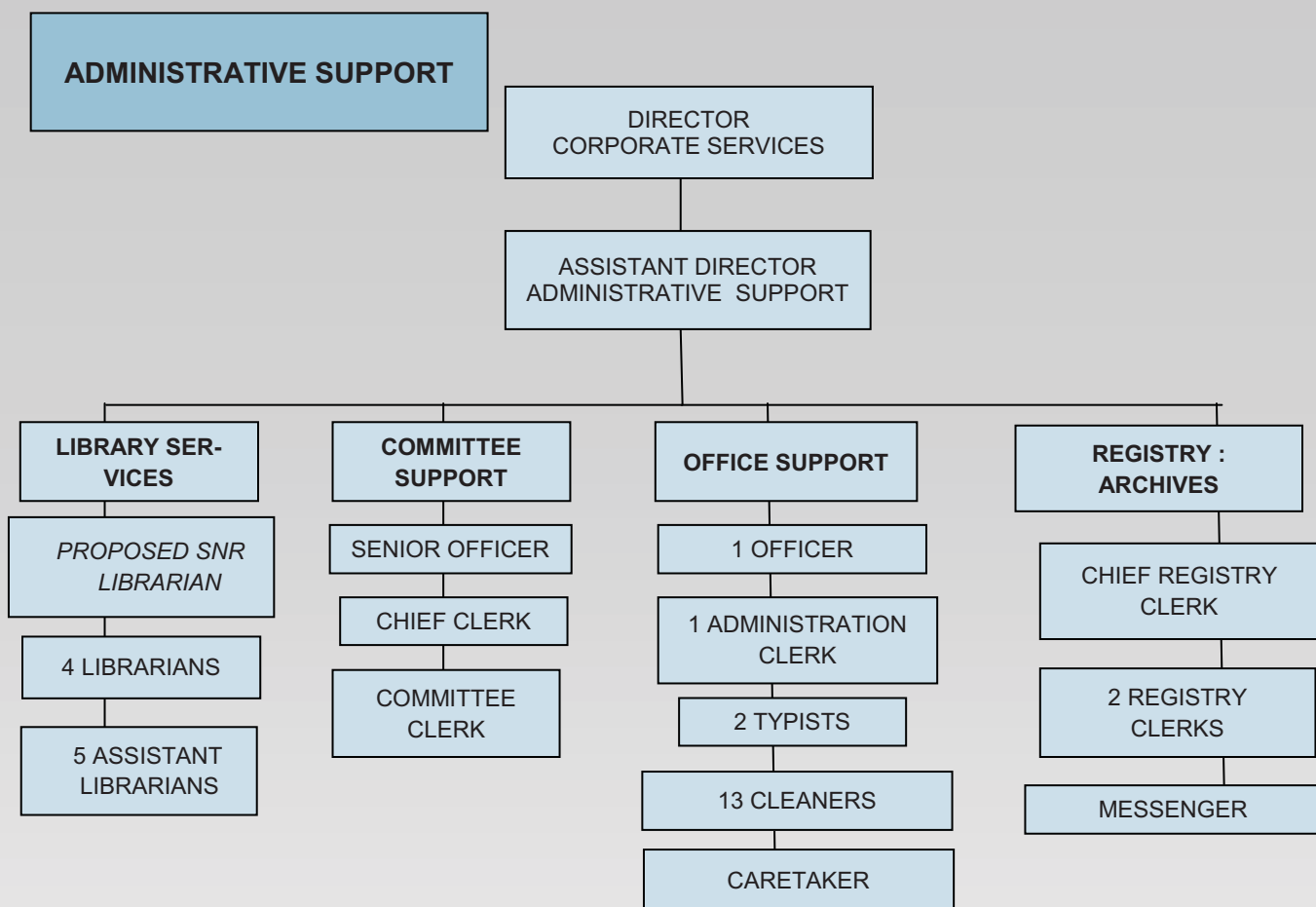
FIRE AND EMERGENCY SERVICES





PARKS & REFUSE (KENTON & BOESMANS-RIVIERMOND)





4. BUDGET TO ACTUAL COMPARISON

2010 FINANCIAL YEAR SUMMARY BY SOURCE (Budget to actual comparison)					
MUNICIPAL MANAGER					
	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2012 Budget</u>	<u>2012 Actual</u>	
<u>OPERATING INCOME</u>	102 000	102 000	102 000	42 500	
<u>OPERATING EXPENDITURE</u>					
Salaries & Wages	1 947 243	2 084 029	3 404 854	1 076 451	
General Expenses	1 787 362	901 428	1 845 890	473 604	
Repairs & Maintenance	37 630	0	37 630	2 398	
Capital Charges		0	900	0	
Capital Expenditure ex Revenue		0	0	0	
Contribution to Funds	60 000	0	0	0	
Grant Expenditure	0	0	0	0	
	3 799 163	2 985 457	2 094 531	995 295	
	<u>2010 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2011 Actual</u>	
<u>CAPITAL EXPENDITURE</u>	0	0	0	0	
CORPORATE SERVICES					
	<u>2010 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2011 Actual</u>	
<u>OPERATING INCOME</u>	4 843 520	180 777	4,843,520	92 601	
<u>OPERATING EXPENDITURE</u>					
Salaries & Wages	7 561 733	6 666 053	7,563,797	3 537 891	
General Expenses	5 686 444	1 537 633	5,686,444	716 443	
Repairs & Maintenance	703 500	202 657	703,500	56 977	
Capital Charges		0	0	0	
Capital Expenditure ex Revenue		225 000	0	0	
Contribution to Funds	50 000	0	50,000	0	
Grant Expenditure		225 000			
	14 001 677	8 631 343	14,001,677	4 311 311	
<u>CAPITAL EXPENDITURE</u>					
		214 527	1,425,000	0	

FINANCIAL MANAGEMENT					
	<u>2010 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2011 Actual</u>	
<u>OPERATING INCOME</u>	60 470 974	60 732 772	60,470,974	31 104 598	
<u>OPERATING EXPENDITURE</u>					
Salaries & Wages	9 347 208	7 259 077	9 404 456	3 720 640	
General Expenses	13 950 603	9 748 490	13,950,603	1 502 148	
Repairs & Maintenance	79 950	11 195	79,950	2 212	
Capital Charges	0	0	0	0	
Capital Expenditure ex Revenue	0	0	0	0	
Contribution to Funds	50 000	0	50,000	0	
Grant Expenditure	<u>0</u>	<u>0</u>			
	23 427 761	17 018 762	23,427,761	5 225 000	
<u>CAPITAL EXPENDITURE</u>	0	192 430	800,000	85,015	
COMMUNITY & PROTECTION SERVICES					
	<u>2010 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2011 Actual</u>	
<u>OPERATING INCOME</u>	36 388 878	29 401 141	36 389 000	16 507 809	
<u>OPERATING EXPENDITURE</u>					
Salaries & Wages	24 073 391	17 984 884	24,073,391	11 618 404	
General Expenses	16 835 518	7 634 728	16,835,518	3 543 403	
Repairs & Maintenance	2 531 430	384 245	2,531,430	623 285	
Capital Charges	317 850	0	0	0	
Capital Expenditure ex Revenue		205 000	0	0	
Contribution to Funds	50 000	0	367,850	0	
Grant Expenditure	<u>0</u>	<u>205 000</u>			
	43 808 189	30 132 373	43,808,189	15 785 092	
<u>CAPITAL EXPENDITURE</u>		0	205,000	0	

INFRASTRUCTURAL DEVELOPMENT					
	<u>2010 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2011 Actual</u>	
<u>OPERATING INCOME</u>	75 648 076	77 953 380	96 983 000	41 250 911	
<u>OPERATING EXPENDITURE</u>					
Salaries & Wages	21 687 970	24 878 272	23,117,138	12 833 676	
General Expenses	48 399 990	54 989 815	67,206,138	27 967 720	
Repairs & Maintenance	7 721 280	1 831 894	9,925,740	1 122 760	
Capital Charges	5 526 330	3 778 185	0	0	
Capital Expenditure ex Revenue	223 800	33 328 914	0	0	
Contribution to Funds	380 360	3 778 185	380,360	0	
Grant Expenditure	0	33 328 914			
	83 939 730	89 256 351	100,629,376	41 924 156	
<u>CAPITAL EXPENDITURE</u>	22,181,644	3 986 048	34,328,914	11,149,827	
	<u>2010 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2011 Actual</u>	

5. GRANTS AND TRANSFER SPENDING

Grant details						
				JUL- JUNE		TOTAL
Project Name	Donor name	BF amount	Rec.		Spent	Jul – Jun Bal
Essential Oil	ECONOMIC DEVELOPMENT	-1 912 249	-531,873		165,157	-1,545,533
IDP Review	CACADU	-101 643	-88,848.92		111,748.40	-78,743.12
Libraries	CACADU	-115 331	-334,061.46		193,303.69	-256,089.06
ACIP	DWAF	-957 664	-4,478,002.58		4,384,834.80	-1,050,831.43
MIG	DPLG	386 947	-32,844,981.07		28,095,372.66	-4,362,661.13
MSIG	DPLG	-1 686 729	-1,540,138.71		3,203,008.37	-23,859.47
FMG	NATIONAL TREASURY	-3 089 127	-4,632,519		5,741,186	-1,980,460
INEG	DME	-2 179 567	-20,000,000		21,972,339	-207,228
SETA	LGSETA	0	-285,523		142,761	-142,761
BLUE FLAG	ECDC	-254 547	-1,000		255,04	-500
PMS	CACADU	-74,603	-38,820		81,279	-32,143
FLOOD RELIEF	CACADU	-2,810,771	-3,426,986		6,388,781	151,024

Grant details						
			BF amount	Rec.	JUL- JUN	TOTAL
Project Name	Donor name				Spent	Jul – Jun Bal
EMERGENCY WATER	DWAF		-2 050 858	-3,372,033	4,318,134	-1,104,758
WATER SERVICE CAPACITY	DWAF		-600 000	-634,612	1,253,389	-634,613
HERIATGE TOURISM	NATIONAL HERITAGE		-26 717	-21,923	48,232	-408
DROUGHT RELIEF PROG	DWAF		65,050	-1,494,212	1,378,313	-50,850
STRATEGY FORMULATION			-277,995	-330,283	608,102	-176
NDLAMBE TOURIST GUIDING TRAINING			-100,000	-3,379	6,759	-96,621
TOURISM DEVELOPMENT FUND (BURDOCK)			-45,067	-19,684	33,647	-31,104
HAWKERS FACILITIES	CACADU		0	-600,000	300,000	-300,000
VOTING STATIONS	DLGTA		0	-301,200	210,952	-90,248
PUBLIC AWARENESS PRO-GRAM	AMATOLA		0	-1,299,383.99	1,141,902.03	-157,481.96
ACIP PHASE 2	DWA		0	-7,006,827.06	5,653,335.02	-1,353,492.04
WSDP			-381,473.11	-127,917.12	509,390.23	0
IMPROVE DWQ SAMPLING			-113,299	-208,669	321,968	0.00

Grant details						
			BF amount	Rec.	JUL- JUN	TOTAL
Project Name	Donor name				Spent	Jul – Jun Bal
WCWDM PREP STRAT			-65,395	-196,651	262,046	0
BLUE & GREEN DROP	CACADU		0	-346,333	101,046	-245,287
SLUDGING OF PA OXIDATION PONDS	CACADU		0	-462,809	461,384	-1,425
WATER CONS DEMAND MNGMNT	DWA		0	245 000	0	245 000
ALEX WASTE WATER ERMG REPAIRS	DWA		0	-715,848	616,088	-99,760

6. ARREARS IN PROPERTY RATES AND SERVICE CHARGES

		Total Amount Outstanding											
Categories		Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
RATES	Current	576 427.29	708 896.47	2 672 078.83	2 709 884.63	2 687 260.40	1 969 027.54	2 512 778.29	2 735 296.44	602 881.83	320 548.80	173 304.88	3 411.53
	30 days	1 819 876.28	2 109 914.44	1 388 450.72	1 296 760.87	1 304 049.60	1 401 953.26	1 173 340.30	1 250 508.38	274 447.02	172 811.55	091 054.55	1 489.87
	60 days	831 124.29	050 132.80	1 342 647.36	788 614.34	693 292.52	697 471.40	687 422.85	688 875.60	680 174.41	837 290.18	679 504.06	602 830.05
	90 +	4 978 520.52	5 287 781.04	5 591 831.30	6 053 427.75	6 159 328.22	6 152 185.37	6 349 141.37	6 597 910.70	776 387.87	939 693.36	293 708.67	6 410.26
	Interest	589 334.79	610 111.30	633 484.66	652 092.09	676 432.46	767 099.16	785 501.31	736 113.70	761 860.32	781 138.37	806 736.29	822 916.09
	Handed over	3 286 689.94	3 294 222.99	3 286 387.67	3 216 210.71	3 208 282.62	3 031 478.08	2 976 281.83	2 944 200.28	008 123.08	062 337.66	017 749.68	2 640.74
	Total	15 081 973.11	15 061 059.04	14 914 880.54	14 716 990.39	14 728 645.82	14 019 214.81	14 484 465.95	14 952 905.10	103 874.53	113 819.92	062 058.13	17 040 698.54
	Current	32 736.86	34 264.82	35 078.47	34 394.50	44 113.49	(221) 093.53)	(180) 660.21)	61 125.34	57 265.32	51 649.94	45 709.39	(135) 175.17)
	30 days	154 073.68	175 692.15	176 708.87	176 622.96	177 630.60	182 991.74	179 103.72	205 654.95	190 895.97	185 323.24	158 893.59	132 047.36
	60 days	163 601.60	149 874.90	170 928.43	170 980.05	171 394.07	169 537.58	177 008.14	171 129.40	197 912.80	183 648.37	179 390.79	132 190.27
SERVICES CHARGED	90 +	11 110 575.69	11 191 101.85	11 254 356.31	11 330 853.83	11 404 976.65	10 960 753.48	11 033 766.69	11 093 504.90	126 329.29	206 534.03	279 501.05	130 237.38
	Interest	2 347 869.70	2 373 810.41	2 396 265.58	2 419 085.68	2 445 699.45	2 637 701.85	2 654 327.89	2 426 570.53	426 008.46	418 360.84	434 880.35	736 768.17
	Handed over	3 223 522.48	3 233 485.16	3 246 361.66	3 250 364.90	3 231 243.14	2 863 308.25	2 829 816.68	2 834 621.08	862 887.08	868 063.70	868 703.57	593 753.59
	Total	17 032 380.01	17 158 229.29	17 279 699.32	17 382 301.92	17 475 057.40	16 593 199.37	16 693 362.91	16 792 606.20	861 298.92	913 580.12	967 078.74	11 589 821.60

	Current	2 509 420.62	2 340 548.25	2 438 683.74	1 856 588.06	1 736 900.61	1 774 165.79	2 159 490.85	2 165 730.34	1 817 985.91	1 980 184.14	1 155 604.04	952 172.04
WATER	30 days	1 068 277.77	1 219 226.56	1 152 855.75	1 998 307.19	1 702 026.16	1 298 067.85	1 190 959.64	1 614 752.28	1 445 361.22	1 373 782.03	1 368 215.47	840 324.80
	60 days	844 877.97	889 417.45	959 012.64	884 194.69	1 243 155.18	1 332 994.17	962 745.58	917 965.79	1 244 719.70	1 136 494.99	1 145 947.90	996 792.11
	90 +	18 198 113.10	18 431 500.02	18 831 572.42	19 279 840.91	20 001 145.53	20 675 258.30	21 054 878.94	20 749 011.47	21 171 173.45	21 872 707.47	22 641 820.85	20 122 390.82
	Interest	825 039.01	861 902.28	897 161.75	935 214.29	989 094.21	1 085 335.39	1 123 620.16	1 095 150.79	1 119 620.06	1 164 671.56	1 213 055.27	188 525.30
	Handed over	3 945 111.26	3 965 852.78	3 955 082.05	3 894 438.39	3 793 792.05	3 627 494.32	3 567 754.77	3 440 444.44	3 453 714.50	3 466 035.21	3 502 101.04	3 327 823.01
	Total	27 390 839.73	27 708 447.34	28 234 368.35	28 848 583.53	29 466 113.74	29 793 315.82	30 059 449.94	29 983 055.11	30 252 574.84	30 993 875.40	31 026 744.57	27 428 028.08
SEWER-AGE	Current	350 271.29	325 074.37	323 958.19	327 892.12	339 887.36	218 291.95	398 552.31	319 956.37	507 674.40	491 254.34	479 422.45	428 986.82
	30 days	393 327.41	462 812.96	441 375.90	432 988.77	429 620.17	462 886.25	407 800.42	446 833.47	416 297.24	494 870.33	410 473.84	378 058.38
	60 days	343 197.62	353 817.27	417 064.23	386 871.76	376 047.06	388 489.98	387 067.66	367 859.32	391 689.03	377 531.72	450 935.07	332 799.32
	90 +	4 697 385.73	4 846 319.61	4 955 512.46	5 078 600.91	5 239 169.81	5 419 268.64	5 357 501.21	5 520 446.14	5 659 331.76	5 827 856.35	5 889 982.27	5 543 516.49
	Interest	309 372.33	326 707.13	344 411.15	360 875.03	384 624.61	403 235.68	410 940.88	429 656.64	456 267.90	476 577.12	482 804.42	472 997.74
	Handed over	2 393 034.94	2 405 760.41	2 413 901.74	2 394 104.12	2 378 658.98	2 378 147.64	2 359 715.27	2 359 892.36	2 287 389.29	2 290 321.77	2 279 684.40	2 216 349.48
	Total	8 486 589.32	8 720 491.75	8 896 223.67	8 981 332.71	9 148 007.99	9 270 320.14	9 321 577.75	9 444 644.30	9 718 649.62	9 958 411.63	9 993 302.45	9 372 708.23

		Total Amount Outstanding											
Categories		Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
SANITATION	Current	14 707.66	5 487.88	(14 794.72)	25 477.00	758.22	926.99	67 178.30	53 6 188.72	1 010.49	80 882.61	18 874.31	29 322.72
	30 days	24 851.80	26 595.62	27 811.86	31 098.27	42 856.47	35 134.49	47 650.89	52 073.76	27 162.40	32 748.01	48 426.40	36 162.75
	60 days	13 045.27	15 104.75	15 858.91	19 911.20	21 160.90	28 745.27	20 711.45	30 924.06	23 513.07	19 931.99	21 596.13	37 047.87
	90 +	142 386.56	149 621.37	160 400.59	162 514.32	179 355.72	184 492.19	182 290.23	197 813.78	215 277.26	226 529.20	218 396.01	223 794.27
	Interest	7 763.62	8 577.24	9 450.61	10 462.74	11 477.27	12 029.89	11 449.51	12 889.70	13 292.19	14 059.18	15 009.95	15 814.43
	Handed over	75 855.70	78 036.90	78 518.48	78 795.13	79 138.60	79 597.74	79 863.35	79 811.30	80 037.01	82 416.10	83 895.83	84 603.63
	Total	278 610.61	283 423.76	277 245.73	328 258.66	334 747.18	407 926.57	395 143.73	379 701.32	360 292.42	456 567.09	406 198.63	426 745.67
REFUSE	Current	537 581.37	444 868.63	456 549.11	460 772.90	468 763.24	313 939.73	333 357.91	452 923.46	549 959.16	568 647.17	573 791.97	479 117.45
	30 days	479 606.61	615 124.53	548 042.55	544 139.84	536 974.10	573 987.54	517 318.87	556 644.43	509 610.29	550 986.68	514 843.75	432 775.82
	60 days	404 021.22	401 744.43	500 866.40	448 792.48	439 029.31	441 693.97	448 906.22	429 373.15	455 726.08	435 736.83	463 952.31	358 488.08
	90 +	5 375	5 517	5 652 888.96	5 839 918.02	5 980 883.95	5 889 969.52	5 882 839.81	6 030 709.06	154 759.74	308 549.61	402 075.65	623 306.87
	Interest	434 830.67	453 454.62	470 858.84	484 395.02	505 918.39	611 586.17	626 727.56	507 659.16	525 737.50	544 351.30	558 038.26	565 881.22
	Handed over	2 565 297.41	2 577 034.92	2 577 326.32	2 573 106.31	2 538 757.97	2 332 288.82	2 284 164.92	2 286 601.91	2 241.40	2 054.86	2 399.08	2 522.59
	Total	9 797 330.86	10 010 050.97	10 206 532.18	10 351 124.57	10 470 326.96	10 163 465.75	10 093 315.29	10 263 911.17	10 034.17	10 326.45	10 101.02	9 582 092.03

	Current	3 578 916.87	2 877 973.59	2 381 151.07	3 091 599.40	2 884 123.24	3 392 376.94	2 946 700.78	2 680 650.11	2 649 982.86	2 825 375.78	2 758 778.21	3 003 675.78
ELEC- TRICITY	30 days	865 351.23	379 764.05	1 244 535.23	1 137 347.54	1 353 738.55	1 215 209.66	1 310 926.69	1 258 193.71	806 780.61	883 629.04	950 555.12	1 126 874.95
	60 days	357 804.28	415 591.55	674 168.59	437 463.95	374 263.46	446 373.71	421 844.77	454 893.16	368 458.28	315 506.97	303 836.39	307 016.17
	90 +	108 420.85	165 759.61	1 217 625.31	1 308 040.45	1 367 646.42	1 411 405.68	1 362 200.61	1 352 854.22	413 329.94	421 102.54	377 358.29	1 393 986.91
	Interest	78 958.90	87 807.12	94 255.41	93 231.30	96 063.91	98 755.59	100 508.27	104 123.04	99 721.25	102 336.28	106 178.20	112 190.21
	Handed over	1 107 135.13	1 127 037.36	1 125 335.81	1 099 626.35	1 123 696.70	1 112 361.88	1 082 012.05	1 088 743.83	129 066.74	191 807.32	250 651.36	1 242 181.75
	Total	7 096 587.26	7 053 933.28	6 737 071.42	7 167 308.99	7 199 532.28	7 676 483.46	7 224 193.17	6 939 458.07	467 339.68	739 757.93	747 357.57	7 185 925.77
HOUSING	Current	(36 156.27)	(13 330.83)	(14 393.19)	(7 657.87)	(14 132.43)	(12 492.87)	(33 244.34)	(32 189.79)	(19 551.91)	(23 151.75)	(23 966.86)	(30 217.21)
	30 days	13 712.42	13 484.39	14 360.02	13 185.35	19 839.16	13 207.52	13 029.87	13 386.55	12 693.16	13 016.43	13 778.62	12 043.33
	60 days	12 898.50	13 547.34	13 437.62	14 138.63	13 147.02	19 797.38	12 938.17	12 761.02	13 107.96	12 309.63	12 795.04	11 909.48
	90 +	1 007 052.19	1 016 504.12	1 027 847.10	1 038 450.87	1 050 778.01	1 061 080.23	912 543.03	921 381.49	929 413.87	788 106.94	797 717.26	718 496.05
	Interest	239 011.29	247 155.31	248 853.15	252 544.69	253 893.21	255 898.69	250 581.37	252 787.35	254 861.47	254 290.35	256 299.93	238 409.97
	Handed over	458 093.50	459 789.76	461 388.95	454 569.43	455 592.47	457 115.51	458 311.98	459 826.16	462 760.29	463 765.16	464 994.77	427 990.46
	Total	1 694 611.63	1 737 150.09	1 751 493.65	1 765 231.10	1 779 117.44	1 794 606.46	1 614 160.08	1 627 952.78	653 284.84	508 336.76	521 618.76	1 378 632.08

		Total Amount Outstanding											
Categories		Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
LEGAL FEES	Current	(336 649.85)	(278 791.39)	(322 274.49)	(301 132.32)	(328 178.02)	(273 420.94)	(325 564.31)	(267 751.94)	(278 396.50)	(267 475.57)	(308 736.14)	(319 843.97)
	30 days	108 108.59	54 629.74	50 838.96		58 255.17	57 537.55	133 523.21	9 460.93	44 522.34	68 759.82	49 436.48	63 286.43
	60 days	138 173.90	104 484.17	53 721.16	44 208.02		56 141.43	55 568.39	131 263.65		44 088.48	68 351.67	47 778.28
	90 +	2 489	2 609	2 688 792.21	2 706 157.74	2 712 626.56	2 656 319.42	2 639 257.61	2 659 602.93	2 761	2 733	2 756	2 533
	Interest	699.31	407.58							138.93	944.86	198.21	119.58
	Handed over	24 017.76	24 017.76	24 007.74	24 007.74	23 824.83	23 824.83	21 792.96	10 569.16	10 908.34	10 271.34	10 271.34	9 520.55
	Handed over	(6 379.08)	(6 379.08)	(6 379.08)	(6 379.68)	(6 379.68)	(6 379.68)	(6 607.18)	(6 607.18)	7 303.00	4 255.28	1 847.70	3 765.28
	Total	2 416 970.63	2 507 368.78	2 488 706.50	2 469 135.64	2 462 398.65	2 514 022.61	2 517 970.68	2 536 537.55	2 548 997.78	2 593 844.21	2 577 369.26	2 337 626.15
INDIGENT	Current	(37 746.62)	(46 323.83)	(47 107.50)	(38 284.44)	(36 398.87)	(46 480.69)	(43 141.42)	(39 003.30)	(36 032.10)	(44 507.83)	(46 275.82)	(44 114.15)
	30 days	804.40	4 983.03	-	-	371.11	1 434.45	-	91.26	121.85	1 318.12	1 762.90	182.33
	60 days	5 434.39	804.40	4 983.03	-	-	371.11	1 434.45	-	91.26	348.09	1 318.12	266.36
	90 +	962 547.89	966 529.58	965 951.63	969 704.11	968 954.02	963 141.24	932 520.07	931 796.94	929 234.29	861 646.86	860 835.40	535 675.20
	Interest	115 648.44	116 662.43	117 483.16	118 316.71	119 193.38	119 898.75	117 435.58	116 591.63	117 465.01	115 935.62	116 701.08	69 513.97
	Handed over	22 213.05	22 304.71	22 392.19	22 477.99	22 559.69	22 641.39	22 723.09	22 261.81	21 422.03	21 398.89	21 572.33	18 840.00
	Total	1 068 901.55	1 064 960.32	1 063 702.51	1 072 214.37	1 074 679.33	1 061 006.25	1 030 971.77	1 031 738.34	1 032 302.34	956 139.75	955 914.01	580 363.71

	Current	(918 189.01)	(766 040.79)	(809 542.66)	(862 248.76)	(859 509.90)	(922 256.01)	(677 755.29)	(937 504.94)	(847 977.26)	(799 792.22)	(832 417.29)	(754 907.27)
SUNDRY	30 days	261 488.44	261 861.39	329 739.58	268 885.39	282 590.58	283 038.44	275 898.89	394 543.87	261 511.55	300 551.82	300 059.65	245 460.48
	60 days	207 001.48	209 133.66	209 598.07	244 486.40	211 973.59	219 651.51	209 920.90	221 182.91	277 339.49	215 902.89	246 787.06	237 745.23
	90 +	1 381 375.02	1 497 663.43	1 596 578.23	1 681 647.97	1 822 558.80	1 901 347.00	2 007 633.99	2 117 306.30	2 233 321.53	2 394 965.98	2 476 125.65	2 459 227.66
	Interest	133 201.26	142 549.35	151 501.24	159 754.12	169 262.35	180 275.11	191 764.63	202 911.76	216 254.40	228 380.08	241 454.47	255 066.69
	Handed over	456 700.05	459 747.46	458 805.91	460 437.75	463 355.26	463 853.60	462 259.49	464 473.52	464 335.78	469 102.85	471 950.73	472 031.93
	Total	1 521 577.24	1 804 914.50	1 936 680.37	1 952 962.87	2 090 230.68	2 125 909.65	2 469 722.61	2 462 913.42	2 604 785.49	2 809 111.40	2 903 960.27	2 914 624.72
Grand Total		91 866 371.95	93 110 029.12	93 786 604.24	95 035 444.75	96 228 857.47	95 419 470.89	95 904 333.88	96 415 423.36	97 066 434.63	98 722 770.66	99 939 703.41	89 837 266.58

7. DEBTORS BILLINGS

TOTAL AMOUNT BILLED PER CATEGORY													
	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Total
RATES (ANNUAL)	4 312 364	3 281 788	3 244 930	3 237 304	3 220 428	3 243 232	3 126 345	3 083 696	3 104 629	3 067 576	3 054 007	4 909 900	40 886 198
SERVICE CHARGE	215 915	215 993	215 915	215 915	225 537	225 146	232 812	232 812	232 421	218 809	213 177	213 255	2 657 708
WATER	2 981 120	2 771 866	2 846 808	2 239 509	2 023 565	2 233 840	2 675 603	2 497 737	2 469 060	2 243 929	1 845 594	1 483 332	28 311 963
SEWERAGE & SAN- ITATION	936 116	898 876	880 048	911 667	903 761	958 329	965 170	912 944	910 999	1 002 389	945 027	944 616	11 169 941
REFUSE	1 209 267	1 080 340	1 075 278	1 073 824	1 078 240	1 076 678	1 082 009	1 081 633	1 083 194	1 089 818	1 085 725	1 086 910	13 102 917
ELECTRICITY	2 756 780	2 628 584	2 634 564	3 007 191	2 692 289	3 255 178	2 984 886	2 566 191	2 525 012	2 837 597	2 863 391	2 805 786	33 557 448
TOTAL MONTHLY BILLING	12 411 562	10 877 448	10 897 543	10 685 409	10 143 819	10 992 403	11 066 825	10 375 012	10 325 316	10 460 117	10 006 922	11 443 799	129 686 176
Note : Total billed is less than collected, payments made do not necessarily match the billing raised for the period.													

8. DEBT COLLECTIONS

TOTAL AMOUNT RECEIPTED PER CATEGORY													
SERVICE CATEGORIES	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Total
RATES	4 127 983	3 786 526	3 866 765	3 708 637	3 615 497	2 818 666	3 067 324	2 874 370	3 615 497	3 451 817	3 366 758	4 077 707	42 377 546
SERVICES CHARGED	(65 616)	(62 782)	(63 679)	(14 371)	(72 820)	(74 375)	(73 842)	(83 035)	(72 820)	(93 244)	(90 606)	(86 803)	(853 993)
WATER	1 392 698	1 558 540	1 602 399	1 722 181	1 533 135	1 445 745	1 689 588	1 709 232	1 533 135	1 415 650	1 584 612	1 392 727	18 579 641
SEWERAGE & SANITATION	398 226	415 889	444 768	477 869	452 384	409 692	494 519	454 979	452 384	413 239	553 176	3 124 892	8 092 017
REFUSE	1 118 890	1 182 248	1 180 945	1 221 724	1 260 422	1 174 766	1 262 107	1 222 635	1 260 422	1 170 692	1 318 011	1 271 388	14 644 250
ELECTRICITY	2 247 017	2 785 644	2 903 436	2 563 287	2 732 809	2 715 339	3 125 018	2 815 809	2 732 809	2 490 637	2 750 128	2 488 820	32 350 755
TOTAL AMOUNT	9 219 199	9 666 064	9 934 633	9 679 327	9 521 428	8 489 833	9 564 715	8 993 989	9 521 428	8 848 790	9 482 079	12 268 730	115 190 216

9. DEBTOR ANALYSIS

Categories	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	AVER- AGE
RATES Month-ly	19 580	19 068	18 977	18 903	18 925	19 293	18 550	18 901	18 970	18 956	18 921	26 148	19 599
SERVICES CHARGED	2 760	2 761	2 760	2 760	2 883	2 878	2 977	2 976	2 971	2 797	2 725	2 726	2 831
WATER	30 330	30 306	36 831	36 190	28 518	30 011	33 036	30 685	29 457	28 056	38 801	39 249	32 623
SEWERAGE	6 296	6 276	6 268	6 268	6 391	6 418	6 534	6 527	6 507	6 672	6 668	6 659	6 457
SANITATION	155	194	141	170	153	259	279	168	143	182	165	185	183
REFUSE	19 303	19 092	19 048	19 022	19 105	19 079	19 179	19 173	19 205	19 310	19 258	19 236	19 168
ELECTRICITY	8 324	8 254	8 272	8 264	8 366	8 247	8 204	8 147	8 112	8 062	8 185	8 349	8 232
HOUSING	137	137	137	137	137	137	137	137	137	137	137	137	137
SUNDRY	20 968	20 844	20 752	20 701	20 620	20 750	20 899	20 841	20 869	20 974	20 915	20 898	20 836

10. WRITE OFF OF BAD DEBTS

2010/11 Debt Written-off			
Categories	No.	Value	%
10 RATES (ANNUAL)	427	280 374	1.73%
20 RATES (MONTHLY)	2201	501 880	3.09%
30 SERVICE CHARGE	2581	5 802 180	35.74%
35 WATER	3991	5 481 844	33.77%
40 SEWERAGE	764	1 086 982	6.70%
45 SANITATION	56	5 160	0.03%
50 REFUSE	2920	1 745 294	10.75%
55 ELECTRICITY	92	37 773	0.23%
70-84 HOUSING	128	403 424	2.49%
85 LEGAL FEES	690	352 810	2.17%
86 INDIGENT CHARGE	1224	370 295	2.28%
90 SUNDRIES	1960	165 659	1.02%
	17034	16 233 676	100.00%

11. PROPERTY RATES

Property Rates (All)	Number	Value (000)
Number and value of properties rated	26 148	22 683 360
Number and value of properties not rated	2 056	128 132
Number and value of rates exemptions	NIL	NIL

12. RATES COLLECTABLE FOR CURRENT YEAR

Rates Collectable for Current Year	Number	Value (000)
Total Billed (nett)	26 148	40 886
Total Collectible	26 148	40 886

13. PROPERTY VALUATION

Property Valuation :	Details	Valued Number	YTD Value (000)
Year of Last Valuation (Interim Valuation)	2008	26 148	22 683 359.65
Regularity of Valuations	4 years	-	
Note : General Valuation was done in 2008, todate 2 supplementary valuations and an interim valuation was done in 2011. The valuation roll "Value and number of valued properties" is inclusive of all subsequent valuation todate.			

14. INDIGENT POLICY

Rates Collectible for Current Year	Number	Value (000)
Quantity (No. of households affected)	5 685	-
Quantum (Total value across municipality)	-	1 039

15. CREDITORS AGE ANALYSIS

CREDITORS PAYMENTS FOR JUNE 2011

CREDITOR	PAYMENT	OUTSTAND- ING			
		30 DAYS	60 DAYS	90 DAYS +	TOTAL
MANELEC	3 499 157.58				
ESKOM HOLDINGS	2 753 185.44				
NDLAMBE LOCAL MUNICIPALITY	1 741 362.91				
URSA / GIVE JV	1 291 245.86				
ILIAD AFRICA TRADING	727 240.74				
KOELRO NO 79 CC	553 617.85				
THE AUTOMALL	483 886.28				
AMATOLA WATER BOARD	469 393.28				
DEVELOPMENT BANK OF S A	454 522.44				
TELKOM	85 656.65				
Total Creditors Outstanding	R 12 059 269.03	0.00	0.00	0.00	0.00

16. BANK RECONCILIATION JUNE 2011

BANK RECONCILIATION JUNE 2011

OPERATING ACCOUNT

		R
Operating account receipts were issued to the amount of		16 743 615.73
Operating account expenditure were issued to the amount of		20 456 670.48
Cashbook Balance on 01 June 2011		-5 093 291.40
Plus	Income June 2011	16 743 615.73
	Direct Deposits	0.00
	Adjustments	544.01
	Sub Total	11 650 868.34
Less	Expenditure June 2011	20 456 670.48
	Deposits Previous Month	
	Adjustments	
	Adjustment	
	Total	-8 805 802.14
Bank Balance on 30 June 2011		1 411 724.21
Less	Outstanding Cheques	10 291 683.76
	Sub Total	-8 879 959.55
Plus	Outstanding Deposit	74 157.41
	Total	-8 805 802.14

REVOLVING FUND ACCOUNT (CAPITAL)

Capital account receipts were issued to the amount of		464 763.88
Capital account expenditure were issued to the amount of		5 075 125.76
Cashbook Balance on 01 June 2011		23 972 154.85
Plus	Income June 2011	464 763.88
	Direct Deposits	0.00
	Sub Total	24 436 918.73
Less	Expenditure June 2011	5 075 125.76
	Total	19 361 792.97
Bank Balance on 30 June 2011		19 367 024.79
Less	Outstanding Cheques	5 231.82
	Sub Total	19 361 792.97
Plus	Outstanding Deposit	
	Total	19 361 792.97

Total Investments as at 30 June 2011 **5 719 569.58**