

UMDONI MUNICIPALITY

Together Building Unity • Siyakhisana • Tesame Bou Ons Eenheid



ANNUAL REPORT 2010/2011



**UMDONI
MUNICIPALITY**

Umdoni Vision/Umbono

“By 2020, Umdoni will be the **JEWEL** of the South Coast.”

“Ngonyaka wama-2020 uMkhandlu dolobha waseMdoni uyobe uyigugu lezindawo ezigidle Ugu.”

Umdoni Mission/Inhloso

“Working together in contributing to **J**ob creation, **E**conomic viability to ensure the **W**ell-being of our community in **E**co-friendly environment through sustained **L**ocal economic development.”

“Ukusebenza ngokubambisana ekwakhiweni kwamathuba emisebenzi, ukusimamiswa komnotho ngokuthuthukisa umnotho wendawo ukuze kuqinisekiswa inhlonhle yemiphakathi endaweni eyamukelekayo.”

Principles

- **J**ob creation
- **E**conomic viability
- **W**ell-being of the community
- **E**vironmentally friendly environment
- **L**ocal economic development

Values

VALUE	VALUE STATEMENT
Integrity	Display a level of unquestionable honesty and ethics
Responsiveness	Work to improve the quality of life of all our communities
Dedicated	Be loyal and committed public servants
Efficiency	Ensure all actions are adding value to seamless service delivery
Human dignity	Show profound respect and observance to human rights of all our communities
Accountability	Be transparent and open about all our actions



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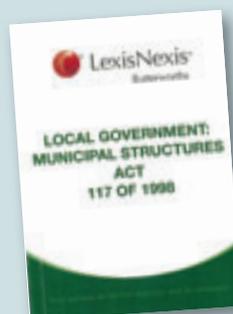
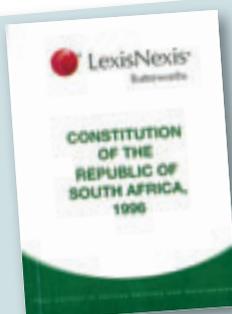
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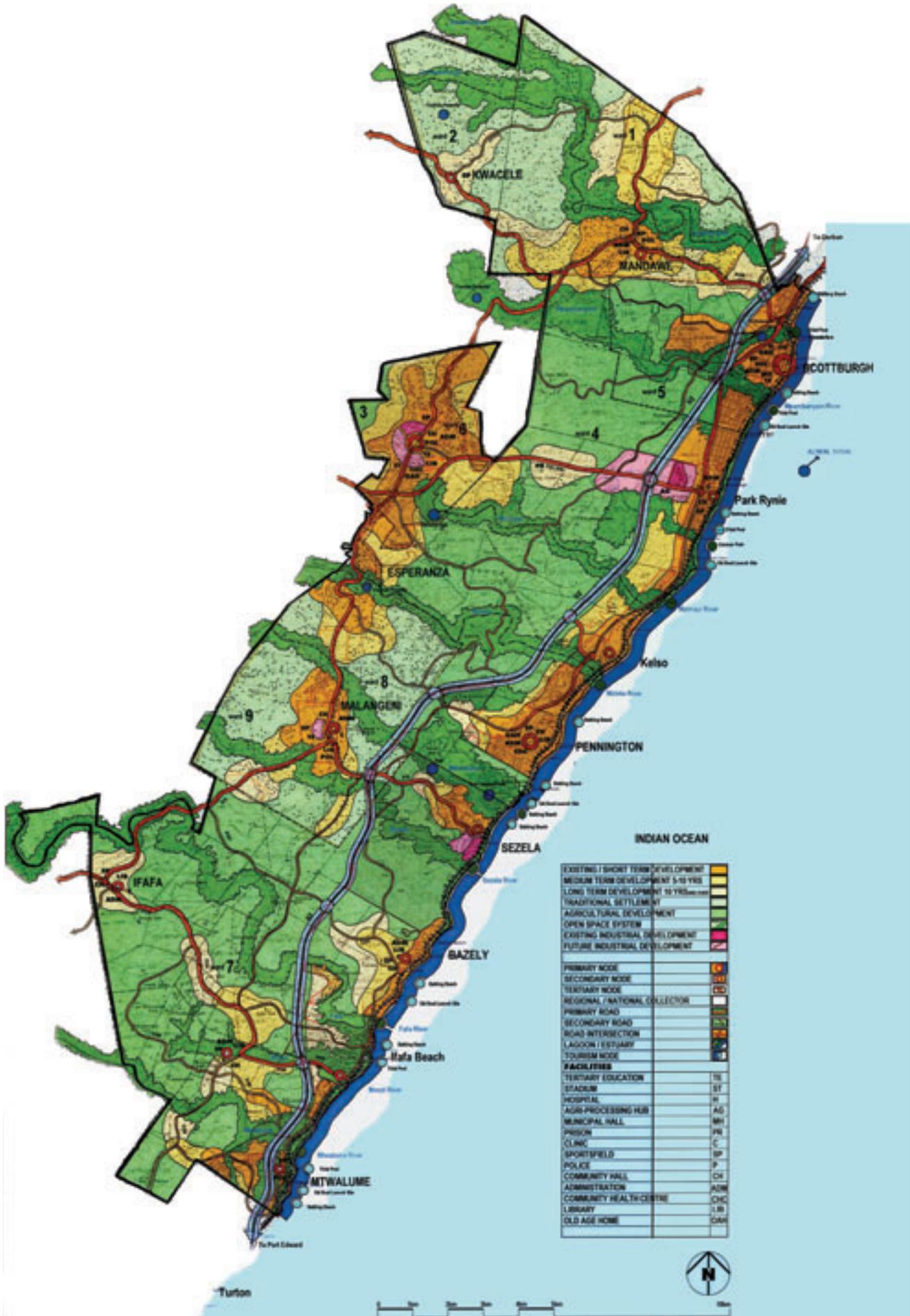


The 2010/2011 Annual Report has been prepared in accordance with the provisions of Section 121 of the Municipal Finance Management Act (MFMA), 56 of 2003 and Section 46 of the Local Government Municipal Systems Act (MSA), 32 of 2000, and thereafter approved by the Municipal Council after following all the processes prescribed by Section 129 of the MFMA. In compliance with the provisions of the MFMA, this Annual Report was tabled by the Mayor at a Municipal council meeting held on 14 December 2011, as prescribed by Section 127 of the MFMA, and was thereafter, in terms of Section 21(a) of the MSA, publicised for comments.

The Annual Report was further considered by the Oversight Committee established by the Municipal Council, as directed by Section 129 of the MFMA, to assist the Municipal Council in considering the Annual Report. The report of the Oversight Committee is included in the Annual Report and is therefore made public in terms of Section 21 (a) of the MSA.

DD Naidoo

Mr DD Naidoo, Municipal Manager





INTRODUCTION AND OVERVIEW

Umdoni Municipality is located in the Ugu District and covers an area of approximately 238 square kilometres. The coastline stretches approximately 40 km from Mtwalume in the south to Freeland Park (Scottburgh) in the north. It is bound inland by three local municipalities: eThekweni to the north, Vulamehlo to the west, and Umzumbe to the south/south-west. The northern boundary is approximately 50 km from the city of Durban and the southern portion is approximately 15 km from Port Shepstone.

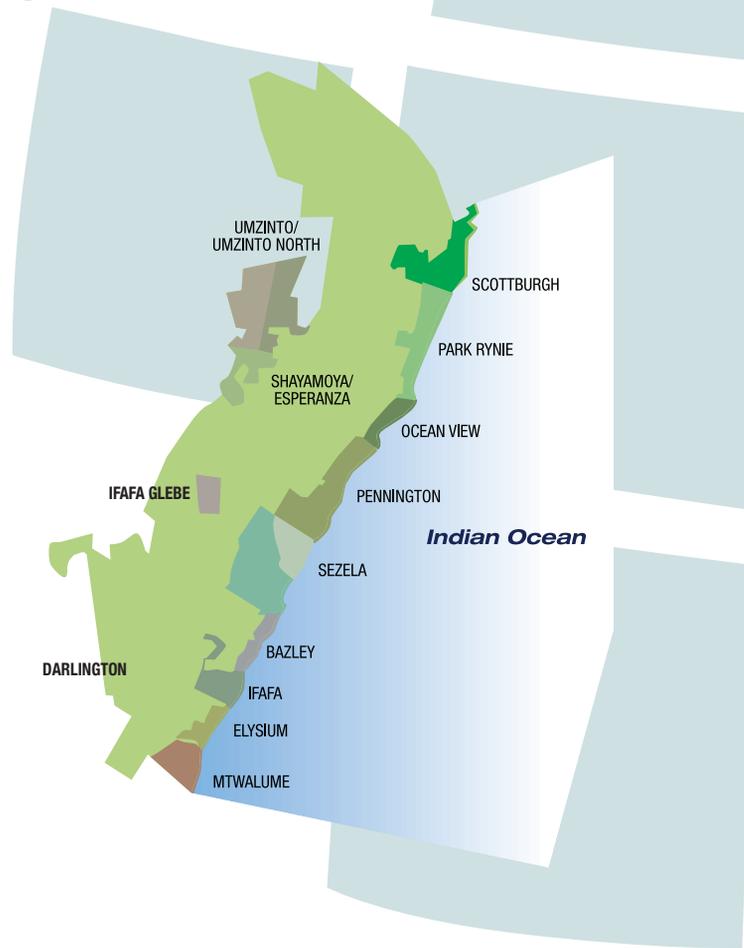
Umdoni Municipality essentially has three major land uses, i.e. commercial agriculture, traditional authority areas (located mainly in the northern portion) and coastal urban nodes, including Scottburgh, Kelso, Sezela, Pennington, Bazley, Elysium, Ifafa Beach, Mtwalume and the inland town of Umzinto.

The area has a full range of schools catering for pre-primary, primary and high school education, numerous public libraries, magistrates courts and SAPS centres, postal and Telkom services, Home Affairs, the Road Traffic Inspectorate, drivers and vehicle testing centres.

During 2006/2007, the Umdoni Municipality acquired the Farm Isonti which was situated in the Vulamehlo Municipality. As this land was to be registered in the name of Umdoni, there was a need to amend the boundaries of Umdoni and Vulamehlo Municipalities so as to include it in the former and delete it from the latter municipality. This newly incorporated area resulted in an imbalance in the number of registered voters in Umdoni's Ward 3, the ward into which these properties would fall. Thus, there was a need to adjust the boundaries of all wards in Umdoni, and to create an additional ward (Ward 10). The boundaries of the revised wards 1 to 9 and the new ward 10, were published in Gazette No. 498 dated 31 March 2010.

The Municipality now has 19 councillors, with 10 ward representatives and nine proportional representatives. The 10 wards include the following main centres:

- Ward 1 – aMahlongwa;
- Ward 2 – Nkulu, Olwasini, Umgwemphisi;
- Ward 3 – Ghandinagar, Lower Umzinto;
- Ward 4 – Scottburgh South, Farmland, Gugulesizwe;
- Ward 5 – Freeland Park, Scottburgh Central, Amandawe;
- Ward 6 – Umzinto Central, Hazelwood;
- Ward 7 – Sezela, Ifafa, Mtwalume;
- Ward 8 – Bhudubhudu, Vusizwe, Zamani;
- Ward 9 – Mafithini, Amangamazi;
- Ward 10 – Park Rynie, Pennington.



Mayor's Foreword



Incoming Mayor, His Worship SSI Khwela

My predecessor, Councillor NH Gumede, was at the helm for the period under review. At the time of writing this foreword, I have been in office for only four months and by all accounts, have been fortunate to inherit an organisation which boasts many achievements. I am therefore grateful to the outgoing Council under the perceptive and able leadership of Councillor Mrs NH Gumede.

I assume office at a time when the challenges facing local government are manifold and the clamour for basic services among the marginalised of our society is reaching fever pitch – their patience is wearing thin and justifiably so.

Councillors and councils are perceived as havens of corruption; the productivity of staff lags behind the private sector. Revenue collection is proving to be a challenge which exacerbated by the poor state of the economy, and unfunded mandates continue to drain limited resources.

Notwithstanding these challenges, public expectation is huge – shaped largely by a hard-fought election and a history of deprivation.

The newly elected Council is therefore expected to hit the ground running. Thus, I do not foresee major policy changes: continuity and astute implementation will be the key.

With ten years to establish the platform from which to drive service delivery, the emphasis has to shift to implementation, which has been problematic. Greater success will only be achieved with hands-on management accompanied by a more

rigorous oversight on the part of the Council. The resources are available, policies and systems have been put in place, and therefore the timeous accomplishment of goals within budgets cannot be an unreasonable expectation.

Umdoni has had its fair share of natural disasters. In the year under review, the Municipality was busy with rehabilitation works valued at over R 400 million. Unfortunately, a programme of this magnitude and complexity attracted its fair share of problems. A priority for my administration is to accelerate the completion of these projects and produce a better quality road network.

Under my stewardship, I will continue to ensure adherence to good governance, fiscal discipline and a work ethic aligned to our vision of creating jobs and alleviating poverty.

I commit to continue with the open door policy of my predecessor and to this end I extend an invitation to all constituents to work closely with their Councillors.



Outgoing Mayor, Cllr NH Gumede

**COUNCILLOR SSI KHWELA
HIS WORSHIP THE MAYOR**

Municipal Manager's Foreword

The second term for the democratic dispensation of local government came to a conclusion in the year under review.

The electioneering period leading up to the May 2011 local government elections brought to the fore some very sharp and instructive messages to both aspirant and existing public representatives. The electorate cannot be taken for granted and the much sought after vote requires a reciprocal gesture: service delivery. The message from our communities was unambiguous: "Be responsive to our needs".

Given that communication with the communities is most intense during this period, engagement should yield significant data to inform service delivery.

Both the political and administrative leadership must work together to achieve a common goal of maximising service delivery at municipal level. Local councils must be more responsive to local communities and their needs and ensure that communities are involved in the decisions that affect them.

The year 2011 was declared the year of job creation by President JG Zuma. It was identified as the main factor that would make people's lives better. As a sphere of government closest to the people, we must commit all our available resources to facilitate job creation in both private and public sectors.

During the period under review, we witnessed some violent service delivery protests where residents gave expression to their frustrations with the lack of service delivery. An analysis of these protests reveal a lack of basic services.

As a municipality we need to ensure a sustainable growth path that is responsive to these basic needs.

While we modestly acknowledge the completion of many infrastructure projects, of greater significance is the maintenance so that its sustained use is never in question. Communities must, together with Council, assume ownership to derive maximum benefit.

The promulgation of the Consumer Protection Act has serious consequences for Municipalities as service providers. While the implementation has been deferred, it is inevitable that municipalities will have to ultimately comply. The monopoly that we 'enjoy' as a service provider will be placed in the spotlight and our customers (communities) will have added leverage to raise the bar for service delivery: a very positive intervention.

The global financial crisis has brought into sharp focus our financial sustainability as a municipality. Since we are primarily dependent on rates income, it will be prudent to explore other sustainable sources of income. Furthermore, we have to create a culture of cost-effectiveness. Technology must also compliment our human resources to be more economical and efficient.

Going forward, we must assess our progress in the year under review and together with our newly elected leadership, project a growth path to achieve all the goals as set out in the electoral mandate.



*"You are today where your thoughts have brought you,
you will be tomorrow where your thoughts take you".*

JAMES ALLEN

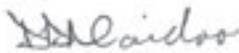
Our fifth consecutive Unqualified Audit Report has brought a milestone to light: we have achieved a 'Clean Audit Report'. This key deliverable of good corporate governance is a national imperative to be achieved by 2014, hence operation 'Clean Audit 2014'.

While this is indeed a very laudable achievement, it can only be of significance if it informs improved service delivery which translates to a better quality of life for all our people. The attainment of this milestone is not an end in itself but must be sustained, for the attainment of any other audit opinion will clearly demonstrate a lapse in good corporate governance and point to institutional challenges. There are no long outstanding municipal service charges and taxes owed by the Umdoni Municipality as at the year end.

Given the presidential directive that "local government is everyone's business" there is much collaboration between national, provincial and local government. This is gratefully acknowledged with the understanding that together, we can do more.

As a municipality, we exist because of our communities and acknowledge that our functioning is dependent on the many roleplayers and stakeholders who are always willing to support us.

Human nature, by its very existence, is progressive. This progression should manifest itself as we seek to attain service delivery excellence.



DD NAIDOO
MUNICIPAL MANAGER



Audit Committee Chairman's Report

We are pleased to present our report for the financial year ended 30 June 2011.



Mr P Preston

Audit Committee members and attendance

In terms of the Municipal Finance Management Act (MFMA) and the Umdoni Municipality's Audit Committee Charter, the Audit Committee as at the 30 June 2011, included four external independent members. None of the members were Councillors. Prior to the review and subsequent Council approval of the Audit Committee Charter in May 2011, the membership composition of the Audit Committee included the Municipal Manager, Mr DD Naidoo, and the General Manager: Corporate Services, Mrs GN Mavundla. The Audit Committee included the following members listed hereunder and has met regularly, as per its approved Charter. During the year under review, four meetings were held and attended. The following schedules include the attendance at all Performance Audit Committee meetings:

External members

NAME OF MEMBER	QUALIFICATIONS	APPOINTED	RESIGNED	MEETINGS ATTENDED
Mr Paul Preston ^A	BA LLB	1 September 2010	N/A	6 of 6
Mr Siphon Nzuza ^A	BCom, MBA, H Dip Tax	1 February 2011	N/A	4 of 4
Ms Chantel Elliott ^A	BCom(Hons), CA(SA)	1 February 2011	N/A	4 of 4
Mr Imraan Lockhat ^A	BCom(Hons), CA(SA)	1 February 2011	N/A	4 of 4
Mr Silas Hlophe ^B	BCom(Hons)	1 September 2010	31 December 2010	2 of 2
Mr Tumelo Tsotetsi ^B	BCom(Hons), CA(SA)	1 September 2010	31 December 2010	2 of 2

It is to be noted that the external membership of the Audit/Performance Audit Committee underwent a reconstitution twice during the year under review, hence the fluctuating attendance statistics. This did not apply to the internal members for the same reporting period. It is to be noted that with the advent of the new committee, many changes were imminent, one of which was the adoption of the new Audit Committee Charter to exclude internal membership thus ensuring alignment to the King III legislative principles and directive on the matter of independence. Such changes would be reported on in the forthcoming financial year. Statistics for internal membership are reflected below.

Internal members

NAME OF MEMBER	DESIGNATION	RESIGNED	MEETINGS ATTENDED
Mr DD Naidoo ^A	Municipal Manager	N/A	6 of 6
Mrs GN Mavundla ^A	General Manager: Corporate Services	30 June 2011	4 of 6

Table 1 (A & B): Statistical report on the number of Audit & Performance Audit Committee meetings.

Audit Committee's responsibilities

The Audit Committee's responsibilities are outlined in Section 166(2) of the Municipal Finance Management Act, 56 of 2003. The Audit Committee has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter, and has discharged all of its responsibilities as contained therein. A summary of the Audit Committee's responsibilities in terms of the MFMA and its Charter is that it is responsible for, among other things, the following:

Auditors and external audit

Discuss and review with external auditors, *inter alia*:

- the nature and scope of the audit function;
- the timing and nature of reports from the external auditors;
- any problems identified in the going concern of the Municipality;
- the Auditor-General's management letter and management response; and
- meeting the Auditor-General at least annually to ensure that there are no unresolved issues of concern.

Annual Financial Statements

- review significant adjustments resulting from the audit;
- review effectiveness of the internal audit;
- review risk areas of the operations to be covered in the scope of the internal and external audits; and
- review the adequacy, reliability and accuracy of the financial information provided to management and other users of such information.

Performance management

- review the quarterly reports submitted by internal audit on the performance management system;
- review the performance management system, ensuring its functionality and compliance with relevant legislation;
- focus on economy, effectiveness, efficiency, reliability and impact applicable to the Municipality's own key performance indicators; and
- report on the outcomes of its review and focus areas to the Council at least twice per annum.

Internal control and internal audit

The monitoring and supervising of the effective function of the internal audit including:

- evaluating performance, independence and effectiveness of internal audit and external service providers through internal audit;
- review the effectiveness of the internal controls and to consider the most appropriate system for the effective operation of its business; and
- initiating investigations within its scope, e.g. employee fraud, misconduct or conflict of interest.

Ethics

Reviewing the effectiveness of mechanisms for the identification and reporting of:

- any material violations of ethical conduct of Councillors and municipal staff;
- compliance with laws and regulations; and
- environmental and social issues.

Compliance

- carrying out investigations into financial matters as Council may request;
- reviewing the effectiveness of mechanisms for the identification and reporting of:
 - compliance with laws and regulations; and
 - the findings of regulatory bodies or audit observations.

The Audit Committee is satisfied that it has complied with its responsibilities and has discharged them properly and efficiently.

The effectiveness of internal controls

The system of controls is designed to provide cost-effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the MFMA and the King III Report on Corporate Governance Requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and recommended enhancements to the controls and processes.

The system of internal control was not entirely effective during the year under review as compliance with prescribed policies and procedures were lacking in certain instances. During the year under review, several instances of non-compliance were reported by Internal Audit that resulted from a breakdown in the functioning of controls. Various

reports of the Internal Auditors as well as the Audit Reports on the Annual Financial Statements and Management Letter of the Auditor-General indicated that the system of internal controls within key management processes had significant weaknesses. The Committee concurs and accepts the findings and recommendations of Internal Audit and is satisfied that once management has implemented the agreed recommendations, this will enhance the current control environment and effectiveness of internal controls.

The quality in-year management and monthly/quarterly report submitted in terms of the MFMA

The Audit Committee received and reviewed performance management reports and is satisfied with the content and quality of these quarterly reports prepared and issued by the Accounting Officer and management during the year under review.

Internal audit function

During the year under review, an audit plan was prepared based on the Annual Risk Assessment. The following is a list of projects undertaken by Internal Audit, arising from the risk assessment and the overall conclusions of the effectiveness of internal controls:

- quarterly reviews of performance management;
- follow-up: procure to pay;
- follow-up review: monitoring and evaluation: Disaster Rehabilitation Programme;
- information technology review/assessment (phase 1 – network parameters, master files, designs and infrastructure);
- compliance to applicable legislation.

An annual assessment of the Internal Audit function had been completed by management and the Audit Committee. The Audit Committee is satisfied with the performance of the Internal Audit function and reports that all projects in terms of the approved risk-based annual internal plan has been duly finalised for the year under review.

Evaluation of Annual Financial Statements

The Audit Committee has:

- reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report with the Auditor-General (SA) and the Accounting Officer;
- reviewed the Auditor-General's management letter and management responses;
- reviewed the accounting policies and practices;
- evaluated the audited Annual Financial Statements to be included in the Annual Report and, based on the information provided to the Audit Committee, considered that the said statements comply in all material respects with the requirements of the MFMA and treasury regulations, as well as the statements of Generally Recognised Accounting Practice (GRAP); and
- reviewed the particulars of the management action plan in response to the issues raised by the Auditor-General in his report.

Audit Report: regularity and performance – FYE 30 June 2011

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.

The Audit Committee also notes the matters raised under the heading 'Other matters' as well as the non-compliance with regulatory requirements under the heading 'audit findings' (performance information) in the report of the Auditor-General.

We also note the particulars of the management action plan in response to the issues raised by the Auditor-General in his report.

The resultant audit opinion is hereby noted with pleasure as a 'Clean Audit – with other matters'. On behalf of the

audit committee we hereby congratulate the Umdoni Council, both the erstwhile and present, including but not limited to the management team under the esteemed stewardship of the Municipal Manager, Mr DD Naidoo on the dedicated and concerted effort of attaining a goal which at one stage seemed unattainable.

Annual Report: FYE 30 June 2011

I hereby report that the process plan for the adoption of the Annual Report: FYE 30 June 2011 as was duly submitted to Council has been complied and adhered to. Per legislation two oversight meetings were convened and matters addressed at such meetings are duly contained in reports annexed to this annual report (please refer to latter portion). I am pleased to report that all relevant stakeholders including Co-operative Governance and Traditional Affairs and the Auditor-General (SA) were concurrently participatory throughout the process to final adoption.

Conclusion

I would like to thank my colleagues for making themselves available to serve on this Committee and for the significant contribution that they have made. As an Audit Committee, we rely to a great extent on the Manager: Internal Audit and her staff in the Internal Audit department for their support and assistance and, in particular, for the role they continue to play in improving the accounting and internal auditing systems and controls at Umdoni Municipality. We are indebted to them for their efficient service and assistance.

We are also grateful to the Chief Financial Officer, KZN Provincial Treasury, the Office of the Auditor-General (SA), Co-operative Governance and Traditional Affairs (CoGTA) and other invitees to our meetings, including the external service providers, all of whom provide invaluable information to the Committee.



MR PAUL PRESTON
CHAIRPERSON: UMDONI MUNICIPALITY
Audit/Performance Audit Committee
Date: 30 September 2011



ANNUAL MEETING STATISTICS (FY 2010-2011)
Audit Committee meetings: FY 2010-2011 (new Committee 1 July 2010)

<i>Members</i>	<i>23 August 2010</i>			<i>Total no. of meetings attended per member</i>
Mr SZ Hlope	✓	Resigned 29 November 2010		1 of 1
Mr P Preston	✓		See schedule below	1 of 4
Mr T Tsotetsi	✓	Resigned 1 December 2010		1 of 1
Mr DD Naidoo	✓		See schedule below	1 of 4
Mrs GN Mavundla	✓		See schedule below	1 of 4

Performance Audit Committee meetings: FY 2010/2011 (new Committee 1 July 2010)

<i>Members</i>	<i>23 August 2010</i>			
Mr SZ Hlope	✓		Resigned 29 November 2010	1 of 1
Mr P Preston	✓			1 of 2
Mr T Tsotetsi	✓		Resigned 1 December 2010	1 of 1
Mr DD Naidoo	✓			1 of 2
Mrs GN Mavundla	✓			1 of 2

Audit Committee meetings: FY 2010/2011 (new Committee 1 February 2011)

<i>Members</i>	<i>23 August 2010</i>	<i>29 March 2011</i>	<i>15 June 2011</i>	<i>Total no. of meetings attended per member</i>
Mr P Preston	✓	✓	✓	4 of 4
Mr S Nzuzza	See previous schedule	✓	✓	3 of 3 (new member)
Ms C Elliott	See previous schedule	✓	✓	3 of 3 (new member)
Mr I Lockhat	See previous schedule	✓	✓	3 of 3 (new member)
Mr DD Naidoo	✓	✓	✓	4 of 4
Mrs GN Mavundla	✓	✗	✓	2 of 4

Performance Audit Committee meetings: FY 2010/2011 (new Committee 1 February 2011)

<i>Members</i>	<i>23 August 2010</i>	<i>19 April 2011</i>		<i>Total no. of meetings attended per member</i>
Mr P Preston	✓	✓		2 of 2
Mr S Nzuzza		✓		1 of 1 (new member)
Ms C Elliott	See previous schedule	✓		1 of 1 (new member)
Mr I Lockhat		✓		1 of 1 (new member)
Mr DD Naidoo	✓	✓		2 of 2
Mrs GN Mavundla	✓	✓		2 of 2

Overview of the Municipality

Umdoni Municipality is located in the Ugu District and covers an area of approximately 238 km². The coastline stretches for about 40 km and is approximately 50 km from the city of Durban and 65 km from Port Shepstone.

According to Statistics South Africa and based on the Community Survey 2007, Umdoni Municipality has a total population of 74 437 (which makes up 10% of the District Municipality). The Independent Electoral Commission records indicate that as at the end of June 2011, there were 38 225 Umdoni citizens registered in the voters roll. The following comparison has been provided in respect of voter registration:

2007	2008	2009	2010	2011
22 238	22 727	30 264	35 589	*38 225

Voter registration figures per ward were as follows as at June 2011:

Ward 1	3 407
Ward 2	4 218
Ward 3	3 691
Ward 4	2 765
Ward 5	4 124
Ward 6	4 015
Ward 7	3 422
Ward 8	4 187
Ward 9	3 717
Ward 10	4 481
Total	*38 027

***NOTE:** The difference between the total number of voters per ward and the number of registered voters for the year of reporting relates to deaths – the voters roll is linked to the National Population Register and the figures on the voters roll are automatically updated when a death occurs.

Other statistics relating to the Umdoni Municipal area which were extracted from the Statistics SA 2007 Community Survey Data area as follows: it is to be noted that these statistics are from the 2007 Survey and no information was available at this time of preparing this report. It is hoped that new statistics will be available in the 2011/2012 Annual Report as the Census is currently underway.

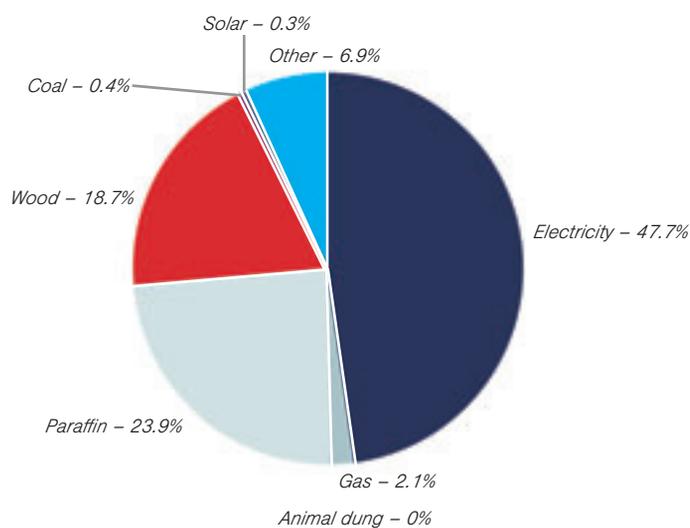
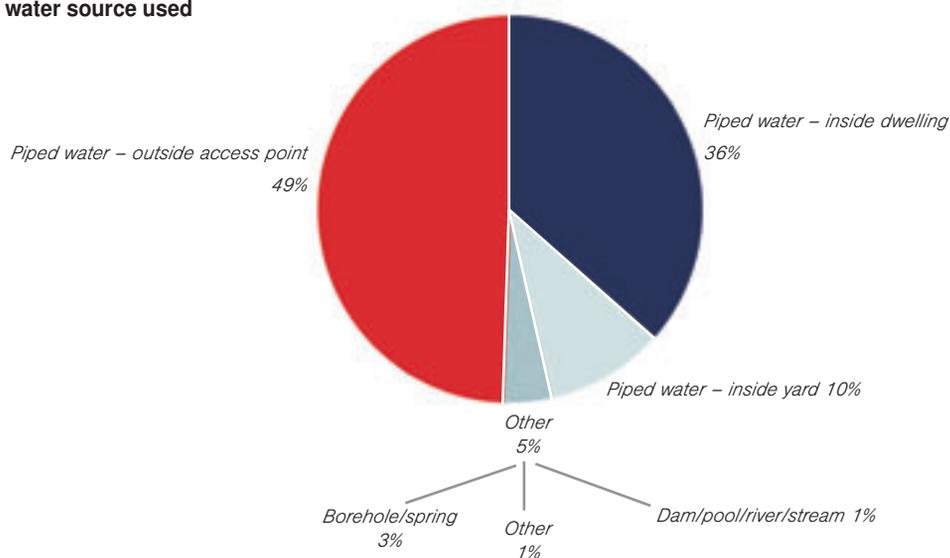


Other statistics relating to the Umdoni Municipal area are extracted from the Statistics South Africa 2007 Community Survey Data. No updated information was available at the time of producing this Annual Report:

NO. OF HOUSEHOLDS IN UMDONI AREA	16 383
Percentage of persons by gender	
Males	49.1%
Females	50.9%
Percentage of persons by population group	
Black	81.5%
Coloured	1.2%
Indian or Asian	10.6%
White	6.7%
Percentage of population by age group	
Age 0-14	30.3%
Age 15-64	63.9%
Age 65+	5.8%
Percentage of type of toilet facility per household	
Flush toilet	55.7%
Pit toilet	32.6%
Chemical or dry	4.8%
None	6.9%
Percentage of households by tenure status	
Owned and fully paid	55.7%
Owned, not paid off	10.1%
Rented	15.4%
Occupied rent free	18.3%
Other	0.5%
Percentage type of energy used for lighting per household	
Electricity	60.5%
Gas	0.3%
Paraffin	6.4%
Candles	32.6%
Solar	0%
Other	0.2%
Main type of energy used for cooking	
Electricity	51.0%
Gas	4.1%
Paraffin	35.9%
Wood	8.7%
Coal	0%
Animal dung	0.1%
Solar	0%
Other	0.2%

Households by type of main dwellings	
Formal	69.3%
Traditional	24.4%
Informal	5.1%
Other	1.2%
Main source of water	
Piped water – inside dwelling	36.1%
Piped water – inside yard	9.5%
Piped water – outside access point	50.0%
Sub total	95.6%
Borehole/spring	2.6%
Dam/pool/river/stream	0.9%
Other	0.9%

Type of water source used



Traditional authorities

Like all other constitutionally recognised traditional leadership structures, Umdoni has three traditional authorities within its jurisdiction, with each authority being constituted of different areas (*izigodi*) as follows:

TRADITIONAL AUTHORITY	TRADITIONAL LEADER	AREA
Shozi Traditional Authority (Emalangeneni)	Inkosi ST Shozi	Uswani iNkombo uMhlangamkhulu Amangamazi Emafithini uMdasha
Cele Traditional Authority (Emandawe/KwaCele)	Inkosi SD Cele The traditional court is at KwaCele area	Olwandle Kwenkulu Umgwempisi Okhalweni Emahlathini Mistake Farm
Zembeni Traditional Authority (Emahlongwa) This traditional authority overlaps two municipalities i.e. Umdoni and Vulamehlo	Inkosi NJ Mqadi The traditional court is at Dududu area (Vulamehlo Municipality)	uMgobhozini Ogqolweni

Umdoni municipal area and attractions

Topography

The Umdoni region has been extensively transformed over the past 100 years as a result of human settlement and agricultural activities. The Umdoni Municipality also forms part of the Indian Ocean Coastal Belt, the largest bioresource group in the province, which extends along the entire coastline of KwaZulu-Natal between sea-level and an altitude of approximately 450 metres. The coastal belt between the Mtamvuna and Thukela Rivers is steeply rolling and approximately 20 km wide.

Climate

The temperate climate of the KwaZulu-Natal coast is influenced by the warm Indian Ocean. Summers are hot and humid, while winters are mild. Most of the rain occurs in the summer, from late September to March. Within the Umdoni Municipality, the highest rainfall (910-965 mm) falls along the coast from south of Park Rynie to Sezela and also at Mtwalume. Rainfall decreases in a westerly direction but averages about 850 mm mean annual precipitation.

Water

The middle South Coast region contains three major water sources, namely the Mtwalume River, Umzinto Dam (Mzinto River) and EJ Smith Dam. Rivers: aMahlongwa, Mpambanyoni, Mzinto, Ifafa and Mtwalume have been assessed as vulnerable, thus placing the biodiversity patterns and ecological processes associated with that river significantly at risk.

Due to the middle South Coast region experiencing below average rainfalls which had a negative effect on the Umzinto and EJ Smith dams, Umgeni Water has supplemented water to Umzinto Water Works by constructing an additional pipeline which connects with the existing South Coast bulk supply pipeline from Amanzimtoti to Park Rynie and beyond Umzinto. The pipeline ensures a clean and constant supply of potable water.

Vegetation and habitats

EKZNW lists three vegetation types as existing in the Umdoni Municipality, namely South Coast grassland, South Coast bushland and KwaZulu-Natal coastal forests.

Land use zones

The Umdoni Municipality can be divided into three major land use zones: commercial agriculture dominated by sugar cane, the traditional authority areas located in the north of the municipal area, and the coastal urban nodes forming part of the ribbon development along the KwaZulu-Natal South Coast.



Tourism

The beaches and sea are clearly the main attractions, with Scottburgh being the leading centre. Tidal pools, surf and rock fishing, surfing, deep-sea fishing and scuba diving are all associated activities. From this natural resource, a whole range of activities and businesses have emerged: golf course, mini-golf, restaurants and shops aimed at the tourism market, catering, accommodation from camp sites and caravan parks to upmarket rental units and holiday homes.

Beaches

Many of the Umdoni beaches have undergone upgrades after the June 2008 flood damage and tidal surge damage. The Scottburgh Beach, Park Rynie Beach and Campsite, Pennington Main Beach and Ifafa Beach are popular tourist attractions and all these sites have lifeguards in attendance during peak holiday seasons.

Ugu South Coast Tourism

The Ugu District Municipality established Ugu South Coast Tourism (Pty) Ltd as a municipality entity as contemplated by Section 86B of the Local Government Municipal Systems Act 32 of 2000. Ugu South Coast Tourism covers the municipality areas of Ezinqoleni, Hibiscus Coast, Umdoni, Umuziwabantu, Umzumbe and Vulemehlo, which are all established within the geographical area of Ugu District Municipality. Ugu Municipality is authorised to deal with and develop tourism in terms of its Service Level Agreement with South Coast Tourism. The aims and objectives of the Ugu South Coast Tourism (Pty) Ltd is to promote tourism growth and market the region as a premier tourist destination.

Listed below are some of the events organised for the Umdoni area.

Annual Sardine Run

One of the biggest tourist attractions on our coast is the annual Sardine Run, a phenomenon where a huge shoal of sardines leaves the west coast of Africa to follow the cold ocean current that flows up the South Coast of KwaZulu-Natal during the winter months.



The Easter Couta Classic

The Pennington Easter Couta Classic is organised by the local Pennington Ski Boat Club. This competition commenced approximately twenty-two years ago, in a garage in Salmon Drive. The first prize was a deep freeze. The popularity of this event has escalated among the fishing fraternity country-wide, as have the prizes, now no longer deep freezes, but a boat and trailer. Coupled with the fishing event are many features such as a fleamarket and various competitions, which lifts the sleepy coastal village of Pennington into a hive of activity for locals and visitors from afar.



Sani2C Mountain Biking Event

Sani2c began as the dream of Farmer Glen, an avid mountain bike enthusiast and co-organiser of the Imana Wild Ride. In 1998, together with a few local nutty mountain bikers, he completed the first trial run. The following year, he scouted and refined the rugged path with the objective of establishing a world-class route. He invited friends and experienced mountain bikers to join in on the infamous dry runs. February 2005 saw the inaugural Sani2c, which was highly successful, and the 2006 event saw Subaru coming on board as the title sponsor. With their assistance, the event was elevated to a national event status. Later that year, Sani2c was awarded the status of Best Cycle Race of the Year at the Annual South African Cycling Awards evening.

To handle the increased numbers, the route planners continually develop a number of innovative new ideas for Sani2c. The 2010 race attracted 750 teams for both races. Demand for entries and pressure from communities wanting to participate in the event saw some radical changes for the 2008 event. The decision to change the format of the event to be run as two separate races, a split into the Sani2c Adventure and Sani2c Race, was a world first. The new event format proved to be a massive hit and the Sani2c Adventure has become the most sought after race in the country. Riding from the Drakensberg mountains, through the glorious Umkomaas valley to complete the ride on the beach at Scottburgh, has proved itself an undoubted winner.

Today, Sani2c, with the adventure and race, is the biggest full-serviced stage race in the world. More importantly than size, it has consistently been voted the number one race over the years by riders in bicycling magazines.

JOBERG2C - Mountain Biking Event

The Joberg2C came about through the enthusiasm for the Sani2C. This new event is a nine-day off-road experience. Glen Haw joined forces with the 'Berg and Bush' race organisers Gary and Nicky Green to develop a new race and brought in the marketing experience of Craig Wapnick to form the Fairburn Capital Joberg2C. The race takes place over nine days and covers approximately 900 kilometres (exact distances will vary each year) from Heidelberg in Gauteng to Scottburgh.

Innovation is the key in sport and the country's top-tier semi-pro and amateur mountain bikers can now apply to race as 'professionals' in next year's Old Mutual joBerg2c. Organisers of the nine-day event have made team entries available to worthy applicants in the men's, ladies' and mixed categories.

Scottburgh Mardi Gras

This is an annual event which is held in December of each year. The event is organised by the Scottburgh 106 Round Table and is held in the main street of Scottburgh (Scott Street). This even generates much-needed funds for various community projects within Umdoni Municipal areas, as well as providing entertainment for visitors to the area over the festive period.

South Coast Carnival

This is an annual event held in November at the Scottburgh Main Beach. Events include kitesurfing as well as longboarding and SUP events.

Golfing

The Umdoni area is the proud home to the Selborne Spa and Golf Estate, Umdoni Park Golf Club and Scottburgh Golf Club. During the year of reporting, Umdoni Tourism hosted the annual Sardine Golf Tournament utilising three courses: Selborne, Umdoni and Scottburgh.

Development

Just a decade ago, the Umdoni Municipality was characterised as having relatively low levels of development. However, the recent rapid growth in the real estate market has resulted in a huge increase in development along the environmentally-sensitive coastal strip, which places severe pressure on the fragile coastal and marine environment. The area's relatively unspoilt natural features are constantly under threat from developments and practices that are not in accordance with good environmental management principles.



Vernon Crookes Nature Reserve

Although the Reserve is located in the Vulamehlo area, the Nature Reserve is an attraction of the Umdoni area. The reserve covers 2 189 hectares and was proclaimed on 4 January 1973. It contains vegetation which is typical of the southern coastal regions of KwaZulu-Natal. The reserve hosts 56 mammal species which include zebra, blue wildebeest, bushbuck, blesbok, impala, oribi reedbuck, blue and grey duiker, banded mongoose, vervet monkeys, black-backed jackal, rock hyrax, tree hyrax, caracal, porcupine and a variety of mongoose. Birdlife is abundant, with over 300 confirmed species and the reserve also has an interesting variety of flora. There are 12 km of tourist roads in the reserve and a pleasant picnic site is available.



Crocworld

Crocworld was established in 1985 and has become one of the main tourist attractions on the South Coast. It is landscaped with indigenous trees and plants to blend in with the surrounding coastal forest. There are waterfalls, cycad gardens and magnificent sea and spectacular inland valley views. A rope bridge is suspended over the water enclosing the oldest and heaviest known Nile crocodile. Crocworld boasts a large collection of snakes and also showcases some of South Africa's endangered tortoise. Crocworld has stopped all crocodile farming operations and now solely functions as a tourist attraction. It can now be described as a reptile and bird park.



TC Robertson Nature Reserve

TC Robertson Nature Reserve has become a popular picnic venue for people who enjoy a pleasant day in the country. Access is easy for motorists as it is a 40-minute drive south of Durban and just a ten-minute walk from the centre of Scottburgh or from the main beach area. There are over 180 species of birds, and bushbuck grey duiker and blue duiker are often seen. The 10 km trail system has proven popular and there are spectacular views over the forest and the floodplain of the Mpambanyoni River.

Aliwal Shoal

Aliwal Shoal is a renowned site which offers some of the most spectacular diving, fishing, and shark and whale watching in the southern hemisphere, and is one of the top ten dive sites in the world. In 2005, the Aliwal Shoal was declared a Marine Protected Area (MPA) under section 43 of the Marine Living Resources Act, 18 of 1998. This regulates and limits the activities that can take place within the defined boundaries of this area. The importance of Aliwal Shoal as a Marine Protected Area is to protect and conserve the marine environment and biodiversity of the area. It also acts as a breeding ground and nursery area for fish species and to enhance fish stocks in adjacent areas. An MPA also promotes and regulates eco-tourism activities and enhances research and education programmes that highlight the marine environment.



Ski Boat Clubs

KwaZulu-Natal has a large boat-based marine recreational and commercial industry that includes line fishing, scuba diving and other activities. Many of the vessels used in this industry are relatively small (less than 10 m in length) and are capable of being launched directly through the surf from specially demarcated beach launch sites. Control over these sites is vested in the provincial government in terms of Government Notice No. 1399 of 21 December 2001 – Control of Vehicles in the Coastal Zone Regulations (as amended by Government Notice No. 27066 of 7 December 2004) and the provisions of Section 44 of the National Environmental Management Act, NEMA (No. 107 of 1998).

There are five licensed ski-boat launch sites in Umdoni Municipality. These are located at Scottburgh, Rocky Bay, Pennington, Bazley and Mtwalume. Rocky Bay is the most utilised site in Umdoni Municipality. In 2010, launches took place on 83% of days in the year. Usage was as follows: Charter fishing (42%), private recreational fishing (22%), charter scuba diving (21%) and commercial fishing (9%).

Sezela Sugar Mill

With its rated crushing capacity of 450 tons cane an hour, Sezela is Illovo Sugar Ltd's largest sugar mill in South Africa. It ranks as the third largest mill in the South African sugar industry and is the second largest factory of its kind in the world. Sezela Sugar Mill produces only raw sugar that is marketed internationally by the SA Sugar Association, through Durban's world-class bulk sugar terminal. Today, Sezela – along with its three sister factories in KwaZulu-Natal and Illovo Sugar's seven other sugar factories in five other southern African countries – is a modern sugar operation with ongoing technical development. The adjacent Sezela downstream plant utilises the mill's bagasse to manufacture furfural (used mainly in lube oil refineries for the purification of oils), furfural alcohol (used mainly to produce a resin in the foundry industry as a binder for foundry sands), Agriguard (an agricultural nematicide), diacetyl and 2.3-pentanedione (both used as high quality natural flavourants), and BioMass Sugar (a sugar cane-based fertiliser). Illovo Sugar has pioneered the production of furfural from bagasse at its Sezela-based plant.



Governance

For the period June 2010 to May 2011, Umdoni Municipal Council consisted of 18 Councillors, four of which were full-time Councillors. The political and gender representation of Umdoni Council during that period was as follows:

POLITICAL PARTY	TOTAL NO. OF COUNCILLORS	MALE	FEMALE
ACDP	1	1	-
ANC	9	5	4
DA	3	3	
IFP	3	2	1
MF	2		2
Total	18	11	7

There were the following resignations/changes during the year of reporting:

- Cllr K Moodley resigned with effect from 22 March 2011 and was replaced by Cllr RJ Budge with effect from 4 May 2011;
- Cllr GN Mbambo was expelled from the IFP with effect from 1 April 2011 and was replaced by Cllr JN Ndlela with effect from 1 April 2011;
- Cllr SP Gambushe was on extended leave of absence due to ill health for the period 27 July 2010 till the date of elections;
- Cllr ES Gumede passed away on 26 January 2011.

Elections were held on 18 May 2011. Umdoni Council now consists of 19 Councillors, four of whom are full-time Councillors. The political and gender representation of Umdoni Council for the ensuing year (2011/2012) is as follows:

POLITICAL PARTY	TOTAL NO. OF COUNCILLORS	MALE	FEMALE
ANC	12	7	5
DA	4	4	0
IFP	1	1	0
MF	1	0	1
NFP	1	0	1
Total	19	12	7

Ward Councillors with effect from 18 May 2011:

Ward 1	Cllr MM Maphumulo
Ward 2	Cllr BM Mthethwa
Ward 3	Cllr S Bhoola
Ward 4	Cllr MO Zama
Ward 5	Cllr SSI Khwela
Ward 6	Cllr TH Ngcobo
Ward 7	Cllr GH Nyuswa
Ward 8	Cllr BJ Mtolo
Ward 9	Cllr LN Myende
Ward 10	Cllr KK Armugam

Following the elections which were held on 18 May 2011, the Umdoni Municipal Council held its Inaugural Statutory Meeting on Tuesday 31 May 2011. All in-coming Councillors took their Oath of Office under scrutiny of the Chief Magistrate, Mr Shandu of the Scottburgh Court, after which the election of the Speaker, Executive Committee, Mayor and Deputy Mayor took place and various committees were established. The Statutory Meeting was then adjourned and reconvened on Wednesday 1 June 2011 where all other matters required in terms of the various sets of legislation were dealt with.

Councillor inauguration ceremony



Out-going Councillors



*Cllr NH Gumede: Her Worship
the Mayor – Ward 6 (ANC)*



*Cllr P Naidoo
Deputy Mayor (ANC)*



*Cllr MO Zama: Speaker –
Ward 4 (ANC)*



*Cllr SP Gambusha
PR (IFP) & Exco Member*



*Cllr EV Baptie
Ward 5 (DA)*



*Cllr G Myende
Ward 8 (ANC)*



*Cllr M Moodley
Ward 3 (ANC)*



*Cllr S Bhoola
PR (MF)*



*Cllr MF Sulagan
PR (IFP)*



*Cllr PH Ngcobo
Ward 2 (ANC)*



*Cllr D Cele
Ward 1 (ANC)*



*Cllr K Moodley
PR (DA)*



*Cllr RW Meyer
Ward 7 (DA)*



*Cllr ES Gumede
Ward 9 (ANC)*



*Cllr NCP Msani
PR (ANC)*



*Cllr K Ramadu
PR (ACDP)*



*Cllr GN Mbambo
PR (IFP)*



*Cllr J Sheik Hassan PR
(MF)*

Incoming Councillors



Cllr SSI Kwela: His Worship the Mayor – Ward 5 (ANC)



Cllr MO Zama: Deputy Mayor – Ward 4 (ANC)



Cllr P Naidoo Speaker (ANC)



Cllr EV Baptie Exco Member, PR1 (DA)



Cllr DP Gambushe PR3 (ANC)



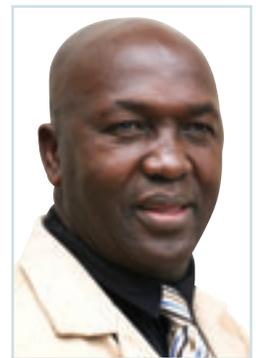
Cllr MN Maphumulo Ward 1 (ANC)



Cllr M Moodley PR1 (ANC)



Cllr BM Mthethwa Ward 2 (ANC)



Cllr BJ Mtolo Ward 8 (ANC)



Cllr LN Myende Ward 9 (ANC)



Cllr TH Ngcobo Ward 6 (ANC)



Cllr GH Nyuswa Ward 7 (ANC)



Cllr TH Zondi PR 2 (ANC)



Cllr KK Armugam Ward 10 (DA)



Cllr SD Mdluli PR3 (DA)



Cllr RW Meyer PR2 (DA)



Cllr JM Ndlela PR1 (IFP)



Cllr S Bhoola Ward 3 (MF)



Cllr GN Mbambo PR1 (NFP)

Report on Council and its committees

It is important to note that although this Annual Report is for the period 1 July 2010 to 30 June 2011, due to the Municipal Elections which were held in May 2011, the following schedule depicts attendance at meetings up to 17 May 2011. Attendance of Councillors at meetings for the period 1 July 2010 to 17 May 2011 for the various committees was as follows:

COUNCILLOR	COUNCIL & SPECIAL COUNCIL	EXCO & SPECIAL EXCO	FINANCE & ADMIN	COMMUNITY SERVICES	PD & I
Total meetings (1 July 2010 to 17 May 2011)	10	11	5	6	7
Cllr Baptie, EV	9				7
Cllr Bhoola, S	8				6
Cllr Cele, D	10			5	6
Cllr Gambushe, SP	0	1		0	
*Cllr Gumede, ES	0			0 No longer a member from Sept. 2010	0 No longer a member from Sept. 2010
Cllr Gumede, NH (Mayor)	10	11	3	3 (of 3) (member and Chair from Nov. 2010)	
Cllr Hassan, JS	9			4	
Cllr Mbambo, GN	7 (of 9)		4		
Cllr Meyer, RJW	9		5		
Cllr Moodley, K	7 (of 8)			4	
Cllr Moodley, M	8		4	5	
Cllr Msani, NLP	9		1 (of 5) member from Sept. 2010	3 (of 5) member from Sept. 2010	
Cllr Myende, GH	9		0 (no longer a member from Aug. 2010)	1 (of 1) no longer a member from Aug. 2010	
Cllr Naidoo, P	10	11	5		7
Cllr Ndlela, JM	1 (of 1)				
Cllr Ngcobo, PH	8			3 (of 5) member from Sept. 2010	1 (of 5) member from Sept. 2010
Cllr Ramadu, K	7		4		
Cllr Sulagan, MS	10				7
Cllr Zama, MO	10	7 Ex-officio			7

*Cllr ES Gumede sadly passed away on 26 January 2011.

Due to the ill health of certain Councillors, the following changes in membership on various committees were effected during the year of reporting:

- Cllr PH Ngcobo and Cllr NLP Msani were elected to serve on the Community Services Committee. These changes were made due to ill health of Cllr ES Gumede and GH Myende.
- Cllr PH Ngcobo also replaced Cllr ES Gumede on the PD & I Committee and Cllr NLP Msani replaced Cllr GH Myende on the F&A Committee.
- Cllr SP Gambushe submitted Leave of Absence for the period 27 July 2010 – 31 August 2010 due to ill health and did not return to Council thereafter due to ill health. Her Worship the Mayor replaced Cllr Gambushe as Chairperson of the Community Services Committee.

- Cllr K Moodley resigned with effect from 22 March 2011.
- Cllr GN Mbambo was expelled from the IFP with effect from 1 April 2011. Cllr JM Ndlela replaced Cllr Mbambo on the Council with effect from 1 April 2011.

The new Council was elected and was effective from 26 May 2011. Attendance at meetings for the period May and June 2011 for in-coming Councillors was as follows:

COUNCILLOR	COUNCIL MEETING TOTAL MEETINGS = 3	EXCO MEETING TOTAL MEETINGS = 1
Cllr Armugam, KK	2	
Cllr Baptie, EV <i>Exco Member</i>	3	1
Cllr Bhoola, S	3	
Cllr Gambushe, SP	3	
Cllr Khwela, SSI (Mayor) <i>Exco Member</i>	3	1
Cllr Maphumulo, MN	3	
Cllr Mbambo, GN	3	
Cllr Mdluli, SD	2	
Cllr Meyer, RJW	2	
Cllr Moodley, MD	3	
Cllr Mthethwa, BM	3	
Cllr Mtolo, BJ	3	
Cllr Myende, LN	3	
Cllr Naidoo, P (Speaker) <i>Ex-Officio Member of Exco</i>	3	1
Cllr Ndlela, JM	3	
Cllr Ngcobo, TH	3	
Cllr Nyuswa, GH	3	
Cllr Zama, MO (Deputy Mayor) <i>Exco Member</i>	3	1
Cllr Zondi, TH	3	

Executive Committee meetings: June 2010 to May 2011

The Executive Committee meets once per month and the meetings are open to the public. The Mayor, Cllr Mrs NH Gumede chairs the Exco meetings and the Executive Committee comprises the following Councillors:

- Cllr NH Gumede, (Mayor and Chairperson of Exco).
- Cllr P Naidoo (Deputy Mayor).
- Cllr SP Gambushe (Exco Member).
- Cllr MO Zama (Speaker and Ex-officio Member).

Attendance at Exco meetings for the period 1 July 2010 – 30 June 2011 was as follows:

- Her Worship the Mayor, Cllr NH Gumede (Chairperson of Exco) – attended 11 of 11 meetings.
- Deputy Mayor, Cllr P Naidoo attended 11 of 11 meetings.
- Cllr SP Gambushe (Exco Member) attended one of 11 meetings.
- Cllr MO Zama (Speaker and Ex-officio Member of Exco) attended seven of 11 meetings.

The inaugural meeting of the Umdoni Municipality was held on **31 May 2011** and the following Councillors were elected into positions:

- Cllr P Naidoo was elected as Speaker of Umdoni Municipality.
- Cllr SS Khwela was elected as Mayor of Umdoni Municipality.
- Cllr MO Zama was elected as Deputy Mayor of Umdoni Municipality.

The Election of the Executive Committee was also undertaken in terms of Section 43 of the Municipal Structures Act, and the Council established an Executive Committee consisting of three members, made up as follows:

ANC: Two members

DA: One member

Council resolved that the EXCO seats shall comprise the following Councillors:

- Cllr SSI Khwela (ANC)
- Cllr MO Zama (ANC)
- Cllr EV Baptie (DA)
- Cllr P Naidoo (ANC) Ex-officio Exco Member.



Cllr SSI Khwela: His Worship the Mayor – Ward 5 (ANC)



Cllr MO Zama: Deputy Mayor – Ward 4 (ANC)



*Cllr EV Baptie
Exco Member, PR1 (DA)*



*Cllr P Naidoo
PR4 (ANC) & Ex-officio Exco
Member*

The newly elected Exco Members had one meeting during the period of reporting which was held on 21 June 2011. All Exco members were present at the meeting.

No portfolio or sub-committee meetings were held during the month of May/June 2011.

Portfolio Committees

The Umdoni Municipal Council is supported by a committee system with Portfolio Committees. The Municipality has three Portfolio Committees, namely Community Services, Planning Development and Infrastructure and the Finance and Administration Committee. These committees meet once a month and make recommendations to the Executive Committee which assists Exco in policy development and accelerated service delivery.

Community Services Committee meeting: July 2010 to May 2011

The Community Services Committee advises and recommends to Exco in respect to the following: clinics, libraries, beaches, housing, protection services, community facilities, traffic and special programmes.

Chairpersonship of the Committee changed during the year of reporting due to the ill health of the Chairman elect (Cllr Gambushe). Her Worship the Mayor was elected to chair the Committee Meeting in Cllr Gambushe's absence.

Members' attendance at the Community Portfolio Committee meetings for the period July 2010 to May 2011 was as follows:

- Members:**
- *Cllr SP Gambushe (Chairperson)
 - *Cllr NH Gumede (Mayor and Chairperson from November 2010)
 - Cllr D Cele
 - Cllr JS Hassan
 - Cllr ES Gumede (replaced from September 2010)
 - Cllr K Moodley
 - Cllr M Moodley
 - Cllr GH Myende (replaced from September 2010)
 - *Cllr PH Ngcobo (member from September 2010)
 - *Cllr NLP Msani (member from September 2010)

TOTAL NUMBER OF MEETINGS = 6		%
Cllr SP Gumbushe (Chair)	0	0%
Cllr D Cele	5	83%
Cllr JS Hassan	4	67%
Cllr ES Gumede	0	0%
Cllr K Moodley	4	67%
Cllr M Moodley	5	83%
Cllr GH Myende	1	17%
Cllr PH Ngcobo	3 (of 5)	60%
Cllr NLP Msani	3 (of 5)	60%
Cllr NH Gumede (Mayor) and replacement Chair	3 (of 3)	100%

Planning, Development and Infrastructure Committee: July 2010 to May 2011

The Planning, Development and Infrastructure Committee was chaired by Councillor P Naidoo. It advises and recommends to Exco in respect of the following:

Planning: town planning and development planning, building control and planning;

Development: IDP (monitoring, evaluation, amendment and review), and local economic development;

Infrastructure: roads, stormwater, parks and gardens, maintenance and building maintenance, refuse collection and landfill site.

Members' attendance at the Planning, Development and Infrastructure Committee Meeting for the period July 2010 to May 2011 was as follows:

Members:

- Cllr P Naidoo (Deputy Mayor) (Chairman)
- Cllr S Bhoola
- Cllr EV Baptie
- Cllr D Cele
- Cllr ES Gumede (replaced from September 2010)
- Cllr MO Zama
- Cllr MS Sulagan
- *Cllr PH Ngcobo (member from September 2010)

TOTAL NUMBER OF MEETINGS = 7		%
Cllr P Naidoo (Chairman)	7 (of 7)	100%
Cllr S Bhoola	6 (of 7)	86%
Cllr EV Baptie	7 (of 7)	100%
Cllr D Cele	6 (of 7)	86%
Cllr ES Gumede	0	0%
Cllr MO Zama	7 (of 7)	100%
Cllr MS Sulagan	7 (of 7)	100%
Cllr PH Ngcobo	1 (of 5)	20%

Finance and Administration Committee: July 2010 to May 2011

The Finance and Administration Committee is chaired by Her Worship the Mayor. It advises and recommends to Exco in respect of the following:

Finance: financial planning, financial policies, financial management and financial reports;

Administration: by-laws, regulations and associated procedures, leasing, letting and hiring, information technology, legal services, secretariat, municipal offices and accommodation, records systems and human resources.

Members' attendance at the Finance and Administration Committee meetings for the period July 2010 to May 2011 was as follows:

Members:

- Cllr NH Gumede (Mayor) – Chairperson of F&A
- Cllr P Naidoo
- Cllr RWJ Meyer
- Cllr GH Myende (replace from September 2010)
- Cllr M Moodley
- Cllr GN Mbambo
- Cllr K Ramadu
- *Cllr NLP Msani (member from September 2010).

TOTAL NUMBER OF MEETINGS = 5		%
Cllr NH Gumede	3 (of 5)	60%
Cllr P Naidoo	5 (of 5)	100%
Cllr RJW Meyer	5 (of 5)	100%
Cllr GH Myende	0	0%
Cllr M Moodley	4 (of 5)	80%
Cllr GM Mbambo	4 (of 5)	80%
Cllr K Ramadu	4 (of 5)	80%
*Cllr NLP Msani	1 (of 5)	20%



MAYORAL PROGRAMMES AND HIGHLIGHTS

Mandela Day: Painting of Macebo Primary School

As part of celebrating Mandela Day, Umdoni Municipality identified Macebo Primary School as a means of giving back to the community. Officials and Councillors dedicated their time to painting the entire school building. Macebo Primary School is situated in Ward 2 and was one of the schools identified in the rural area as needing assistance.



Ghandinagar: Handover of title deeds: 30 August 2010

The MEC for Human Settlements and Public Works in KwaZulu-Natal, Ms Maggie Govender, Mayor of Ugu District Municipality, Cllr SB Cele and the Mayor of Umdoni Municipality, Cllr NH Gumede, handed over 51 title deeds to Ghandinagar residents on 30 August 2010. This ceremony increased the number of homeowners at Ghandinagar to 63%. The beneficiaries had waited 16 years to own these homes.

This exercise was made possible with the implementation of the Enhanced Extended Discount Benefit Scheme that was started by Umdoni Municipality in 2007.





Handover of title deeds at Ghandinagar.

Umdoni Mayoral Izimbizo 2010: 16-23 November 2010

As part of Public Participation Week, Umdoni Municipality holds Mayoral Izimbizos every year. This is done in order to receive feedback from the communities on services that are being delivered by the Municipality. This approach seeks to reinforce continuous public participation. The imbizos are held in partnership with different government departments, namely the Department of Health, Social Development and SASSA. This programme assists people travelling long distances to obtain services.



These engagements were held as follows for the 2010/2011 financial year:

DATE	WARD/COUNCILLOR	VENUE
16 November 2010	Ward 1 – Cllr D Cele	Okhalweni
17 November 2010	Ward 8 – Cllr GH Myende	Golokodo
18 November 2010	Ward 2 – Cllr PH Ngcobo	KwaSgewu
19 November 2010	Ward 7 – Cllr RJW Meyer	Kelso informal settlements
22 November 2010	Ward 3 – Cllr M Moodley	Ghandinagar
23 November 2010	Ward 5 – Cllr EV Baptie	Amandawe

Scottburgh CBD Christmas lights switch-on ceremony: 13 December 2010

As part of the festive season, Umdoni Municipality undertook an initiative to decorate the town of Scottburgh. The ceremony was held at the Scottburgh Library. This was followed by the official ‘switch on’ at the traffic circle by Her Worship the Mayor of Umdoni Municipality, Cllr NH Gumede. Various stakeholders around Scottburgh were part of this ceremony.



IDP/Budget Road Shows: 16-18 March 2011

In accordance with Chapter 4 of the Municipal Systems Act, Umdoni Municipality consults with the public to obtain their input into the IDP and budget. These engagements were held as follows:



AREA	VENUE	DATE
Amahlongwa	Amahlongwa Community Hall	16 March 2011
Scottburgh	Scottburgh Town Hall	16 March 2011
Amandawe	Amandawe Community Hall	17 March 2011
Umzinto	Umzinto Town Hall	17 March 2011

Sod turning of Malangeni Bridge: 22 March 2011

During the 2008 flood disaster, Malangeni Bridge was severely damaged. On 22 March 2011, the MEC for Transport in KwaZulu-Natal, Mr Willies Mchunu, turned the sod for the bridge. It was repaired at a cost of R10 million. This bridge will greatly assist the community of Malangeni who currently have to use alternative routes to work and school.



Official opening of Malangeni Library and Sportsfield: 12 April 2011

The KwaZulu-Natal MEC for Arts, Culture, Sports and Recreation, Mrs Weziwe Thusi, visited the area of Malangeni to officially open these important and much needed facilities. Both facilities will greatly assist the community residing in Malangeni and surrounding areas.



Official opening of the Malangeni Library and Sportsfield.

Official opening of Olwasini Sportsfield: 20 April 2011

The opening of Olwasini Sportsfield took place on 20 April 2011 and was welcomed by the people of Olwasini. Her Worship the Mayor of Umdoni Municipality, Cllr NH Gumede, Councillors and Inkosi Cele, officially opened this facility and handed it over to the community. The opening was attended by approximately 500 people. The sportsfield consists of changing rooms with showers, ablution block with running water as well as a combination court.



Official opening of Amandawe Sportsfield: 29 April 2011

This facility was officially opened by Her Worship the Mayor of Umdoni Municipality, Cllr NH Gumede and Councillors on 29 April 2011. It has a sportsfield, ablution facilities and changing rooms.



Official opening of Ghandinagar Community Centre & Sportsfield: 6 May 2011

The crèche, although built many years ago, was being used as a community centre and more recently, the need to renovate this facility was realised. The crèche was fully renovated to a community centre, it comprises a hall, ablution block, fully tiled kitchen with fans and equipment.

The Chief Whip of the KZN Legislature, Mr RR Pillay and the Mayor of Umdoni Municipality, officially opened the Ghandinagar Community Centre and Sportsfield on 6 May 2011.



The Ghandinagar Sportsfield was initially built at a cost of R 1,9 million. Further funds were sourced and total funds spent on this facility amount to R 4,2 million. The sportsfield was built with a surface of 8 000 m² with change rooms, ablution facility and an open stand seating area. The project is not yet finalised and still requires fencing, tarring and a seating pavilion, which will be completed in the next phase.

Unveiling of the Statue to Commemorate the Arrival of Indians in South Africa: 13 May 2011

The MEC for Human Settlements and Public Works in KwaZulu-Natal, Ms Maggie Govender, and the Mayor of Umdoni, Cllr Mrs Gumede, unveiled the statue. It signifies the arrival of Indian labourers who came to South Africa to work in sugarcane estates 150 years ago. This historical event was witnessed by the senior citizens from different areas of Umdoni and general members of the public.



Sod turning for Social Development Offices: 17 May 2011

The Sod Turning for the Social Development offices was officially done by the Mayor of Umdoni Municipality, Cllr Mrs Gumede. This project will cost between R 15 million and R 20 million and the buildings will be leased to the Department of Social Development.



Chapter 3

HUMAN RESOURCES/ORGANISATIONAL STRUCTURE

The Management Team



*Mr DD Naidoo
Municipal Manager*



*Mr XS Luthuli
General Manager Community Services*



*Mrs G Mavundla
General Manager: Corporate
Services – resigned: 30 June 2011*



*Mr A Nunkumar
General Manager: Financial Services*



*Mr V Chetty
General Manager: Technical Services*



*Ms EB Jaca
Senior Manager: Strategic Planning &
Development*



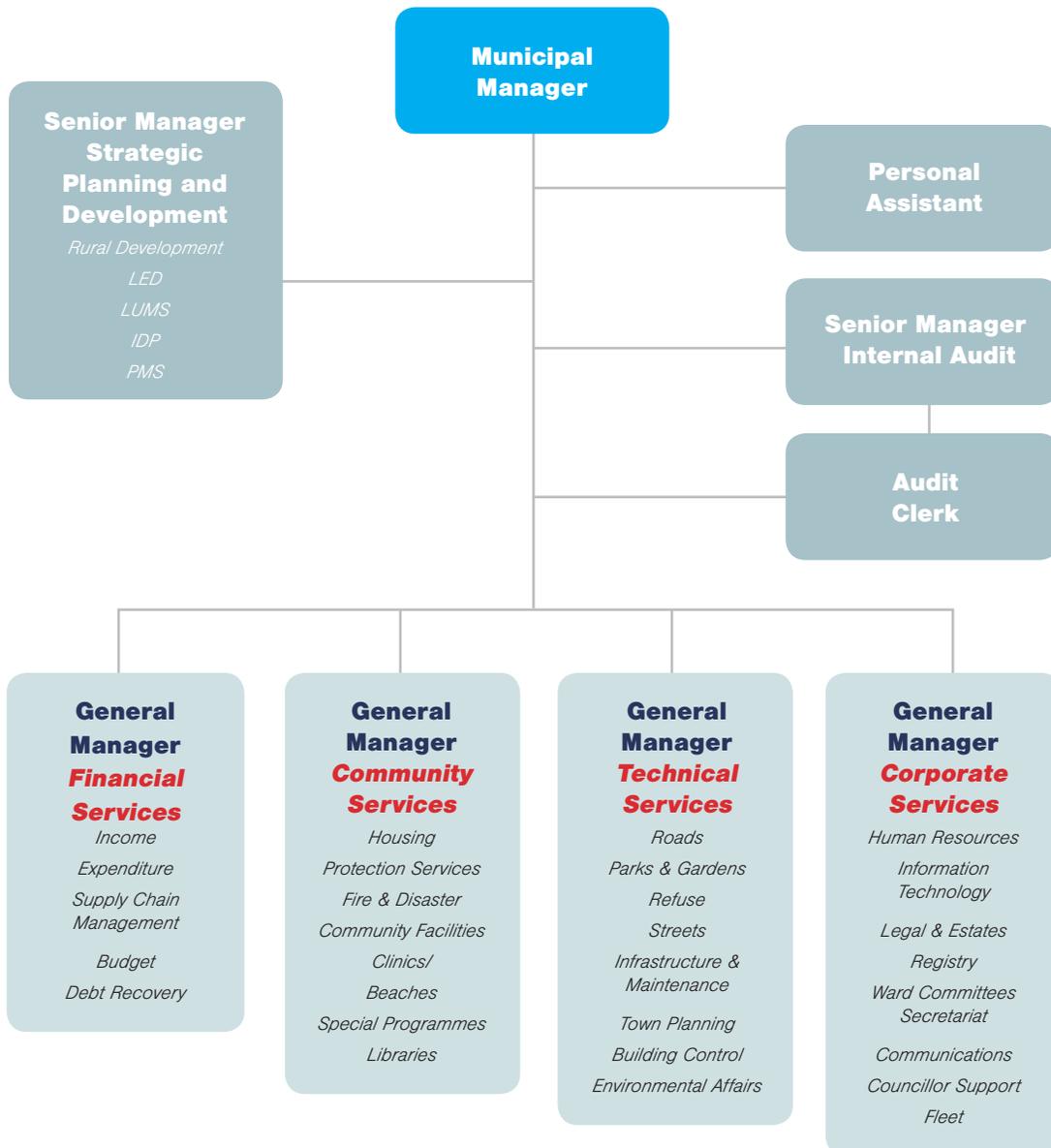
*Mrs N Harisingh
Manager: Internal Audit*



Organisational Structure

The main focus of the Human Resources department is to ensure efficient and effective service delivery, both to our internal and external customers, and to ensure fairness, openness and transparency and an office environment where confidentiality is maintained at all times.

The following organisational structure was approved by Council in November 2010:



Staffing information

Appointments

Following the recruitment and selection process, the following key positions were filled:

KEY POSITIONS	MALE				FEMALE				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Manager income								1	1
Housing manager			1						1
Senior supt. infrastructure and maintenance			1						1
Senior building			1						1
Professional nurse					2				2
Debt recovery officer			1						1
Building inspectors	1		1		1				3
Secretary – GMFS								1	1
Internal Audit clerk					1				1
HR admin assistant					1				1
Library assistants					2		2		4
Motor licensing clerk					1				1
Debtors clerk							1		1
Creditors clerk					1				1
Procurement clerk					1				1
Receptionist					1				1
Traffic warden				1					1
Fire fighters – Shared Services	4					1			5
Control room operators – Shared Services					2				2
Cybercadet – Malangeni	1								1
Special Programmes co-ordinators	1				1				2
Budget interns	1				3				4
General workers	9		2		11				22
Total									59

Following the recruitment and selection procedure, a total of 59 positions were filled within the Municipality, whereas in the last financial year, only 25 positions were filled. Umdoni Municipality is growing significantly each year with a wide caliber of individuals from different cultures and backgrounds.

Resignations

KEY POSITIONS	MALE				FEMALE				TOTAL
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators	1		1		1				3
Professionals			1		2				3
Community and personal service workers	1								1
Clerical and admin	2				1		2	1	6
Technician and trade	1								1
Machine operators and drivers	1								1
General workers	5				1				6
Total	11		2		5		2	1	21

In comparison to previous financial years, in 2009/2010, the resignations, retirements and deceased personnel totalled 14. In the 2008/2009 financial year, there were 12 personnel, and in this financial year there were 21.

Dismissals

Whereas in the last financial year a total of three staff were dismissed from the services of Council, in this financial year it is pleasing to report that no staff were dismissed.

Total staff establishment

The total staff establishment within Umdoni Municipality is as follows:

PERMANENT STAFF	TEMPORARY STAFF	FIXED TERM CONTRACTS	SECTION 57	COUNCILLORS
376	28	33	5	19

The 376 permanent staff are distributed as follows throughout the departments of the Municipality:

PERMANENT STAFF	DEPARTMENT	HEAD OF DEPARTMENT
213	Technical Services	Mr S Chetty
118	Community Services	Mr XS Luthuli
20	Financial Services	Mr A Nunkumar
21	Corporate Services	Mrs GN Mavundla (resigned from 30 June 2011)
4	Municipal Manager	Mr DD Naidoo

Staff breakdown per functional area (inclusive of permanent, fixed term contracts and Section 57 officials)

OCCUPATIONAL CATEGORIES	MALE				FEMALE			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Legislators, senior officials and managers	1		3		1			
Professionals	3		5		8		1	1
Technicians and associate professionals	8		8	1	2		4	
Clerks	13		14		37	1	18	9
Service and sale workers	13	2	4	4	10	1	2	
Craft and related trade workers	18							
Plant and machine operators and assemblers	18		4		1			
Elementary occupations	142	1	14		39		3	
Total	216	3	52	5	98	2	28	10
Grand total	414							

Employment Equity Statistics – a comparative between 2010/2011 and 2009/2010

The Employment Equity report is developed and submitted annually at the end of September. Over the page are the statistics of different categories of staff for the financial year 2010/2011 (the breakdown is inclusive of permanent, fixed term and Section 57 personnel).

2010/2011								
OCCUPATIONAL CATEGORIES	MALE				FEMALE			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Top management			1					
Senior management	1		2		1			
Professionally qualified and experienced specialists	3		6		8		1	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	5		9	3	5		6	3
Semi-skilled and discretionary decision-making	61	2	20	2	45	2	18	6
Unskilled and defined decision-making	146	1	14		39		3	
Total	216	3	52	5	98	2	28	10
Grand total								414

Training and skills development

According to the Skills Development Act, municipalities must submit the Workplace Skills Plan and Training Report annually at 30 June each year. Umdoni Municipality successfully submitted its Workplace Skills Plan and Annual Training Report on 27 June 2011 to the Local Government Seta.

The following skills programmes were undertaken:

SKILLS PROGRAMME	TOTAL NUMBER OF PARTICIPANTS TRAINED
ELMDP	4
Bricklaying	15
Plumbing	15
First Aid training	10
Skippers training category C	5
Customer service excellence	20
IDP skills training	7
Total	76

Employee Assistance Programme

Umdoni Municipality held its first 'Wellness Day' as part of its Employee Assistance Programme on 8 November 2010. The purpose of the programme was to create an awareness of health, provide staff with different aspects of their health, and give them information on how they can achieve good health and promote a healthy way of living.

All staff within the employ of Umdoni Municipality were invited to attend this programme. The provider of the programme was Key Health, and staff were tested for sugar diabetes, blood pressure, cholesterol, were given eye and various other tests. The programme proved to be a success and was supported by all the staff.

2009/2010									
OCCUPATIONAL CATEGORIES	MALE				FEMALE				
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management			1						
Senior management	1		2		1				
Professionally qualified and experienced specialists	4		5		6		1	1	
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4		5	4	5		7	3	
Semi-skilled and discretionary decision-making	55	2	23	2	28	1	19	6	
Unskilled and defined decision-making	143	1	11		28		3		
Total	207	3	47	6	68	1	30	10	
Grand total									372

Liabilities

2008/2009	2009/2010	2010/2011
Staff injured on duty = 9	Staff injured on duty = 3	Staff injured on duty = 9
CCMA cases which resulted in cost implications for the Municipality = 1	CCMA cases which resulted in cost implications for the Municipality = 3	CCMA cases which resulted in cost implications for the Municipality = Nil

Trend of personnel expenditure

Total salaries budget allocated to Human Resources Department for 2010/2011	R 667 283
Total budgeted expenditure	R 1 221 621
Total operating costs	R 555 005

Disclosures concerning Councillors, directors and senior officials

Note on staff costs

Below is a summary of employee costs for the 2010/2011 financial year. For further details, refer to Note 24 & 25 of the Annual Financial Statements.

STAFF	2010/2011	2009/2010
Actual	51 781 298	49 073 950
Budget	50 186 330	45 204 178
Variance	1 594 968	3 869 772
% Variance	3%	9%
COUNCILLORS	2010/2011	2009/2010
Actual	4 533 785	4 396 181
Budget	4 533 784	4 453 000
Variance	(1)	(56 819)
% Variance	0%	(1%)

Pension fund for Councillors and officials

There are three pension funds which staff members are affiliated to:

NAME OF PENSION FUND	MEMBERSHIP OF STAFF
Superannuation	58
Retirement	49
Provident	259
SALA	3
GEPP	1

Eighteen Councillors belong to the Municipal Councillors' Pension Fund and contributions by Councillors to the fund is 100%.

Medical aid membership of staff and Councillors

NAME OF MEDICAL FUND	NUMBER OF STAFF AND COUNCILLORS PER MEDICAL AID
Bonitas	133
Hosmed	8
KeyHealth	11
LA Health	7
SAMWU – MED	13
PARMED	1



Chapter 4

AUDITED FINANCIAL STATEMENTS AND RELATED FINANCIAL INFORMATION FOR THE YEAR ENDED 30 JUNE 2011

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Certification of Annual Financial Statements

I am responsible for the preparation of these Annual Financial Statements, which are set out on pages 44 to 98 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in Note 26 of these Annual Financial Statements are within the upper limits of the framework envisaged in section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act, (Act No. 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with this Act.

DD NAIDOO
MUNICIPAL MANAGER
UMDONI MUNICIPALITY

31 August 2011

Report of the Auditor-General

for the year ended 30 June 2011

Report on the financial statements

Introduction

1. I have audited the accompanying financial statements of the Umdoni Municipality, which comprise the statement of financial position as at 30 June 2011, the statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information, as set out on pages 47 to 87.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2010 (Act No. 1 of 2010) (DORA) and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of MFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice No. 1111 of 2010 issued in Government Gazette 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Umdoni Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA and DORA.

Emphasis of matter

I draw attention to the matter below. My opinion is not modified in respect of this matter:

Irregular expenditure

8. Irregular expenditure of R 930 138, as disclosed in note 35.3 of the financial statements, was incurred as a result of the Municipality procuring with suppliers whose members were in the service of the state, contrary to paragraph 44 of the Municipal Supply Chain Management (SCM) regulations and deviations not approved contrary to section 36 of the SCM policy.

Additional matter

I draw attention to the matter on the following page. My opinion is not modified in respect of this matter:

Unaudited supplementary schedule

9. The supplementary information provided on pages 88 to 98 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

Predetermined objectives

10. There were no material findings on the annual performance report.

Compliance with laws and regulations

11. There are no findings concerning non-compliance with material matters in laws and regulations applicable to the Municipality.

Internal control

12. In accordance with the PAA and in terms of *General Notice No. 1111 of 2010*, issued in *Government Gazette No. 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. There are no significant deficiencies in internal control that resulted in a qualification of the auditor's opinion on the financial statements and/or findings on predetermined objectives and/or material non-compliance with laws and regulations.

Pietermaritzburg
30 November 2011



Statement of Financial Position

as at 30 June 2011

	Notes	2011 R	2010 R
NET ASSETS AND LIABILITIES			
Net assets			
Accumulated surplus	1	423 535 797	263 634 508
Housing Development Fund	2	25 779 997	31 623 553
		449 315 794	295 258 061
Non-current liabilities			
Long-term liabilities	3	947 340	1 277 305
Provision for post-retirement medical benefits	4	15 850 004	11 517 917
Provision for long service awards	5	901 506	863 041
Provision for refuse site rehabilitation	6	2 492 050	2 804 850
Provision for staff leave	13	4 899 541	4 009 835
		25 090 442	20 472 948
Current liabilities			
Current portion of long-term liabilities	3	1 734 916	1 501 429
Current portion for liabilities for medical aid benefits	4	442 512	357 468
Current portion of liabilities for long service awards	5	191 432	204 832
Unspent conditional grants and receipts	9	114 166 623	256 566 399
Accounts payable	8	30 899 158	25 114 597
Cash and cash equivalents	19	11 247 789	2 787 957
		158 682 430	286 532 682
TOTAL NET ASSETS AND LIABILITIES		633 088 666	602 263 691
ASSETS			
Non-current assets			
Property, plant and equipment	11,43	421 538 552	264 596 295
Investment property	12	197 000	197 000
Investments	14	-	-
		421 735 552	264 793 295
Current assets			
Inventory	15	74 907	36 312
Consumer receivables	16	28 078 968	25 871 214

Statement of Financial Position

as at 30 June 2011 (continued)

	Notes	2011 R	2010 R
Other receivables	17	54 851	12 336
VAT	18	13 658 934	7 474 131
Short-term investments	14	169 060 487	302 613 221
Cash and cash equivalents	19	424 967	1 463 182
		211 353 114	337 470 396
TOTAL ASSETS		633 088 666	602 263 691

Statement of Financial Performance

as at 30 June 2011

	Notes	Actual 2011 R	2010 R	Budget 2011 R	2010 R
REVENUE					
Revenue from non-exchange transactions					
Property rates	20	48 566 675	45 473 217	49 085 000	45 349 868
Property rates – penalties and collection charges		2 302 661	2 995 973	3 000 035	2 600 000
Fines		1 499 829	889 640	1 494 888	1 689 670
Licences and permits		5 237 907	5 029 220	5 907 830	5 113 300
Government grants and subsidies	22	183 012 587	130 763 139	148 273 104	23 272 483
Rental of facilities and equipment		4 159 745	3 240 806	4 090 623	3 748 900
Decrease in refuse site provision	6	312 800	-	-	-
Decrease in bad debt provision	16	224 445	-	-	-
Revenue from exchange transactions					
Service charges	21	7 195 761	6 319 417	8 260 069	6 270 334
Interest earned		13 385 013	22 329 410	4 444 950	7 033 500
Other income	23	5 664 592	3 553 313	3 931 374	3 370 986
TOTAL INCOME		271 562 015	220 594 135	228 487 873	98 449 041
EXPENDITURE					
Employee-related costs	24	56 878 106	49 593 154	51 653 006	45 204 178
Remuneration of Councillors	25	4 573 485	4 396 181	4 573 485	4 453 000
Depreciation	43	10 641 369	8 052 491	122 381 019	3 550 122
Repairs and maintenance		7 062 972	5 472 579	7 265 499	6 760 958
Interest paid	26	102 662	97 901	224 000	886 600
Contracted services	29	11 118 821	10 815 558	11 042 447	10 935 928
General expenses	30	25 998 970	26 564 900	24 728 634	20 510 203
Contributions to provisions	27	1 356 870	3 073 223	6 276 458	5 910 246
Contribution to refuse site rehabilitation	6	-	355 350	342 000	220 000
TOTAL EXPENDITURE		117 733 255	108 421 337	228 486 548	98 431 235
SURPLUS FOR THE YEAR		153 828 760	112 172 798	1 325	17 805

Statement of Changes in Net Assets

for the year ended 30 June 2011

	Housing Development Fund	Accumulated surplus/ (deficit)	Total
	R	R	R
2009			
Balance at 1 July 2009	34 302 931	138 224 737	172 527 668
Surplus for the year	9 264	112 172 798	112 182 062
Assets disposals related to the housing operating account	(2 688 641)		(2 688 641)
Prior year adjustments		13 236 973	13 236 973
Balance at 30 June 2010	31 623 554	263 634 508	295 258 062
2011			
Surplus for the year	39 767 321	153 828 760	193 596 081
Assets disposal related to the housing operating account	(45 610 878)		(45 610 878)
Revaluation of assets		6 799 206	6 799 206
Prior year adjustments		(726 676)	(726 676)
Balance at 30 June 2011	25 779 997	423 535 797	449 315 794
Detail on the movement of funds and reserves are set out in notes 1 and 2.			

Cash Flow Statement

for the year ended 30 June 2011

	Notes	2011 R	2010 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from (utilised in) operations	31	143 586 160	88 287 002
Interest received		13 385 013	22 329 410
Interest paid		(102 662)	(97 901)
Net cash from (utilised in) operating activities		156 868 511	110 518 511
CASH FLOWS FROM (UTILISED IN) INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(166 270 080)	(108 158 195)
Proceeds on disposal of property, plant and equipment		-	-
CASH (UTILISED IN) GENERATED FROM INVESTING ACTIVITIES		(166 270 080)	(108 158 195)
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		(96 478)	997 617
Net cash generated from/(utilised in) financing activities		(96 478)	997 617
NET INCREASE (DECREASE) IN CASH EQUIVALENTS		(9 498 046)	3 357 933
Cash and cash equivalents			
Cash and cash equivalents at the beginning of the year	19	(1 324 776)	(4 682 709)
Cash and cash equivalents at the end of the year	19	(10 822 822)	(1 324 776)
		(9 498 046)	3 357 933

Accounting Policies

for the year ended 30 June 2011

1	BASIS OF PRESENTATION
	The Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention, except where indicated otherwise.
	The Annual Financial Statements have been prepared in accordance with the Accounting Standards as prescribed by the Minister of Finance in terms of <i>Government Gazette number 31021, Notice Number 516</i> , dated 9 May 2008, and also in terms of the standards and principles contained in the applicable directives issued by the Accounting Standards Board.
	The accounting framework of the Municipality, based on the preceding paragraphs, is therefore as follows:
	GRAP 1 – Presentation of financial statements
	GRAP 2 – Cash flow statements
	GRAP 3 – Accounting policies, changes in accounting estimates and errors
	GRAP 4 – Effects of changes in foreign exchange rates
	GRAP 5 – Borrowing costs
	GRAP 6 – Consolidated and separate financial statements
	GRAP 7 – Investments in associates
	GRAP 8 – Interests in joint ventures
	GRAP 9 – Revenue from exchange transactions
	GRAP 10 – Financial reporting in hyperinflationary economies
	GRAP 11 – Construction contracts
	GRAP 12 – Inventories
	GRAP 13 – Leases
	GRAP 14 – Events after the reporting date
	GRAP 16 – Investment property
	GRAP 17 – Property, plant and equipment
	GRAP 18 – Segment reporting
	GRAP 19 – Provisions, contingent liabilities and contingent assets
	GAMAP 9 – Paragraphs relating to revenue from non-exchange transactions
	GRAP 100 – Non-current assets held for sale and discontinued operations
	GRAP 101 – Agriculture
	GRAP 102 – Intangible assets
	IPSAS 20 – Related party disclosure
	IPSAS 21 – Impairment of non cash-generating assets
	IFRS 3 – Business combinations
	IFRS 7 – Financial instruments: disclosures
	IAS 19 – Employee benefits
	IAS 32 – Financial instruments: presentation
	IAS 36 – Impairment of assets
	IAS 39 – Financial instruments: recognition and measurement
1.1	Changes in accounting policy and comparability
	Accounting policies have been consistently applied, except where otherwise indicated below:
	For the year ended 30 June 2011, the Municipality has adopted the accounting framework as set out in point 1 above, except as excluded by the applicable directives. The details of any resulting changes in accounting policy and comparative restatements are set out over the page.

	The Municipality changes an accounting policy only if the change:
	(a) is required by a standard of GRAP; or
	(b) results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions, on the performance or cash flow.
2	PRESENTATION OF CURRENCY
	The Annual Financial Statements are presented in South African Rands, rounded off to the nearest Rand, which is the Municipality's functional currency.
3	GOING CONCERN ASSUMPTION
	The Annual Financial Statements are prepared on a going concern basis.
4	HOUSING DEVELOPMENT FUND
	The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from National and Provincial Government used to finance housing selling schemes undertaken by the Municipality were extinguished on 1 April 1998 and transferred to the Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund.
	In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area.
5	PROPERTY, PLANT AND EQUIPMENT
	The Municipality has complied with the relevant standards relating to the measurement and recognition of Property, Plant and Equipment after taking into consideration the various guidance's and best practices issued in relation to the above.
5.1	Initial measurement
	Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.
	The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Municipality, and if the cost or fair value of the item can be measured reliably.
	Property, plant and equipment are initially recognised at cost on its acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.
	When significant components of an item of property, plan and equipment have different useful lives at the description of management, they are accounted for as separate items (major components) of property, plant and equipment.
	Where an asset is acquired by the Municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.
	The cost of an item of property, plant and equipment acquired in exchange for non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets, is measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.
	Major spare parts and servicing equipment qualify as property, plant and equipment when the Municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Accounting Policies

for the year ended 30 June 2011 (continued)

5.2	Subsequent measurement																																								
	Subsequent expenditure relating to property, plant and equipment is capitalized if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalized when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognizes the part of the asset being replaced and capitalizes the new component.																																								
	When revalued assets, if any are sold or retired, the amounts included in the revaluation reserve in respect of those assets, are transferred to accumulated surplus or deficit except on initial recognition of GRAP 17.																																								
	Compensation from third parties for items of property, plant and equipment that were impaired, lost or forgone is included in surplus or deficit when the compensation becomes receivable.																																								
5.3	Depreciation																																								
	Land is not depreciated as it is regarded as having an infinite life. Depreciation on assets other than land is calculated on cost, using the straight line method, to allocate their cost or revalued amounts to their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciation rates are based on the following estimated useful lives.																																								
	Depreciation only commences when the asset is available for use, unless stated otherwise.																																								
	<table border="1"> <thead> <tr> <th>Infrastructure</th> <th>Years</th> </tr> </thead> <tbody> <tr> <td>Roads and paving</td> <td>30</td> </tr> <tr> <td>Pedestrian malls</td> <td>30</td> </tr> <tr> <td>Electricity</td> <td>20 – 30</td> </tr> <tr> <td>Housing</td> <td>30</td> </tr> <tr> <td>Community</td> <td></td> </tr> <tr> <td>Buildings</td> <td>30</td> </tr> <tr> <td>Recreational facilities</td> <td>20 – 30</td> </tr> <tr> <td>Security</td> <td>5</td> </tr> <tr> <td>Other</td> <td></td> </tr> <tr> <td>Buildings</td> <td>30</td> </tr> <tr> <td>Specialist vehicles</td> <td>10</td> </tr> <tr> <td>Other vehicles</td> <td>5</td> </tr> <tr> <td>Office equipment</td> <td>3</td> </tr> <tr> <td>Furniture and fittings</td> <td>7 – 10</td> </tr> <tr> <td>Watercraft</td> <td>15</td> </tr> <tr> <td>Bins and containers</td> <td>5</td> </tr> <tr> <td>Specialized plant and equipment</td> <td>10 – 15</td> </tr> <tr> <td>Other items of plant and equipment</td> <td>2 – 5</td> </tr> <tr> <td>Landfill sites</td> <td>15</td> </tr> </tbody> </table>	Infrastructure	Years	Roads and paving	30	Pedestrian malls	30	Electricity	20 – 30	Housing	30	Community		Buildings	30	Recreational facilities	20 – 30	Security	5	Other		Buildings	30	Specialist vehicles	10	Other vehicles	5	Office equipment	3	Furniture and fittings	7 – 10	Watercraft	15	Bins and containers	5	Specialized plant and equipment	10 – 15	Other items of plant and equipment	2 – 5	Landfill sites	15
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Landfill sites	15																																								
5.4	Work in Progress																																								
	Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use.																																								
5.5	Infrastructure Assets																																								
	Infrastructure Assets are any assets that are part of a network of similar assets. Infrastructure assets are shown at cost less accumulated depreciation and accumulated impairment. Infrastructure assets are treated similarly to all other assets of the municipality.																																								

6	INVENTORIES
6.1	Initial recognition
	Inventories comprise of consumable stores. Inventories are recognized at weighted average. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition.
	Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.
7	ACCOUNTS RECEIVABLE
	Accounts receivable are stated in the annual financial statements at the value of billings to consumers/ ratepayers, less deductions for rebates granted less a provision for doubtful accounts.
	Provision for doubtful accounts is made, based on a review of outstanding amounts at the financial year end. Contributions to the provision are calculated by analyzing specific debts deemed doubtful of recovery, prior year's experience, correspondence with the Council's attorneys, the debt collection policy and management's best estimate of recoveries expressed as a percentage.
	Bad debts are written off in the period that they are identified. Amounts that are receivable within one year are classified as current assets.
8	ACCOUNTS PAYABLE
	Accounts payable are stated in the annual financial statements at the amounts due to trade and other creditors for goods or services received.
9	REVENUE RECOGNITION
9.1	General
	Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the municipality's activities.
	The municipality recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the municipality and when specific criteria have been met for each of the municipalities' activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the transaction have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.
	Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.
10	REVENUE FROM EXCHANGE TRANSACTIONS
10.1	Service Charges
	Service charges relating to refuse removal are recognized on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.
10.2	Finance income
	Interest earned on investments is recognized in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.
10.3	Tariff charges
	Revenue arising from the application of the approved tariff of charges is recognized when the relevant service is rendered by applying the relevant authorized tariff. This includes the issuing of licenses and permits.
11	REVENUE FROM NON-EXCHANGE TRANSACTIONS
11.1	Rates and Taxes
	Revenue from property rates is recognized in terms of the Municipal Property Rates Act and the Municipal Rates Policy.

Accounting Policies

for the year ended 30 June 2011 (continued)

11.2	Other donations and contributions
	Donations are recognised on a cash receipts basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are available for use.
12	GOVERNMENT GRANTS AND RECEIPTS
	Income received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Municipality with no future related costs, are recognised in the Statement of Financial Performance in the period in which they become receivable.
	The Municipality accounted for government grants and receipts in the previous financial year in accordance with the requirements of IAS 20.24 and .26, GAMAP 12.8, GAMAP 17.25 and GAMAP 9.42 – .46, as appropriate. For the financial year ended 30 June 2011, the Municipality accounted for government grants and receipts for the year ended 30 June 2011 (and retrospectively, where practicable) in accordance with the requirements of GAMAP 9.42 – .46 and ASB Directives 3 and 5.
13	PROVISIONS
	Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events. It is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the obligation.
	Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses.
	A provision for restructuring costs is recognised only when the following criteria, over and above the recognition criteria of a provision, have been met:
	(a) The Municipality has a detailed formal plan for the restructuring, identifying at least:
	- the business or part of a business concerned;
	- the principal locations affected;
	- the location, function, and approximate number of employees who will be compensated for terminating their services;
	- the expenditures that will be undertaken;
	- when the plan will be implemented; and
	(b) The Municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.
14	CASH AND CASH EQUIVALENTS
	Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value, unless the purpose and nature of such investments are for capital appreciation purposes and not held for operational activities as deemed by management.
15	UNAUTHORISED EXPENDITURE
	Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state, and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003).
16	IRREGULAR EXPENDITURE
	Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No 32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's or Municipal Entities' supply chain management policies as deemed by the Accounting Officer. Irregular expenditure excludes unauthorised expenditure.

17	FRUITLESS AND WASTEFUL EXPENDITURE
	Fruitless and wasteful expenditure is expenditure that was made in vain as deemed by the Accounting Officer and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance.
18	RETIREMENT BENEFITS
	The Municipality provides retirement benefits for its employees. Contributions are made to the Natal Joint Municipal Pension Fund to fund the obligations for the payment of retirement benefits.
	The Municipality provides post-retirement healthcare benefits to their retirees. The entitlement to these benefits are conditional on the employee remaining in service up to retirement age.
19	DEPOSITS
	Deposits received by the Municipality are in terms of the approved tariff of charges by Council. These mainly relate to the use of community facilities and verge deposits, among others.
20	LEASES
	Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the Municipality. Property, plant and equipment subject to finance lease agreements, are capitalised at their cash cost equivalent. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.
	Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised as an expense in the Statement of Financial Performance.
21	PRIOR YEAR COMPARATIVES
	Prior period comparatives are reclassified when the presentation or classification of items in the Annual Financial Statements is amended.
22	VALUE ADDED TAXATION
	The Municipality accounts for value-added taxation on a cash basis, while the Annual Financial Statements are prepared on the accrual basis of accounting.
23	EVENTS AFTER THE REPORTING DATE
	Events after the reporting date that are classified as adjusting events have been accounted for in the Annual Financial Statements. The events after the reporting date that are classified as non-adjusting events after the reporting date, have been disclosed in the notes to the Annual Financial Statements.
24	RELATED PARTIES
	Individuals as well as their close family members, and/or entities, are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel are defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

Notes to the Annual Financial Statements

for the year ended 30 June 2011

	2011	2010
	R	R
1 ACCUMULATED SURPLUS		
The following internal funds and reserves are ring-fenced within the accumulated surplus:		
- Government Grant Reserve	325 466 194	174 184 940
- Accumulated surplus due to the results of operations	98 069 603	89 449 568
Total accumulated surplus	423 535 797	263 634 508

The following illustrates the detail on the movement of internal funds and reserves during the financial period:

	Government Grant Reserve	Accumulated surplus/ (deficit) due to results of operations	Total accumulated surplus/ (deficit)
	R	R	R
2008			
Balance at 1 July 2009	90 517 342	47 707 395	138 224 737
Surplus for the year	-	112 172 798	112 172 798
Transfer of capital grant assets to Government Grant Reserve	88 799 530	(88 799 530)	-
Prior year adjustments	-	13 236 973	13 236 973
Offsetting of Depreciation	(5 131 932)	5 131 932	-
Balance at 30 June 2010	174 184 940	89 449 568	263 634 508
2009			
Balance at 01 July 2010	174 184 940	89 449 568	263 634 508
Surplus for the year		153 828 760	153 828 760
Transfer of capital grant assets to Government Grant Reserve	157 056 027	(157 056 027)	-
Offsetting of depreciation	(5 774 773)	5 774 773	-
Revaluation of assets		6 799 206	6 799 206
Prior year adjustments		(726 676)	(726 676)
Balance at 30 June 2011	325 466 194	98 069 603	423 535 797

	2011	2010
	R	R
2 HOUSING DEVELOPMENT FUND		
The Housing Development Fund contains all proceeds from housing developments, which include rental income and sales of houses. Monies standing to the credit of the Housing Development Fund are used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.		
Housing Development Fund	25 779 997	31 623 553
The Housing Development Fund is represented by the following assets and liabilities:		
– Housing fixed assets	8 777 117	13 338 204
– Housing rental receivables	8 815 248	8 878 329
– Investments – external	7 768 565	9 148 858
– Bank and cash	419 067	258 162
Total Housing Development Fund assets and liabilities	25 779 997	31 623 553
3 LONG-TERM LIABILITIES		
Long-term loans	2 089 694	2 089 694
Annuity loans	592 562	689 040
Total external loans	2 682 256	2 778 734
LESS: Current portion transferred to current liabilities (Refer to Appendix A for more detail)	(1 734 916)	(1 501 429)
Total long-term liabilities	947 340	1 277 305
4 PROVISION FOR POST-RETIREMENT MEDICAL BENEFITS		
Post-employment health care benefit liability	16 292 516	11 875 385
Total: Post-retirement medical aid benefit liability	16 292 516	11 875 385
Less: Transfer to current provisions	(442 512)	(357 468)
Net post-employment health care benefit liability	15 850 004	11 517 917

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
The Municipality provides certain post-retirement medical benefits by funding the medical aid contributions of certain retired members of the Municipality. According to the rules of the medical aid funds with which the Municipality is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the Municipality is liable for a certain portion of the medical aid membership fee.		
The most recent actuarial valuations of plan assets and the present value of the unfunded defined benefit obligation were carried out as at 30 June 2011 by a member of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. No other post-retirement benefits are provided by the Municipality.		
The Post-Employment Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follows:		
– In-service members	170	134
– Continuation members	22	20
Total	192	154
The liability in respect of past service has been estimated to be as follows:		
– In-service members	10 765 746	7 630 733
– Continuation members	5 526 767	4 244 652
	16 292 513	11 875 385
The Municipality makes monthly contributions for health care arrangements to the following medical aid schemes:		
– Bonitas		
– Global Health		
– LA Health		
– Samwumed		
The future service cost for the ensuing year is established to be R 1 118 322 whereas the interest-cost for the next year is estimated to be R 1 396 862 (2010: R 649 465 and R 1 078 459 respectively)		
The principal assumptions used for the purposes of the actuarial valuations were as follows:		
Discount rate	8,69	9,22
Health care cost inflation rate	7,31	7,22
Net effective discount rate	1,29	1,87
Expected retirement age – females	55	55
Expected retirement age – males	55	55
The amounts recognised in the Statement of Financial Position are as follows:		

	2011	2010
	R	R
Present value of fund obligations	16 292 516	11 875 385
Fair value of plan assets	-	-
Benefit liability	16 292 516	11 875 385
The amount recognised in the Statement of Financial Performance under employee-related costs are as follows:		
Current service cost	649 465	373 244
Interest cost	1 078 459	730 496
Actuarial (gain)/loss recognised	3 102 071	2 961 929
	4 829 995	4 065 669
The movement in the defined benefit obligation over the year is as follows:		
Balance at beginning of year	11 875 385	8 154 790
Current service cost	649 465	373 244
Interest cost	1 078 459	730 496
Benefits paid	(412 864)	(345 073)
Recognised actuarial (gain)/loss	3 102 071	2 961 928
Balance at end of year	16 292 516	11 875 385
The effect of a 1% movement in the assumed rate of health care cost inflation is as follows:		
Increase		
Effect on the aggregate of the current service cost and the interest cost	1 218 000	1 292 600
Effect on the defined benefit obligation	12 668 000	8 832 000
Decrease		
Effect on the aggregate of the current service cost and the interest cost	961 500	951 100
Effect on the defined benefit obligation	9 265 000	6 642 000
The Municipality expects to make a contribution of R 1 396 862 (2010: R 1 078 459) to the defined benefit plans during the next financial year.		
The history of experienced adjustments are as follows:		

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010	2009	2008
	R	R	R	R
Present value of defined benefit obligation	16 293 000	11 875 000	8 155 000	9 957 000
Deficit	16 293 000	11 875 000	8 155 000	9 957 000
Experienced adjustments on plan liabilities	-	-	-	-

5 LONG SERVICE AWARDS AND RETIREMENT GIFTS			
Provision for long service awards		1 092 938	1 067 873
Total provision for long service awards		1 092 938	1 067 873
Less: Transfer to current provisions		(191 432)	(204 832)
Net long service awards liability		901 506	863 041
<p>A long-service award is granted to Municipal employees after the completion of fixed periods of continuous service with the Municipality (which includes their uninterrupted service with the former local authorities amalgamated in December 2000 to become Umdoni Municipality). The provision represents an estimation of the awards to which employees in the service of the Municipality at 30 June 2011 may become entitled to in future, based on an actuarial valuation performed at that date.</p>			
<p>The most recent actuarial valuations of plan assets and the present value of the unfunded defined benefit obligation were carried out as at 30 June 2011 by a member of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. No other long service benefits are provided by the Municipality.</p>			
<p>The Long Service Awards plans are defined benefit plans. As at year end, 376 employees were eligible for Long Service Awards.</p>			
<p>The future service cost for the ensuing year is estimated to be R 174 871 whereas the interest-cost for the next year is estimated to be R 76 481</p>			
The principal assumptions used for the purposes of the actuarial valuations were as follows:			
Discount rate		7,66%	8,68%
Expected rate of salary increase		6,24%	6,06%
Net effective discount rate		1,33%	2,48%
The amounts recognised in the Statement of Financial Position are as follows:			

	2011	2010		
	R	R		
Present value of fund obligations	1 092 938	1 067 873		
Net liability	1 092 938	1 067 873		
The amount recognised in the Statement of Financial Performance under employee-related costs are as follows:				
Current service cost	159 321	157 437		
Interest cost	84 033	66 013		
Actuarial loss/gain	(13 457)	194 197		
Total included in employee-related costs	229 897	417 647		
The movement in the defined benefit obligation over the year is as follows:				
Balance at beginning of year	1 067 873	855 567		
Current service cost	159 321	157 437		
Interest cost	84 033	66 013		
Benefits paid	(204 832)	(205 341)		
Actuarial (gain)/losses recognised	(13 547)	194 197		
Balance at end of year	1 092 848	1 067 873		
The effect of a 1% movement in the assumed rate of salary inflation is as follows:				
Increase				
Effect on the aggregate of the current service cost and the interest cost	256 642	234 808		
Effect on the defined benefit obligation	1 153 000	1 122 000		
Decrease				
Effect on the aggregate of the current service cost and the interest cost	231 204	213 143		
Effect on the defined benefit obligation	1 038 000	1 018 000		
The history of experienced adjustments are as follows:				
	2011	2010	2009	2008
	R	R	R	R
Present value of defined benefit obligation	(1 092 928)	(1 067 973)	(855 567)	(758 326)
Deficit	(1 092 928)	(1 067 973)	(855 567)	(758 326)
Experienced adjustments on plan liabilities	-	-	-	-

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
6 REFUSE SITE REHABILITATION		
In terms of the licencing of the landfill refuse sites, Council will incur rehabilitation costs of R 2,4 million determined at present value, to restore the sites. Provision has been made for an amount based on the present value of cost.		
The costs of rehabilitating the refuse site have been estimated by the Council's consulting engineers who control the operations carried out by the service provider. Council has to submit a rehabilitation plan to the Department of Water Affairs and Forestry six months prior to closing the site.		
Opening balance	2 804 850	2 449 500
Contribution to the Statement of Financial Performance	(312 800)	355 350
Closing balance	2 492 050	2 804 850
7 MULTI EMPLOYER RETIREMENT BENEFITS		
Umdoni Municipality makes provision for post-retirement benefits to eligible Councillors and employees, who belong to different pension schemes.		
All full-time employees belong to the KwaZulu-Natal Joint Municipal Pension Fund, which is made up by the retirement, superannuation and provident funds. Councillors have the option to belong to the Pension Fund for Municipal Councillors.		
These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution schemes.		
All of these afore-mentioned funds are multi-employer plans and are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.		
Sufficient information is not available to use defined benefit accounting for the pension and retirement funds, due to the following reasons:		
(i) The assets of each fund are held in one portfolio and are not notionally allocated to each of the participating employers.		
(ii) One set of financial statements are compiled for each fund and financial statements are not drafted for each participating employer.		
(iii) The same rate of contribution applies to all participating employers and no regard is paid to differences in the membership distribution of the participating employers.		
It is therefore seen that each fund operates as a single entity and is not divided into sub-funds for each participating employer.		
The only obligation of the Municipality with respect to the retirement benefit plans is to make the specified contributions. Where Councillors/employees leave the plans prior to full vesting of the contributions, the contributions payable by the Municipality are reduced by the amount of forfeited contributions.		

	2011	2010
	R	R
The total expense recognised in the Statement of Financial Performance for the pension fund of R 27,3 million (2010: R 15,9 million) represents contributions payable to these plans by the Municipality at rates specified in the rules of the plans. These contributions have been expensed.		
The retirement funds have been valued by making use of the Discounted Cash Flow Method of Valuation. For both the superannuation and retirement funds, valuations making use of the Discontinuance Method Approach have been included as well.		
DEFINED BENEFIT SCHEMES		
Retirement fund:		
The scheme is subject to a tri-annual actuarial valuation. The last statutory valuation was performed as at 31 March 2010.		
The interim actuarial valuation performed as at 31 March 2010 revealed that the fund had a shortfall of R 243,2 (31 March 2009: shortfall of R 214,2) million, with a funding level of 88,2% (31 March 2009: 88,6%). The contribution rate, including the surcharges below, paid by the members (8,65%) and municipalities (29%) should be sufficient to eradicate the shortfall in the fund by 31 March 2015.		
The actuarial shortfall is taken into account by determining surcharges, to be met by increased contributions. These surcharges amount to 17% of pensionable emoluments, of which 1,65% is payable by members and 15,35% is payable by the local authority.		
This surcharge is payable until 31 March 2015. This position will be monitored on an annual basis.		
The fund has effectively been closed to new members, and it is therefore assumed for the valuation, that no new members will join the fund. However, at present, members of the three Natal Joint Funds are permitted to transfer between the funds and this flow of members may affect the rate of contribution required to be paid to the fund.		
Superannuation fund:		
The scheme is subject to a tri-annual actuarial valuation. The last interim actuarial valuation was performed as at 31 March 2010.		
The interim actuarial valuation performed as at 31 March 2010 revealed that the fund had a shortfall of R 213,3 (31 March 2009: shortfall of R 29,9 million), with a funding level of 95,9% (31 March 2009: 99,4%). The contribution rate paid by the members (9,25%) and municipalities (18%) is 1,69% (31 March 2009: 1,5%) less than the required contribution rate for future service and will be reviewed at the next interim valuation. The deficit in respect of active members is being met by a surcharge of 7% of pensionable salaries. It is expected that the deficit will be fully funded by 2016.		
DEFINED CONTRIBUTION SCHEMES		
Municipal Councillors Pension Fund:		
The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2010.		

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
The statutory valuation performed as at 30 June 2010 revealed that the contribution rate paid by the members (13,75%) and Council (15%) is sufficient to fund the benefits accruing from the fund in the future.		
As reported by the actuaries, the Fund was in a sound financial condition as at 30 June 2010.		
Provident fund:		
The scheme is subject to a tri-annual actuarial valuation. The last interim actuarial valuation was performed as at 31 March 2010.		
The interim actuarial valuation performed as at 31 March 2010 revealed that the market value of the fund was R 836,4 (31 March 2009: R 574 million). The contribution rate payable (either 5%, 7% or 9,25% by the member and 1,95 times the member's contributions by the employer), is sufficient to cover the cost of benefits and expenses, and the fund was certified to be in sound financial condition as at 31 March 2010.		
None of the above-mentioned plans are State plans.		
8 ACCOUNTS PAYABLE		
Trade creditors	9 201 028	11 421 522
Deposits	1 279 371	1 176 432
Payments received in advance	3 689 088	2 333 657
External loans interest – Pennington	-	90 599
Retention monies	15 931 867	9 772 292
Unidentified direct deposits	797 804	320 095
Total accounts payable	30 899 158	25 114 597
The average credit period on purchases is 30 days from the receipt of the invoice (as determined by the MFMA). No interest is charged for the first 30 days from the date of receipt of the invoice. Thereafter, interest is charged in accordance with the credit policies of the various individual creditors that the Municipality deals with. The Municipality has financial policies in place to ensure that all payables are paid within the credit timeframe.		
Deposits are paid by members of the community on application for the hire of community halls and facilities, as stipulated in the tariff of charges. The deposits are repaid when the use of the community halls/facilities are completed, and an inspection has been executed to ensure that the facilities hired have been restored to their original condition, and no damage to property has occurred. In cases where the condition of the facilities have not been restored to its original condition or damage to the property is evident, Council can utilise the deposit as payment to rectify the facilities to its original condition or to restore any damage to the property.		
No interest is paid on consumer deposits held.		

	2011	2010
	R	R
Retention refers to monies retained by the Municipality on construction work completed by the various suppliers throughout the duration of their contract. These monies are released to the suppliers upon progressive completion of their respective undertakings.		
9 UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
<i>Conditional grants from other spheres of Government:</i>		
Provincial grants	2 576 684	1 681 899
Ugu District Municipality	410 259	842 311
National Treasury	111 093 065	253 580 508
European Union funding	-	207 357
Other grants	86 615	254 324
Total conditional grants from other spheres of Government	114 166 623	256 566 399
10 OPERATING LEASES		
<u>The Municipality as lessee</u>		
Leasing arrangements:		
At the reporting date, the Municipality had outstanding commitments under non-cancellable operating leases, which fall due as follows:		
Up to one year	279 467	394 585
1 to five years	159 106	182 360
More than five years	4 789	110
Total operating lease arrangements	443 362	577 055
Included in the above-mentioned operating lease payments are the following major classes of leases, which are only significant collectively:		
– Electronic equipment	175 848	490 190
– Vehicles	244 888	74 427
– Properties	22 626	12 438
	443 362	577 055
<u>The Municipality as lessor</u>		
Leasing arrangements:		
At the reporting date, the Municipality had outstanding receipts in terms of operating leases, which will accrue as follows:		
Receivable within one year	2 079 906	1 911 899
Receivable within two-five years	2 359 360	3 030 736
Receivable after five years	130 880	169 667
Total operating lease arrangements	4 570 146	5 112 302

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
Included in the above-mentioned operating lease receivables are the following major classes of leases, which are only significant collectively:		
– Land	4 570 146	5 112 302
	4 570 146	5 112 302
11 PROPERTY, PLANT AND EQUIPMENT		
No property, plant and equipment have been pledged to secure borrowings of the Municipality.		
Assets with R 0 carrying value still in use, however, have been re-evaluated in terms of GRAP 17. Details of this effect is reflected in note 43.		
See also note 43 for further detail.		
12 INVESTMENT PROPERTY		
The Municipality has adopted the transitional arrangements as set out in Directive 4, released by the Accounting Standards Board in February 2008. This involves the recognition of all assets under the ownership of the Municipality, but not necessarily the measurement of such assets.		
Analysis of investment property is as follows:		
Reconciliation of carrying value		
Carrying values at 1 July 2010	197 000	197 000
Cost/revaluation	197 000	197 000
Cost	197 000	197 000
Revaluation	-	-
Prior year adjustments	-	-
Acquisitions	-	-
Increases/(decreases) in revaluation	-	-
Carrying value of disposals	-	-
Cost/revaluation	-	-
Impairment losses	-	-
Other movements	-	-
Carrying values at 30 June 2011	197 000	197 000
Represented by		
Cost/revaluation	197 000	197 000
Carrying values at 30 June 2010	197 000	197 000

	2011	2010
	R	R
13 PROVISION FOR STAFF LEAVE		
Balance at beginning of the year	4 009 835	3 295 530
Contributions (decrease) to provision	1 356 870	1 081 843
Actual leave paid for the year	(467 164)	(367 538)
Balance at end of year	4 899 541	4 009 835
14 INVESTMENTS		
<i>Council's unlisted investments</i>		
Long-term deposits with Standard Bank of SA Ltd	-	-
Total long-term investments	-	-
<i>Short-term investments</i>		
Notice deposits	169 060 487	302 613 221
Standard Bank of SA Ltd	15 877 505	171 734 865
Absa	109 365 713	103 668 116
Nedbank	30 645 765	14 732 374
First National Bank	13 170 317	12 476 746
Investec Bank	1 187	1 120
Total short-term investments	169 060 487	302 613 221
Total investments	169 060 487	302 613 221
Council's valuation of unlisted investments	169 060 487	302 613 221
Average rate of return on investments	5,67%	6,65%
15 INVENTORY		
Inventory represents:		
Consumable stores	74 907	36 312
	74 907	36 312
16 CONSUMER RECEIVABLES		
Revenue from non-exchange transactions		
Rates	18 835 645	17 702 610
Rates, penalties and collection charges	8 893 479	8 882 532
Refuse	3 659 249	3 034 162

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
Revenue from exchange transactions		
Housing	5 484 299	5 703 090
Interest on housing	3 330 949	3 175 239
Sundries	4 598 723	4 485 565
	44 802 344	42 983 198
Less: Provision for bad debt	(12 808 232)	(13 196 840)
Less: Provision for impairment loss	(3 915 144)	(3 915 144)
Total consumer receivables	28 078 968	25 871 214
Amounts written off as bad debts	164 163	2 100
As a percentage of total operating revenue	0,06%	0,00%
Ageing of consumer debt as follows:		
Rates		
Current (0 to 30 days)	863 874	591 445
31 to 60 days	1 021 845	321 101
61 to 90 days	818 213	242 950
91 to 120 days	775 293	221 590
121 days and over	15 359 254	16 329 132
	18 838 479	17 706 218
Rates penalties and collection charges		
Current (0 to 30 days)	1 139	3 233
31 to 60 days	-	3 181
61 to 90 days	15 818	9 396
91 to 120 days	21 450	10 840
121 days and over	8 855 072	8 855 882
	8 893 479	8 882 532
Housing		
Current (0 to 30 days)	98 647	130 086
31 to 60 days	36 899	44 846
61 to 90 days	34 840	44 246
91 to 120 days	33 726	44 628
121 days and over	4 935 692	4 998 722
	5 139 804	5 262 528
Interest on housing		
Current (0 to 30 days)	-	-

	2011	2010
	R	R
31 to 60 days	-	440
61 to 90 days	691	876
91 to 120 days	976	1 317
121 days and over	3 329 282	3 172 606
	3 330 949	3 175 239
Refuse		
Current (0 to 30 days)	270 904	205 093
31 to 60 days	180 339	44 109
61 to 90 days	183 334	38 662
91 to 120 days	149 495	32 892
121 days and over	3 253 935	2 981 975
	4 038 007	3 302 731
Sundries		
Current (0 to 30 days)	2 972 078	2 351 614
31 to 60 days	39 558	28 105
61 to 90 days	19 847	59 977
91 to 120 days	53 993	264 850
121 days and over	2 097 283	2 318 721
	5 182 759	5 023 267
Total consumer ageing	45 423 477	43 352 515
Less: Provision for bad debts	(12 808 232)	(13 196 840)
Less: Provision for impairment loss	(3 915 144)	(3 915 144)
Less: VAT included in age analysis	(621 133)	(369 317)
Total consumer receivables	28 078 968	25 871 214
Reconciliation of provision for bad debts on consumer receivables		
Balance at beginning of the year	13 196 840	9 279 835
Contributions to provision	(224 445)	2 340 366
Transfer of clinic subsidy provision from other receivables		1 817 000
Write-offs against provision	(164 163)	(240 361)
Balance at end of year	12 808 232	13 196 840
Management has considered the effects of any impairment in the values of outstandings and the value of the provision for bad debts. The provision is adequate to account for any material losses expected to arise from any adjustments that are required to be made to outstanding debt.		

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
17 OTHER RECEIVABLES		
Sundry receivables	97 508	54 993
Ugu District Municipality	5 075 295	5 075 295
	5 172 803	5 130 288
Less: Provision for bad debt	(5 117 952)	(5 117 952)
Total other receivables	54 851	12 336
<i>Reconciliation of provision for bad debt on other receivables</i>		
Balance at beginning of the year	5 117 952	7 362 203
Contributions (decrease) to provision	-	(348 986)
Transfer of clinic subsidy provision to consumer receivables	-	(1 817 000)
Bad debts written off against provision	-	(78 265)
Balance at end of year	5 117 952	5 117 952
Management have considered the effects of any impairment in the values of outstandings and the value of the provision for bad debts. The provision is adequate to account for any material losses expected to arise from any adjustments that are required to be made to outstandings receivables.		
18 VAT RECEIVABLE		
VAT receivable	13 658 934	7 474 131
VAT is payable on the cash basis. Only once payment has been received from receivables is VAT paid over to SARS.		
19 BANK, CASH AND OVERDRAFT BALANCES		
The Municipality has the following bank accounts:		
The following primary bank account is maintained in terms of the local government: Municipal Finance Management Act:		
<u>Standard Bank of SA Limited, Scottburgh Branch – Account No. 05 279 168 8</u>		
<u>Current account:</u>		
Cash book balance at beginning of year	(2 787 957)	(4 843 558)
Cash book balance at end of year	(11 247 789)	(2 787 957)
Bank statement balance at beginning of year	3 926 445	2 710 117
Bank statement balance at end of year	2 844 447	3 926 445

	2011	2010
	R	R
The following bank account is maintained in terms of the Local Government: Municipal Finance Management Act:		
<u>Standard Bank of SA Limited, Scottburgh Branch – Account No. 052 854 329</u>		
<u>Current account:</u>		
Cash book balance at beginning of year	1 199 120	0
Cash book balance at end of year	0	1 199 120
Bank statement balance at beginning of year	1 199 120	0
Bank statement balance at end of year	0	1 199 120
The following housing bank accounts are maintained in terms of memorandums of agreement with the Department of Housing:		
<u>Standard Bank of SA Limited, Scottburgh Branch – Account No. 05 285 257 1</u>		
<u>Malangeni Rural Housing Project K 03100018</u>		
Cash book balances at beginning of year	62 727	61 893
Cash book balances at end of year	61 736	62 727
Bank statement balances at beginning of year	62 727	61 893
Bank statement balances at end of year	61 736	62 727
<u>Standard Bank of SA Limited, Scottburgh Branch – Account No. 05 285 256 3</u>		
<u>Amahlongwa Rural Housing Project K 03100017</u>		
Cash book balances at beginning of year	78 428	8 053
Cash book balances at end of year	77 437	78 428
Bank statement balances at beginning of year	78 428	8 053
Bank statement balances at end of year	77 437	78 428
<u>Standard Bank of SA Limited, Scottburgh Branch – Account No. 05 279 625 6</u>		
<u>Umzinto Slum Clearance Housing Project K 031 00019</u>		
Cash book balances at beginning of year	25 809	-24
Cash book balances at end of year	190 237	25 809
Bank statement balances at beginning of year	25 809	-24
Bank statement balances at end of year	190 209	25 809
<u>Standard Bank of SA Limited, Scottburgh Branch – Account No. 05 279 619 1</u>		
<u>Sanathan Housing Project K 0310002</u>		
Cash book balances at beginning of year	1 246	2 063
Cash book balances at end of year	467	1 246

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
Bank statement balances at beginning of year	1 246	2 063
Bank statement balances at end of year	467	1 246
<u>Standard Bank of SA Limited, Scottburgh Branch – Account No. 05 285 432 9</u>		
<u>Umdoni Municipality housing account</u>		
Cash book balances at beginning of year	89 952	82 964
Cash book balances at end of year	89 190	89 952
Bank statement balances at beginning of year	89 953	122 689
Bank statement balances at end of year	90 881	89 953
<u>Summary:</u>		
Cash book balance at beginning of year	(1 330 675)	(4 688 609)
Cash book balance at end of year	(10 828 722)	(1 330 675)
Bank statement balance at beginning of year	5 383 728	194 674
Bank statement balance at end of year	3 203 441	5 383 728
CASH ON HAND:		
Petty cash	1 000	1 000
Floats	4 900	4 900
	5 900	5 900
Total bank and cash	(10 822 822)	(1 324 775)
Umdoni Municipality has not applied any overdraft facility or securities held. The credit as per the cash book balance is reflective of outstanding cheques which have yet to be cleared as at 30 June 2011.		
20 PROPERTY RATES		
Actual income		
Residential	36 857 123	34 842 077
Agriculture	603 352	552 502
Commercial and other	18 572 055	17 114 233
Less: Adjustments	(1 982 639)	(2 351 358)
Less: Rebates	(5 483 216)	(4 684 237)
Total assessment rates	48 566 675	45 473 217
Property valuations	7 373 301 000	7 419 315 000
Non-rateable valuations	138 497 000	129 691 000

	2011	2010
	R	R
The last general valuation for Umdoni came into effect on:	1 July 2008	1 July 2008
Randages in terms of the Municipal Property Rates Act:		
Residential	0,007	0,0065
Commercial, business and industrial	0,00937	0,0086
Agricultural property, public service infrastructure, public benefit organisations	0,00178	0,0017
Vacant industrial, commercial and other	0,0196	0,0185
Rebates on these rates are allowed on the following basis:		
Special residential (excluding vacant land)	75 000	75 000
Vacant property	15 000	15 000
Disabled persons, pensioners, indigent persons as defined in the Indigent Policy	370 000	370 000
21 SERVICE CHARGES		
Refuse removal	7 195 761	6 319 417
	7 195 761	6 319 417
22 GOVERNMENT GRANTS AND SUBSIDIES		
<i>Operational Grants:</i>		
Equitable share	20 802 997	17 093 771
Provincial grants	505 578	5 271 829
Provincial – health subsidies	1 783 706	1 782 942
Ugu District Municipality	442 339	494 843
Department of Provincial and Local Government	153 812	2 360 393
National Treasury	159 156 445	103 416 947
Old Mutual	167 710	342 414
Total Government grant and subsidies recognised	183 012 587	130 763 139
23 OTHER INCOME		
Building plan fees	382 132	466 164
Development levy	1 315 789	105 263
Insurance recovery	138	820 891
Inspections	108 120	135 252
Fire services income	1 511 272	1 018 685
Plot clearing	57 165	56 787
Rates certificates	133 250	91 176
Signage	167 377	130 890

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
Non-refundable tender deposits	297 632	341 471
Subdivisions, rezoning and town planning	25 570	50 578
Sundry income	1 666 147	336 156
	5 664 593	3 553 313
24 EMPLOYEE-RELATED COSTS		
Remuneration of the Municipal Manager		
Annual remuneration	766 630	715 244
Performance bonus	81 826	62 273
	848 456	777 517
Remuneration of the Manager: Financial Services		
Annual remuneration	592 722	539 049
Performance bonus	53 365	34 115
	646 087	573 163
Remuneration of the Manager: Technical Services		
Annual remuneration	593 670	540 249
Performance bonus	48 028	34 115
	641 698	574 363
Remuneration of the Manager: Community Services		
Annual remuneration	502 054	445 385
Performance bonus	31 500	40 500
<i>Performance bonus paid in 2010 financial year is in respect to the previous General Manager: Community Services</i>		
	533 554	485 885
Remuneration of the Manager: Corporate Services		
Annual remuneration	593 021	539 048
Performance bonus	53 365	34 115
	646 386	573 162
EMPLOYEE-RELATED COSTS		
Salaries and allowances	38 985 463	34 870 576
Contributions to UIF, pensions and medical aids	8 255 967	6 533 333
Travel, motor car, accommodation, subsistence and other allowances	308 861	352 154
Housing benefits and allowances	91 217	99 920
Overtime payments	1 738 808	1 078 379

	2011	2010
	R	R
Bonuses	2 480 111	2 142 914
Contribution to long service awards and medical aid liability	5 017 676	4 515 877
	56 878 102	49 593 154
25 COUNCILLORS' REMUNERATION		
Mayor's allowance	599 590	572 107
Deputy Mayor's allowance	478 323	473 032
Speaker's allowance	478 426	456 004
Executive Councillor allowance	444 387	426 922
Councillors' allowances	2 572 759	2 468 116
	4 573 485	4 396 181
The Mayor, Deputy Mayor, Speaker and one Executive Councillor are full time and have an office and secretarial support at the cost of the Council. The Mayor has the use of a Council vehicle for official duties.		
26 INTEREST PAID		
Long-term liabilities	102 662	97 901
Total interest on external borrowings	102 662	97 901
27 CONTRIBUTIONS TO PROVISIONS		
Contribution to bad debt provision	-	1 991 380
Contribution to leave provision	1 356 870	1 081 843
	1 356 870	3 073 223
28 AUDITOR'S REMUNERATION		
Audit fees	827 604	773 363
29 CONTRACTED SERVICES		
Fixed asset register and verification	551 829	1 352 617
Verge contract maintenance	2 956 895	2 796 064
Refuse site maintenance	2 621 401	1 947 246
Security	1 854 314	1 366 228
Lifeguard services	660 816	599 352
Meshing fees	803 907	797 263

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
Machinery leases	433 571	361 003
Computer support	326 347	231 031
Other contracted services	909 742	1 364 754
	11 118 822	10 815 558
30 GENERAL EXPENSES		
Electricity and water	4 541 351	3 052 694
Alternate electricity	2 741 558	1 834 836
Fuel maintenance	2 203 605	1 759 937
Telecommunication	865 827	991 461
Printing and stationery	1 019 924	814 540
Insurance	368 278	381 687
Audit fees	827 604	773 363
Grants and subsidies paid	-	7 800 000
Workmans Compensation	227 192	448 513
Special programmes	997 462	637 212
Drivers' licences	581 779	475 369
SETA Training Programmes and Skills Levies	310 707	704 307
Valuations	300 000	300 000
Other general expenses	11 013 683	6 590 981
	25 998 970	26 564 900
31 CASH GENERATED FROM (UTILISED IN) OPERATIONS		
Surplus for the year	153 828 760	112 172 798
Adjustments for non-cash transactions accounted for directly against income:		
Previous year's operating transactions	(726 676)	9 835 686
Depreciation	10 641 369	8 052 491
Loss on disposal of assets	924 656	
Provision for refuse site rehabilitation	(312 800)	355 350
Capital charges:		
Interest paid on external loans	102 662	97 901
Investment income (operating account)	(13 385 013)	(22 329 410)
	151 072 958	108 184 816

	2011	2010
	R	R
<i>(INCREASE)/DECREASE IN WORKING CAPITAL</i>	(7 486 798)	(19 897 814)
(Increase)/decrease in inventory	(38 595)	(10 112)
(Increase)/decrease in receivables	(8 498 153)	1 821 467
(Increase)/decrease in short-term investments	132 172 441	63 177 058
Increase/(decrease) in creditors	5 784 478	14 757 387
Increase/(decrease) in unspent conditional grants	(142 399 776)	(104 227 315)
Increase/(decrease) in provisions	4 442 196	3 766 183
Increase/(decrease) in provisions for staff leave	889 706	714 305
Increase/(decrease) in Housing Operating account	160 905	103 213
Cash generated from (utilised in) operations	143 586 160	88 287 002
32 CONTINGENT LIABILITIES		
No contingent liabilities have been identified at year end.	-	-
33 CAPITAL COMMITMENTS		
Commitments for capital expenditure		
Approved and contracted for	146 850 615	66 118 430
Approved but not yet contracted for	8 095 214	189 837 611
	154 945 830	255 956 041
This expenditure will be financed from:		
Internal source – revenue	14 007 182	6 000 000
External source – National government	140 938 648	249 956 041
	154 945 830	255 956 041
34 COUNCILLORS' ACCOUNTS IN ARREARS		
The following Councillors had an arrear account balance outstanding:		

	Outstanding less than 90 Days	Outstanding more than 90 Days	Total
At 30 June 2011			
Councillor TA Zondi	782	1 296	2 079
Councillor GN Mbambo	310		310
Councillor TH Ngcobo	514	54 458	54 972
	1 607	55 754	57 361

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	Outstanding less than 90 days	Outstanding more than 90 days	Total
At 30 June 2010			
Councillor M Sulagan	7 122	228 455	235 577
Councillor K Ramadu	502	16 522	17 024
	7 624	244 977	252 601
35 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED			
35.1 Unauthorised expenditure			
Opening balance		32 776 151	20 468 206
Unauthorised expenditure for the current year*		-	12 307 945
Approved/condoned by Council		(32 776 151)	0
Transfer to receivables for recovery			
Unauthorised expenditure		-	32 776 151
<i>* Unauthorised expenditure in terms of the approved Municipal budget for the year under review is as follows:</i>			
Depreciation			7 339 417
Provision for post-retirement benefits and long service			3 512 180
Expenditure relating to Government grants and subsidies			1 320 998
Provision for refuse site rehabilitation			135 350
			12 307 945
35.2 Fruitless and wasteful expenditure			
Opening balance		-	-
Fruitless and wasteful expenditure for the current year		1 282	-
Approved/condoned by Council		-	-
To be recovered – contingent asset		-	-
Fruitless and wasteful expenditure		1 282	-
35.3 Irregular expenditure			
Opening balance		1 898 308	1 680 281
Irregular expenditure for the current year		1 324 875	218 027
Approved/condoned by Council		(1 898 308)	-
Transfer to receivables for recovery – not condoned			-
Irregular expenditure		1 324 875	1 898 308

	2011	2010
	R	R
36 CORRECTION OF ERRORS		
The entries below detail the significant adjustments effected to the AFS in respect of the prior period.		

36.1 Recognition of MIG	As previously reported 2010	Amount of correction 2010	Restated 2010
Due to ongoing reviews and verification process to ensure accuracy and completeness of grant income, the following amendments have been identified. While the expenditure was correctly recognised in the prior year, the income associated to the grant was not accounted for comprehensively.			
Conditional grants			
Municipal Infrastructure Grant	(6 732 555)	(11 645 284)	4 912 729
The adjustment of R 11 645 284 may be further analysed as follows:			
Restatement to accumulated surplus for adjustments prior to 1 June 2009		10 446 696	
Restatement to Statement of Financial Performance for adjustments post 1 June 2009		1 198 588	
		11 645 284	
36.2 Restatements of Gijima Grants			
Conditional grants			
Gijima grants	(153 862)	(53 498)	(27 230)
The adjustment of R 53 498 may be further analysed as follows:			
Restatement to accumulated surplus for adjustments prior to 1 June 2009.		(188 836)	
Restatement to Statement of Financial Performance for adjustments post 1 June 2009.		135 338	
		(53 498)	

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
37 PRIOR YEAR ADJUSTMENTS		
During preparation of the Annual Financial Statements for the current financial year, it was identified that various write-offs be processed. These have been effected in accordance with managements best estimates.		
38 SECTION 36 DISCLOSURE IN ACCORDANCE WITH SUPPLY CHAIN MANAGEMENT REGULATIONS		
The following amounts were incurred by the Municipality in accordance with section 36 of the Municipal Finance Management Act:		
*Expenditure of R 151 624 920 (2010: R 91 693 174) relates to the Disaster Rehabilitation Programme. In order to expedite the rehabilitation of the damage incurred during the June 2008 floods, service providers were invited to register on a disaster database, and requested to tender as the projects were being implemented.		
*Expenditure of R 980 095 (2010: R 380 709.05) has been incurred in accordance with section 36 of the Supply Chain Regulations in respect of goods and services procured from a sole supplier.		
*Expenditure of R 66 803 (2010: R 894 996.85) has been incurred in accordance with section 36 of the Supply Chain Regulations in respect of goods and services under emergency circumstances.		
*Expenditure of R 1 250 465 (2010: nil) has been incurred in accordance with section 36 of the Supply Chain Regulations in respect of goods and services (impracticable to follow the procurement process).		
*Expenditure of R 7 043 (2010: R 2 562 703) has been incurred in accordance with section 36 of the Supply Chain Regulations in respect of goods and services supplied by a specialist provider.		
39 EVENTS AFTER REPORTING DATE		
Management have not identified any matter or circumstance (adjusting or non-adjusting) since the end of the financial year, that will impact on the fair presentation of the Annual Financial Statements.		
40 PARTICULARS OF TRANSACTIONS IN ACCORDANCE WITH S45 OF SUPPLY CHAIN REGULATIONS – RELATED PARTY TRANSACTIONS		

2011			
The Municipality incurred business to the value of R 19 471 with a company associated with staff members of the Municipality. The transaction was concluded in full compliance with the Supply Chain Management Policy of Council and the transaction is considered to be at arms length.			
Name of individual	Capacity of individual	Nature of relationship	Amount of award
AA Govender	Superintendent – Traffic	Parent of employee	19 471
2010			
The Municipality incurred business to the value of R 20 790 with a company associated with staff members of the Municipality. The transaction was concluded in full compliance with the Supply Chain Management Policy of Council and the transaction is considered to be at arms length.			
Name of individual	Capacity of individual	Nature of relationship	Amount of Award
AA Govender	Superintendent – Traffic	Parent of employee	20 790

	2011	2010
	R	R
41 FINANCIAL INSTRUMENTS		
41.1 FINANCIAL ASSETS:		
In accordance with IAS 39.09 the financial assets of the Municipality are classified as follows:		
Financial assets		
Classification		
Current investments		
30-day deposits		Held to maturity
Trade receivables from exchange transactions & non-exchange transactions		
Consumer debtors		Loans and receivables
Other debtors		Loans and receivables
Bank, cash and cash equivalents		
Bank balances		Available for sale
SUMMARY OF FINANCIAL ASSETS		
Held to maturity:		
Current investments	169 060 487	303 812 341
	169 060 487	303 812 341

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

	2011	2010
	R	R
Loans and receivables		
Trade receivables from consumers	45 423 477	43 352 515
Trade receivables from other debtors	5 172 803	5 130 288
	50 596 283	48 482 803
Available for sale:		
Bank balances and cash	424 967	264 062
	424 966	264 062
Total financial assets	220 081 736	352 559 206

41.2 FINANCIAL LIABILITIES:

In accordance with IAS 39.09 the financial liabilities of the Municipality are classified as follows:

<u>Financial liabilities</u>	<u>Classification</u>
Long-term liabilities	
Non-annuity loans	Financial liabilities at amortised cost
Annuity loans	Financial liabilities at amortised cost
Consumer deposits	
Electricity	Financial liabilities at amortised cost
Creditors	
Trade creditors	Financial liabilities at amortised cost
Payments received in advance	Financial liabilities at amortised cost
Deposits – other	Financial liabilities at amortised cost
Staff leave	Financial liabilities at amortised cost

		2011	2010
		R	R
Other creditors	Financial liabilities at amortised cost		
Current portion of long-term liabilities			
Non-annuity loans	Financial liabilities at amortised cost		
Annuity loans	Financial liabilities at amortised cost		
Bank, cash and cash equivalents			
Bank balances	Available for sale		
SUMMARY OF FINANCIAL LIABILITIES			
Financial liabilities at amortised cost:			
Long-term liabilities	Non-annuity loans		1 200 000
Long-term liabilities	Annuity loans		77 306
Deposits	Sundry deposits		1 176 432
Creditors	Trade creditors		11 421 522
Creditors	Payments received in advance		2 333 657
Creditors	Staff leave		4 009 835
Creditors	Other creditors		10 182 986
Current portion of long-term liabilities	Non-annuity loans		889 694
Current portion of long-term liabilities	Annuity loans		611 734
		38 634 161	31 541 761
Bank, cash and cash equivalents			
Bank balances		11 247 789	2 787 957
		49 881 950	34 329 718
42 BUDGET COMPARATIVES			

In addition to comparatives of actual performance against budget being disclosed in the Statement of Financial Performance, the Municipality has further disclosed such comparatives on Appendix E1.

Notes to the Annual Financial Statements

for the year ended 30 June 2011 (continued)

Reconciliation of carrying value	PROPERTY, PLANT AND EQUIPMENT							
	Furniture and office equipment	Machinery and equipment	Computer equipment	Transport assets	Intangible assets	Solid waste disposal	Heritage assets	Dwellings
Carrying values at 1 July 2010	2 338 274	4 967 536	901 823	9 514 157	150 193	7 640 712	-	14 316 781
Cost/revaluation	4 622 838	8 590 489	1 842 434	15 942 443	317 492	8 632 919	-	17 823 305
Cost	4 622 838	8 590 489	1 842 434	15 942 443	317 492	8 632 919	-	17 823 305
Revaluation								
Accumulated depreciation	(2 284 564)	(3 622 953)	(940 611)	(6 428 286)	(167 299)	(992 207)	-	(3 506 524)
Based on cost	(2 284 564)	(3 622 953)	(940 611)	(6 428 286)	(167 299)	(992 207)	-	(3 506 524)
Based on revaluation								
Acquisitions	416 611	230 905	317 356	2 519 752	63 420	230 350	38 613	3 396 737
Increases/(decreases) in revaluation	733 022	780 760	142 621	1 204 354	973	20 222	52 400	
Depreciation	(617 748)	(772 271)	(305 553)	(2 083 963)	(49 913)	(202 411)	-	(720 322)
Based on cost	(617 748)	(772 271)	(305 553)	(2 083 963)	(49 913)	(202 411)	-	(720 322)
Based on revaluation								
Carrying value of disposals	-	-	(11 224)	-	-	-	-	-
Cost/ revaluation			(29 546)					
Accumulated depreciation			18 322					
Impairment losses								
Other movements								
Carrying values at 30 June 2011	2 870 159	5 206 930	1 045 023	11 154 300	164 673	7 688 873	91 013	16 993 196
Represented by								
Cost/revaluation	5 772 471	9 602 154	2 272 865	19 666 549	973	8 883 491	91 013	21 220 042
Cost	5 039 449	8 821 394	2 130 244	18 462 195		8 863 269	38 613	21 220 042
Revaluation	733 022	780 760	142 621	1 204 354	973	20 222	52 400	-
Accumulated depreciation	(2 902 312)	(4 395 224)	(1 227 842)	(8 512 249)		(1 194 618)	-	(4 226 846)
Cost	(2 902 312)	(4 395 224)	(1 227 842)	(8 512 249)		(1 194 618)	-	(4 226 846)
Revaluation								
Carrying values at 30 June 2011	2 870 159	5 206 930	1 045 023	11 154 300		7 688 873	91 013	16 993 196

PROPERTY, PLANT AND EQUIPMENT

Roads	Bridges	Non-residential dwellings	Land	Cemeteries	Electricity	Housing schemes	Assets under construction	Total
37 183 268	913 432	58 304 391	13 708 524	1 873 737	1 482 350	13 430 578	98 067 617	264 793 373
48 326 602	913 432	68 144 677	13 708 524	2 099 761	1 685 167	13 430 578	98 067 617	304 148 278
48 326 602	913 432	68 144 677	13 708 524	2 099 761	1 685 167	13 430 578	98 067 617	304 148 278
(11 143 334)	-	(9 840 286)	-	(226 024)	(202 817)	-	-	(39 354 905)
(11 143 334)	-	(9 840 286)	-	(226 024)	(202 817)	-	-	(39 354 905)
75 008 188	-	15 371 446	-	-	-	-	68 676 702	166 270 080
						3 864 854		6 799 206
(3 216 180)	-	(2 552 399)	-	(69 944)	(50 665)	-	-	(10 641 369)
(3 216 180)	-	(2 552 399)	-	(69 944)	(50 665)			(10 641 369)
-	(913 432)	-	-	-	-	(4 561 082)	-	(5 485 738)
	(913 432)					(4 561 082)		(5 504 060)
								18 322
								-
								-
108 975 276	-	71 123 438	13 708 524	1 803 793	1 431 685	12 734 350	166 744 319	421 735 552
-	-	-	-	2 099 761	-	3 864 854	166 744 319	471 713 504
				2 099 761			166 744 319	464 914 298
-	-	-	-	-	-	3 864 854	-	6 799 206
				(295 968)			-	(49 977 952)
				(295 968)			-	(49 977 952)
				1 803 793			166 744 319	421 735 552

Appendix A

for the year ended 30 June 2011

SCHEDULE OF EXTERNAL LOANS				
External loan	Interest rate	Period of loan	Balance as at 30 June 2010	Received during the year
Other long-term loans				
uMsekeli Financial Services	0,00%		889 694	-
Development Bank of SA Ltd (MPRA Loan)			1 200 000	-
Total long-term loans			2 089 694	-
Annuity loans				
Development Bank of SA Ltd	Various (9.6%-17.65%)	Various (2009-2015)	173 826	
uMsekeli Financial Services				
Library	10,00%		77 290	
Roads and drains	10,00%		437 924	
Total annuity loans			689 040	-
TOTAL EXTERNAL LOANS			2 778 734	-

SCHEDULE OF EXTERNAL LOANS

Adjustments to correct the previous year	Redeemed/ written off during the year	Balance as at 30 June 2011	Short-term portion		2011 interest accrued for the year
			2011	2010	
-	-	889 694	889 694	889 694	-
-	-	1 200 000	285 239	-	81 000
-	-	2 089 694			
	(96 478)	77 349	44 769	96 521	21 502
		77 290	77 290	77 290	-
		437 924	437 924	437 923	-
-	(96 478)	592 563			
-	(96 478)	2 682 257	1 734 916	1 501 428	102 502

Appendix B

for the year ended 30 June 2011

	ANALYSIS OF PROPERTY PLANT AND EQUIPMENT					
	Cost/revaluation					
	Opening balance	Work in progress	Restated opening balance	Additions	Increase (decrease) in revaluation	Work in progress transferred to additions
	R	R	R	R	R	R
Furniture and office equipment	4 622 838		4 622 838	416 611	733 022	
Machinery and equipment	8 590 489		8 590 489	230 905	780 760	
Computer equipment	1 842 434		1 842 434	317 356	142 621	
Transport assets	15 942 443		15 942 443	2 519 752	1 204 354	
Intangible assets	317 492		317 492	63 420	973	
Solid waste disposal	8 632 919		8 632 919	230 350	20 222	
Heritage assets	-		-	38 613	52 400	
Dwellings	17 823 305	2 566 731	20 390 036	3 544 039	-	(2 714 032)
Roads	48 326 602	82 152 255	130 478 857	226 633 105	-	(76 904 250)
Bridges	913 432		913 432	-	-	
Non-residential dwellings	68 144 677	10 760 430	78 905 107	24 513 534	-	(13 475 383)
Land	13 708 524		13 708 524	-	-	
Cemeteries	2 099 761	2 588 201	4 687 962	856 060	-	
Electricity	1 685 167		1 685 167	-	-	
Housing schemes	13 430 578		13 430 578	-	3 864 854	
	206 080 661	98 067 617	304 148 278	259 363 745	6 799 206	(93 093 665)

ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
Accumulated depreciation

Disposals	Closing balance	Opening balance	Additions	Accumulated depreciation			
				Disposals	Closing balance	Carrying value – 2011	Carrying value – 2010
R	R	R	R	R	R	R	R
	5 772 471	2 284 564	617 748		2 902 312	2 870 159	2 338 274
	9 602 154	3 622 953	772 271		4 395 224	5 206 930	4 967 536
(29 546)	2 272 865	940 611	305 553	(18 322)	1 227 842	1 045 023	901 823
	19 666 549	6 428 286	2 083 963		8 512 249	11 154 300	9 514 157
	381 885	167 299	49 913		217 212	164 673	150 193
	8 883 491	992 207	202 411		1 194 618	7 688 873	7 640 712
	91 013	-	-		-	91 013	-
	21 220 043	3 506 524	720 322		4 226 846	16 993 197	16 883 512
	280 207 712	11 143 334	3 216 180		14 359 514	265 848 198	119 335 523
(913 432)	-	-	-		-	-	913 432
	89 943 258	9 840 286	2 552 399		12 392 685	77 550 573	69 064 821
	13 708 524	-	-		-	13 708 524	13 708 524
	5 544 022	226 024	69 944		295 968	5 248 054	4 461 938
	1 685 167	202 817	50 665		253 482	1 431 685	1 482 350
(4 561 082)	12 734 350	-	-		-	12 734 350	13 430 578
(5 504 060)	471 713 504	39 354 905	10 641 369	(18 322)	49 977 952	421 735 552	264 793 373

Appendix C

for the year ended 30 June 2011

	SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT					
	Cost/revaluation					
	Opening balance	Work in progress	Restated opening	Additions	Work in progress additions	Fair value adjustment
R	R	R	R	R	R	
Beach office	186 078		186 078	695 906		2 915
Building office	75 904		75 904	24 452		23 729
Caravan park	41 904		41 904	-		-
Civic buildings	342 357		342 357	-		-
Community services	60 556 635	12 315 011	72 871 646	396 384	10 145 449	1 054 575
Community facilities	77 430		77 430	26 568		7 431
Public works	13 426 412		13 426 412	7 094		2 935
Council	87 856		87 856	-		30 548
Council general	170 883		170 883	12 948		6 850
Council admin	93 478		93 478	55 650		66 062
Environmental health	72 949		72 949	651		980
Estates	1 800		1 800	-		-
Financial services	1 359 940		1 359 940	127 502		40 477
Administration	2 088 062		2 088 062	811 553		83 352
Library	15 741 719		15 741 719	-		-
Parks and gardens	620 978		620 978	5 521		4 624
Public works	707 868		707 868	-		-
Refuse	8 398 651		8 398 651	230 350		15 647
Roads	49 730 815	82 901 327	132 632 142	51 736	151 624 921	48 199
Sewerage	456 230		456 230	-		-
Storeroom	588 182		588 182	115 275		80 003
Stores	332		332	-		-
Corporate	24 823 055	3 600 351	28 423 406	596 615	-	147 745
Workshop	103 252		103 252	-		1 260
Technical administration	25 578 819		25 578 819	1 341 506		1 317 022
	205 331 589	98 816 689	304 148 278	4 499 710	161 770 370	2 934 352

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

		Accumulated depreciation					
Disposals	Closing balance	Opening balance	Additions	Disposals	Closing balance	2011 carrying value	2010 carrying value
R	R	R	R	R	R	R	R
-	884 899	123 480	24 026	-	147 506	737 392	62 598
-	124 085	33 330	11 778	-	45 108	78 977	42 574
-	41 904	32 680	3 072	-	35 752	6 153	9 225
-	342 357	184 126	52 695	-	236 822	105 535	158 230
-	84 468 054	13 304 414	2 896 688	-	16 201 101	68 266 953	59 567 232
-	111 429	31 514	15 545	-	47 059	64 370	45 916
(696 228)	12 740 213	39 525	14 094	-	53 619	12 686 594	13 386 886
-	118 404	55 366	8 264	-	63 630	54 774	32 490
(12 181)	178 500	60 281	26 449	(8 353)	78 378	100 123	110 601
-	215 190	22 179	14 407	-	36 587	178 604	71 299
-	74 580	30 902	11 896	-	42 798	31 782	42 047
-	1 800	900	180	-	1 080	720	900
-	1 527 918	864 478	141 787	-	1 006 265	521 653	495 462
-	2 982 967	1 034 264	276 750	-	1 311 014	1 671 953	1 053 797
-	15 741 719	1 706 245	500 689	-	2 206 935	13 534 785	14 035 474
-	631 123	382 348	69 569	-	451 917	179 206	238 631
-	707 868	400 637	60 051	-	460 688	247 180	307 231
-	8 644 648	965 129	180 900	-	1 146 028	7 498 619	7 433 522
(913 432)	283 443 566	11 368 765	3 316 263	-	14 685 028	268 758 537	121 263 376
-	456 230	363 755	30 797	-	394 551	61 678	92 475
-	783 460	252 808	101 177	-	353 985	429 475	335 374
-	332	241	30	-	272	60	91
(17 366)	29 150 400	2 376 014	904 993	(9 969)	3 271 037	25 879 363	26 047 392
-	104 512	67 647	10 057	-	77 705	26 807	35 605
-	28 237 347	5 653 876	1 969 212	-	7 623 089	20 614 258	19 924 943
(1 639 206)	471 713 504	39 354 906	10 641 369	(18 322)	49 977 953	421 735 552	264 793 372

Appendix D

for the year ended 30 June 2011

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE						
	2011 actual income	2011 actual expenditure	2011 surplus/ (deficit)	2010 actual income	2010 actual expenditure	2010 surplus/ (deficit)
	R	R	R	R	R	R
Council general	20 805 453	12 528 044	8 277 409	17 097 675	11 010 219	6 087 456
Financial services	226 358 616	16 053 737	210 304 879	184 263 773	16 915 890	167 347 883
Technical services	9 154 982	42 241 076	(33 086 094)	6 856 717	42 423 004	(35 566 287)
Corporate services	178 247	11 746 003	(11 567 756)	133 530	9 762 376	(9 628 846)
Community services	14 239 313	30 306 824	(16 067 511)	11 513 346	24 269 505	(12 756 159)
Planning and development	825 404	4 857 571	(4 032 167)	729 094	4 040 343	(3 311 249)
Total	271 562 015	117 733 255	153 828 760	220 594 135	108 421 337	112 172 798

Appendix E1

for the year ended 30 June 2011

	ACTUAL COMPARED WITH REVENUE AND EXPENDITURE				Explanation for variances greater than 15%
	Actual 2011	Budget 2011	Variance 2011	Variance 2011	
	R	R	R	%	
REVENUE					
Property rates	48 566 675	49 085 000	(518 325)	(1,06%)	
Property rates: penalties imposed & collection charges	2 302 661	3 000 035	(697 374)	(23,25%)	Increase in penalties raised due to consumer debt being outstanding for a longer period of time than anticipated.
Service charges	7 195 761	8 260 069	(1 064 308)	(12,88%)	
Rental of facilities and equipment	4 159 745	4 090 623	69 122	1,69%	
Interest earned – external investments	13 385 013	4 444 950	8 940 063	201,13%	Due to the investment of the unspent funds for the Disaster Management Grant, interest accrued has increased substantially.
Fines and penalties	1 499 829	1 494 888	4 941	0,33%	
Licences and permits	5 237 907	5 907 830	(669 923)	(11,34%)	
Government grants and subsidies	183 012 587	148 273 104	34 739 483	23,43%	The implementation of GRAP requires the recognition of grant revenue in accordance with expenditure. Due to the rollout of the disaster rehabilitation programme, the expenditure had increased substantially.
Other income	5 664 592	3 931 374	1 733 218	44,09%	Due to Council's strict implementation of the tariff of charges, a substantial increase in other revenue has been realised.
Decrease in refuse site provision	312 800	-	312 800	100,00%	Engineering studies have indicated an expected decrease in Council's liability on the rehabilitation of the refuse site, therefore resulting in a decrease in the provision.
Decrease in bad debt provision	224 445	-	224 445	100,00%	Calculations based on the collection recoverability trends have indicated a decrease in the required provision value.
Total revenue	271 562 015	228 487 873	43 074 142	18,85%	
EXPENDITURE					
Council general	12 528 044	13 245 434	(717 390)	(5,42%)	
Financial services	16 053 737	14 232 400	1 821 337	12,80%	
Technical services	42 241 076	154 981 320	(112 740 244)	(72,74%)	Due to technical revisions in the Accounting Standard, GRAP 17, the cost reallocation method was utilised in finalisation of the asset register, as opposed to the revaluation method.
Corporate services	11 746 003	12 080 516	(334 513)	(2,77%)	
Community services	30 306 824	29 038 594	1 268 230	4,37%	
Planning and development	4 857 571	4 908 284	(50 713)	(1,03%)	
Total expenditure	117 733 255	228 486 548	(110 753 293)	(48%)	
NET SURPLUS/(DEFICIT) FOR THE YEAR	153 828 760	1 325	153 827 435	(120,65%)	

Appendix E2

for the year ended 30 June 2011

	ACTUAL VERSUS BUDGET – ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT			
	2011 total additions	2011 budget	2011 variance	2011 variance
	R	R	R	%
Council general	234 024	234 484	(460)	(0,20%)
Financial services	169 205	111 886	57 319	51,23%
Technical services	161 685 975	163 809 272	(2 123 297)	(1,30%)
Corporate services	363 731	383 016	(19 285)	(5,04%)
Community services	3 722 818	8 123 288	(4 400 470)	(54,17%)
Planning and development	94 327	110 091	(15 764)	(14,32%)
	166 270 080	172 772 037	(6 501 957)	(3,76%)

Appendix F

for the year ended 30 June 2011

DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003							
Name of grants	Name of organ of state or Municipal entity	Receipts					Expenditure
		Total 1.7.2010	July to Sept	Oct to Dec	Jan to Mar	April to June	July to Sept
			1	2	3	4	1
Renaissance Project	KZN Dept of Housing	(324 852)					
Skills Training Centre	DTLGA	(169 414)					21 362
Municipal Infrastructure Grant	National Treasury	4 912 729			(9 732 000)	(451 000)	438 672
Municipal Infrastructure Grant Flood Damage	National Treasury	(256 182 677)					14 231 510
MIG Tidal Surge	National Treasury	(1 498 713)					
Umdoni Tourist Plan	European Community Grant	(9 586)					
Umdoni Industrial Development	European Community Grant	(76 855)					
Umdoni SMME	European Community Grant	(83 406)					
Agricultural Dev Stat	European Community Grant	(27 230)					
Umdoni Bus Ret & Exp	European Community Grant	(10 283)					
Environmental management practice	KZN Agric & Env Affairs	(147 771)					
Malangeni Library	KZN Library Services	(46 427)					
Scottburgh Library Internet	KZN Library Services	(13 938)	(90 000)				21 644
SETA	Local government SETA	(56 377)	(16 972)	(120 372)		(18 123)	34 875
Finance Management Grant	National Treasury	(789 841)	(1 200 000)				249 000
MSIG	National Treasury	(22 006)	(750 000)				658 781
Communal gardens upgrade (LED)	Old Mutual	(254 325)					
Malangeni Library – Cybercadet	DTLGA	(78 900)					20 132
Strategic Env Assess	Ugu District Municipality	(725 000)					
Tourist development	Ugu District Municipality	(119 034)					
Youth development	Ugu District Municipality	104 191	(125 000)				46 520
IDP Review Grant	DTLGA	(102 467)					40 470
Disaster Centre	DTLGA	(844 217)					
Municipal Pound	COGTA	-			(1 000 000)		
National Electrification Grant	National Treasury	-	(4 536 000)				
Environmental Management Grant	KZN Environmental Affairs	-				(15 000)	
Sports and Recreation (Winter Games Prize)	Ugu District Municipality	-				-3 000	
LED Learnership	COGTA	-	(176 000)				
		(256 566 399)	(6 893 972)	(120 372)	(10 732 000)	(487 123)	15 762 966

Appendix F (continued)

for the year ended 30 June 2011

DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003								
Expenditure								
Oct to Dec	Jan to Mar	April to June	Grants repaid to funder	Balance 30.6.2011	Grants and subsidies delayed or withheld	Reason for delay with-holding of funds	Did your Munic. comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act?	Reason for non-compliance
2	3	4						
		151 415		(173 437)	Nil	NA	Yes	NA
				(148 052)	Nil	NA	Yes	NA
2 033 966	829 803	1 914 311		(53 519)	Nil	NA	Yes	NA
71 071 368	27 420 464	38 901 578		(104 557 757)				
		147 302		(1 351 411)	Nil	NA	Yes	NA
			9 586	0	Nil	NA	Yes	NA
			76 855	0	Nil	NA	Yes	NA
			83 406	0	Nil	NA	Yes	NA
			27 230	0	Nil	NA	Yes	NA
			10 283	0	Nil	NA	Yes	NA
				(147 771)	Nil	NA	Yes	NA
				(46 427)	Nil	NA	Yes	NA
22 628	22 950	21 848		(14 868)	Nil	NA	Yes	NA
6 428	158 000			(12 541)	Nil	NA	Yes	NA
288 388	593 923	337 755		(520 775)	Nil	NA	Yes	NA
10 728	547	28 349		(73 601)	Nil	NA	Yes	NA
		167 710		(86 615)	Nil	NA	Yes	NA
20 132	20 132	20 132		1 628	Nil	NA	Yes	NA
80 080	113 019	112 920		(418 981)	Nil	NA	Yes	NA
36 258	34 059	19 483		(29 234)	Nil	NA	Yes	NA
				25 711	Nil	NA	Yes	NA
11 453				(50 544)	Nil	NA	Yes	NA
				(844 217)	Nil	NA	Yes	NA
				(1 000 000)	Nil	NA	Yes	NA
				(4 536 000)	Nil	NA	Yes	NA
				(15 000)	Nil	NA	Yes	NA
				(3 000)	Nil	NA	Yes	NA
65 789				(110 211)	Nil	NA	Yes	NA
					Nil	NA	Yes	NA
73 647 218	29 192 897	41 822 803	207 360	(114 166 622)				



FUNCTIONAL AREA: SERVICE DELIVERY

Office of the Municipal Manager



Development Section

Integrated Development Plan (IDP)

The IDP has a lifespan of five years that is linked directly to the term of office for local councillors. With the new term of office starting after 18 May local government elections, the Municipality developed its five-year IDP within this financial year. Apartheid spatial planning ensured that the mass of our people were located far from areas of social and economic opportunities. This spatial marginalisation from economic opportunities is still a significant feature of our space economy that needs to be addressed in order to reduce poverty and inequality, and ensure shared growth.

Statistical data within the IDP process remains a challenge within the Municipality. To a large extent, the Municipality utilised the community survey by Stats SA, however, the challenge with the 2007 survey is that it does not go down to ward and municipal level, which makes it difficult to obtain data. It is acknowledged that other sources of data can be obtained and the Municipality must constantly strive to obtain such data and to that effect, the Municipality has utilised data for Ugu District Municipality and from the Eskom Household Survey. More effort still needs to be made in the next review.

During this year's process, more efforts were in place to ensure inclusive public participation, however, there is always room for improvement.

Institutional arrangement

Institutionally, the IDP is placed within the Office of the Municipal Manager where the Senior Manager Strategic Planning and Development is responsible for the management and coordination of the IDP process. During the 2010/2011 financial year, the document was prepared in-house. To assist the IDP Manager, a development planner was appointed on a contractual basis in February 2010 and his contract has subsequently been renewed for this financial year. Proposals have been submitted to Council to include the post of the Development Planner on the organogram.

IDP Process Plan

The Municipal Systems Act (Act 32 of 2000) stipulates clearly that municipalities must prepare an Integrated Development Plan as their strategic document for the five-year term of Council. In developing the IDP, the process



plan must be prepared and adopted by Council. Umdoni embarked on a joint process plan for the budget and IDP process. The Council's IDP Process plan was adopted in August 2010.

Preparing for the 2011/2012 – 2013–15 IDP: How the plan was developed

In ensuring that the document is credible, the document is also designed to be simple and easy to understand and follow. As this is a five-year plan, extensive consultation processes took place. The following activities have been undertaken to produce the five-year Integrated Development Plan document for the period of 2011/2012 – 2015/2016:

- An analysis of the current situation was performed.
- An IDP contact session where the tools for Local Area Plans were utilised, took place from 12-18 November 2010, where various stakeholders of the communities were invited, including the ward committee members.
- IDP Representative Forums were held on 29 October 2010, 7 December 2010 and 11 March 2011.
- A Strategic Planning workshop was held where alignment with MTSF priorities and developmental indicators was undertaken.
- The Municipal Strategic Planning Session was held with the municipal administration and political leadership where objectives, targets and indicators were looked at and agreed on by Council. The Turn Around Strategy and alignment thereof was also discussed at this platform.
- District IDP Representatives Forums are attended by the Municipality together with the District Planners Forums to ensure alignment.
- For implementation of the IDP, another strategic planning session was held with top and middle management only. This took place on 3-4 March 2011.
- The draft budget was adopted by Council on 23 February 2011.
- The draft IDP was submitted to Council for noting on 30 March 2011.
- The final document was adopted on 13 April 2011.

MEC'S comments

In the review of the IDP for the period of implementation 2010/2011, the Municipality received its comments from the MEC. The following issues were highlighted by the MEC and action undertaken has therefore been highlighted below. The Municipality has endeavored to attend to most issues. Due to financial constraints, not all matters were addressed, however, it is the Municipality's intention to address them within the current period of the IDP.

KPA	MATTER
Municipal transformation and institutional development	The performance of your municipality on this key performance area can be enhanced through a clear indication of structures that have been set up and the level of participation of Umdoni Municipality in Intergovernmental Relations structures. You are also encouraged to indicate in your 2011/2012 IDP the available capacity to implement the IDP and the challenges in this regard.
LED	Since you adopted your LED Plan in 2005, you have undertaken sector-based investigations and participated actively in the provincial and district LED initiatives. However, there is limited evidence that these sector plans have been integrated into the IDP or used to update/review your LED Plan. Particular attention should also be paid to ensuring integration with the national and provincial economic development planning initiatives given the strategic location of your municipality along the N2 and in relation to major economic centres.
Basic service delivery and infrastructure	There is evidence of some sector plans that have been prepared such as the Housing Sector Plan, however, improvement will be achieved through the preparation of sector plans such as the Waste Management Plan and Integrated Infrastructure Investment Plan and the subsequent integration of the sector plans into the IDP.
Financial viability and management	You are encouraged to strengthen strategies for revenue enhancement, debt collection and control.
Good governance and community participation	You are advised to consider in your next IDP review issues such as customer/client satisfaction, building social cohesion and community mobilisation for self-drive. This will improve your planning and performance in respect of good governance and community participation.
Spatial development framework	This section of the IDP could be enhanced through the formulation of a Strategic Environmental Assessment and a capital investment framework indicating spatial allocation of capital projects in relation to nodes, corridors and other strategic areas for intervention.



The MEC comments received by the Municipality were submitted through to Council and were further discussed at the Municipal Strategic Planning session and management meeting. To ensure that alignment of the MEC comments is undertaken and issues are addressed, a management response letter was submitted indicating the responsible person and timeframes, where applicable.

Participation

The Municipality had an inclusive public participation process, internally and externally, whereby various meetings and sessions were held with officials and communities. These engagements were carried out while bearing in mind the local government elections that were to take place in May.

IDP Rep Forum meetings	Meetings were held in preparation for this document on 29 October 2010, 7 December 2010 and 11 March 2011
Mayoral Izimbizo	Sessions were held from 16 November to 23 November 2010
IDP Ward contact session	Sessions were held in each ward from 18 October 2010 to 12 November 2010
MANCO meetings	IDP is a standing item in all our MANCO meetings
IDP Steering Committee	The steering Committee meeting was held in preparation for the draft IDP on 18 February 2011.

The document was advertised for 21 days in March inviting comments from the public.

Challenges

Although the strides made as a municipality are encouraging, many challenges are still being faced. In preparation of the document, the challenges were highlighted as indicated below:

- **Statistical data** – the official data that is used by Umdoni and most other municipalities is that of Stats SA. This has proved to be a challenge as the latest data we have is that of census 2001 or community survey of 2007. The Eskom household data has assisted greatly and has mainly been used for this document. The District's IDP has also been used as a source of statistics for this document. The difficulty in the availability of ward information within the recent statistics poses a challenge.
- **Community participation** – understanding the concept of the IDP by all the communities while contributing meaningfully to the development of the IDP, is still seen as a challenge. Many still do not understand the process, concept and the role to be played.
- **Alignment with the various institutions and government departments** – even though a few departments are coming on board and understanding that the IDP is a collective document, the majority of the departments are still not participating within these processes and their programmes are not represented within the plan. Certain departments, when presenting information, only present it at a district level with information depicting district statistics or programmes.
- **Effective implementation of the IDP** – because of the nature and complexity perception of the IDP, the Municipality has not fully mastered implementation. This was echoed by the political leadership at the Strategic Planning Session. There needs to be synergy between the planning and the implementation by departments.
- **Producing an IDP that is understood by all as a result of the compliance matters that have to be addressed by the Municipality as per CoGTA's credibility** – the document that is produced is often thick and therefore not necessarily reader-friendly as a number of annexures have to be appended to ensure compliance and to meet CoGTA's requirements.
- **Ownership of the IDP by all stakeholders.**
- **Translating the document into Zulu as the document is currently printed in English.**

Municipal Turnaround Strategy

The Municipality drafted and adopted its Municipal Turn Around Strategy (MTAS). This is reviewed bi-annually, however, it is to be noted that budgetary constraints still pose a threat to the completion of some of the projects that were identified for the MTAS.

Performance management

The Organisational Performance Management System that is reviewed in 2010/2011 is to be implemented during the 2011/2012 financial year. During the financial year under review, the Municipality adopted an SDBIP and an OPMS.

During the review, the following documents previously adopted were utilised, reviewed and adopted at a Special Council meeting held in April:

- PMS framework
- PMS policy
- Guidelines for appraisal committee
- 2011/2012 SDBIP
- 2011/2012 OPMS.

All Section 57 managers had their contracts prepared and signed. Four quarterly reviews were held within this financial year, in which the first and third quarter were submitted to the respective portfolio committees and bi-annual and annual performance reviews were conducted in one day – all the Councillors and Heads of Department were also invited.

Organisational Performance Management Systems are still experiencing great challenges with local government and Umdoni is no exception; however, it is an ongoing goal to achieve an improved efficiency in terms of performance management so as to better improve the monitoring and evaluation of service delivery within the Municipality. This has greater significance as performance will now be audited and will contribute largely to the Municipality obtaining a qualified or unqualified audit opinion. The Municipality is also preparing itself for 'Clean Audit' 2012.

Local Economic Development

PROGRAMME	INITIATIVE	ACHIEVEMENT
Review of LED strategy	The Municipality resolved to review its LED strategy and the Department of Economic Development and Tourism committed its services to assist Umdoni Municipality in reviewing its strategy. Stakeholder participation was extensive and workshops with both stakeholders and councillors were conducted	<ul style="list-style-type: none"> • June 2011 – the strategy was presented to the Portfolio Committee and additions to the strategy included
	Training (computer literacy). The training is a five-day basic computer literacy training funded by DED and the service provider is Esayidi FET College	<ul style="list-style-type: none"> • 17 SMMEs attended the training (January 2011)
	Seda – UGU Seda provides business-related services e.g. business plans, due-diligence, promotional material, etc.	To date, records show the following: <ul style="list-style-type: none"> • 56 SMMEs have visited the office
	They operate a satellite office at Umzinto for an Umdoni SMME	<ul style="list-style-type: none"> • 16 SMMEs have applied for Seda services
Co-operative development	Training (basic business management skills). This is a four-week training course that is funded by DED and the service provider is Esayidi Coastal College	<ul style="list-style-type: none"> • 40 people attended • Eight co-operatives were trained (November 2008)
	Training (money management). This is a one-day training course funded and facilitated by Old Mutual	<ul style="list-style-type: none"> • 30 co-operatives attended
	Formation of the Umdoni Burial Society. The project is facilitated by the National Association of Burial Societies of South Africa (NABSS). The organisation seeks to empower burial schemes through money management training, as well as access to finance.	<ul style="list-style-type: none"> • Six co-operatives at Umdoni Municipality have joined the (NABSS)
	Workshop on tourism awareness for the Umdoni Municipality Arts and Crafters Association. The project was facilitated jointly by Umdoni Municipality and the Department of Arts and Culture.	<ul style="list-style-type: none"> • 15 co-operatives (craft) attended (May)

PROGRAMME	INITIATIVE	ACHIEVEMENT
Agricultural development	A nursery has been built at Umdoni Municipality Ward 8. The nursery was completed in June 2011. The project is funded by National Development Agency (NDA) and is facilitated jointly by Umzomowethu Secondary Co-operative of Ugu as well as Umdoni Municipality. The nursery is under the auspices of Umzamowethu	<ul style="list-style-type: none"> The total project cost for the structure of the Umdoni Nursery is R117 000. Project is funded by National Development Agency. 32 communal gardens will be beneficiaries of the nursery
	Association of Co-operatives. The project has provided five employment opportunities	
	Launch of the Umdoni Agricultural Forum. The forum is a project initiated by Ugu, Department of Agriculture and Umdoni Municipality	<ul style="list-style-type: none"> All sectors in agriculture are well represented and the commercial farmers form part of the forum
Tourism development	Training of emerging SMMEs in tourism. The training was on business skills in hospitality and culinary skills. The training was jointly facilitated by Umdoni Municipality, Department of Economic Development and Tourism (DEDT) and ZENAFRICA (<i>Chief Academy of Food and Wine</i>). Training was held from 8-11 February 2011	<ul style="list-style-type: none"> 18 emerging SMMEs attended the one-week training held at Umzinto
	Workshops on tourism awareness, particularly for emerging SMMEs in the rural areas were held at Umdoni Municipality. The workshops were jointly facilitated by Umdoni Municipality and the Department of Economic development and Tourism (DEDT). Training was held on 8 July 2011	<ul style="list-style-type: none"> 37 emerging SMMEs from rural wards attended the workshop

Rural Development Unit

A large part of our municipal area is made up of the rural communities with the urban component being concentrated mainly along the coastal belt. The unit is under-resourced as it is currently being serviced by one individual, namely the Community Development Officer.

Alternative Energy Programme

The project started in the year 2006/2007 with only 1 000 beneficiaries, thereafter 1 000 households were added to the beneficiary list each year. The Umdoni Council resolved that all non-electrified areas within Umdoni Municipality should benefit from this project, including informal settlements and rural areas.

During this financial year, 1 000 new households benefited from this alternative energy project.

Areas and number of beneficiaries for 2010/2011 are depicted below:

WARD	AREA	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Ward 1	Mgobhozini	100	20	Nil	Nil	
	Lwasini	100	10			90
Ward 2	Okhalweni	121		Nil	Nil	50
	Mgwempisi	115	Nil			
Ward 3	Roseville		186	Nil	Nil	Nil
	Alexandra	100	66			
	Mbetheni	200	20			
	Kiss Kiss		86			
Ward 6	Hazelwood	101	70	Nil	Nil	Nil
	Sanathan		522			
	NPA	163	20			
Ward 7	Kelso Informal	Nil	Nil	100	Nil	Nil
	C view			100		
Ward 8	Beneva	Nil	Nil	130		
	Phase 3				400	
	Inkombo					115
	Mkhumbane					100
	Bongumbhele					85
Ward 9	Phase 2	Nil	Nil	100	600	355
	Entabeni			25		
	D Zone			25		
	Zwelisha			20		
	Mafithini					55
	Magwaza					150
TOTAL		1 000	1 000	500	1 000	1 000

Criteria used to select the beneficiaries

The main reasons the Umdoni Council embarked on this project is that the use of common fuels like paraffin and firewood is expensive, unsafe, time-consuming, and our communities in rural and informal settlements live below the poverty level. All households in rural and informal settlements without electricity benefit from this project irrespective of the level of income per household.

In order for the Municipality to develop a proper database for beneficiaries, the delegated municipal official works closely with the ward Councillor and ward committee. The ward Councillor and the municipal official are fully informed on all aspects of this project such as the budget, inhabitants of the relevant areas, and number of persons per household.

Malangeni Skills Centre

Over the years, the Municipality has struggled to achieve and effectively operate the Skills Centre in Malangeni. A private service provider has subsequently been appointed through the open tender process.

Currently, training at the Centre is funded by the Construction Seta from which the service provider applied for funding. The conditions for the funding were that 60 learners were required to be trained in two of the three skills, namely, plumbing, carpentry and bricklaying/plastering. Out of the 60 learners, there are 30 unemployed learners who receive a monthly stipend of R 500 for the duration of the three-year course. There are 30 employed learners who do not receive this stipend.

BNZN successfully recruited 30 unemployed learners through a newspaper advert – they have now completed the theory work. Fifteen of the 30 unemployed learners doing bricklaying have been placed in the workplace for experiential learning within the Amandawe/Amahlongwa Rural Housing Project. The other 15 learners doing plumbing are still waiting to be placed in a workplace for practical experience.

The challenge with this housing project is that it does not accommodate plumbing learners. The Municipality had to renovate the Centre due to the dilapidated condition that the building was in. These renovations were done internally by the Umdoni Building and Maintenance Section and the work is 95% complete.

The service provider, together with the Municipality, is currently experiencing a challenge in recruiting employed learners. An advert is to be placed in the local newspapers inviting employers to release their employees to attend this training. The advert will emphasise the need and benefits of attending this course.

Communal gardens

Umdoni Municipality has assisted 30 communal gardens during 2010/2011 financial year. These communal gardens are located in various rural wards. Some of the funds used to assist with these gardens was in the form of a grant from Old Mutual and the balance was budgeted for by Umdoni Municipality. Twenty-five out of the 30 communal gardens were assisted by Umdoni Municipality through the provision of a tractor to plough their gardens and a minimal payment of R 100 per hectare.

The Municipality has bought a disc plough to assist the communal gardeners to prepare the soil after the blade plough has been used in the gardens. Below is the list of communal gardens who were assisted with the tractor, seeds and other agricultural implements.

Tractor usage

NAME OF THE COMMUNAL GARDEN	WARD	HECTARE	DATE
Qhubekani	9	1	19 July 2010
Zethembe	8	1	6 August 2010
Bongumngoma	8	1	10 September 2010
Mafithini	9	2	22 September 2010
Mzomusha	8	1.5	13 October 2010
Sinombulelo Care Centre	1	1	19 October 2010
Thuthukani	2	1	27 October 2010
Mzomusha	8	1.5	29 October 2010
Ubuhle be-Africa	4	1	10 November 2010
Sizakancane	2	2	28 October 2010
Bambanani	1	1	11 November 2010
Zithuthukise	2	1	17 November 2010
Mzomusha	9	1.5	31 January 2011
Bambanani	9	2	11 April 2011
Siyathuthuka	1	1	12 April 2011
Simunye	1	2	6 May 2011
Sbongungwane	8	1	17 May 2011
Sbongungwane (disc plough)	8	2	11 April 2011
Church club	1		1 June 2011
Amabhubhu	1		14 June 2011
Asithembane	2	1	21 June 2011
Asithembane (disc plough)	2	1	22 June 2011

Communal gardens assisted

WARD	NAME OF COMMUNAL GARDEN	TYPE OF ASSISTANCE	QUANTIFIABLE COSTS
Ward 1	Vukuzenzele	Seeds and tractor	R 1 660 + R 200
Ward 2	Sizakancane	Seeds	R 1 660
Ward 3	Siyavuna Zwanani	Two water and their stands	R 6 166
Ward 8	Bongungwane	Two ha of land ploughed with a tractor	R 200

Community-based planning pilot project in Umdoni

The Municipality, in partnership with the Department of Co-operative Governance and Traditional Affairs, and Gabhisa Planning and Investment, have been busy with a community-based plan piloted in Ward 4. This project aims at encouraging public participation and enabling local people to interact directly with all service providers. The project also enables locals to replicate the project to other wards within the Municipality without having to employ a service provider.

The community-based planning approach is not a panacea for all municipalities but is rather a critical intervention where it matters most in the ownership of development initiatives within a municipality. It thus minimises dissatisfaction of communities about what happens in their neighbourhoods, and maximises their opportunity for real partnership between municipalities, the communities and sector departments.

This approach does not undermine the strength and the purpose of the IDP and Sector plans but is rather a tool that support the IDP and Sector plans. It is thereafter incorporated into the IDP of the Municipality but can also stand as a document on its own.

The Municipality, the Department of Cooperative Governance and Traditional Affairs, and Gabhisa Planning and Investment had an inclusive public participation process, internally and externally. Various meetings and sessions were held with government officials and communities throughout the 2010/2011 financial year.

ACTIVITIES AND COMMUNITY MEETINGS		
Activity	Date	Venue
Introductory	11 March 2011	Umzinto Town Hall
Inception meeting	5 May 2011	Amandawe Hall
Community meeting	8 June 2011	Amandawe Hall
Project Steering Committee	28 June 2011	Amandawe Hall
Community meeting	8 August 2011	Scottburgh Town Hall

There is a project steering committee in place which is constantly consulted. The project will be finalised in the 2011/2012 financial year. Delays in the completion of this project in 2010/2011 were caused by the local government elections.

Shared services in Umdoni

Development planning

The provincial government had proposed a development planning shared service in which the Municipality welcomed and signed the business plan together with the rest of the family of municipalities within the district. The Municipality is sharing this service with Vulamehlo Municipality.

A shared service Senior Planner was appointed on the 1 June 2010. The incumbent resigned on 27 September 2010. The Senior Planner is based at Umdoni for three days and in Vulamehlo for two, and the financial burden is then shared according to the number of days spent at a municipality. The financial year ended without the post being filled.

The Municipality also utilised the services of the PMS Specialist from the district as part of the shared service.

Audit Committee

Audit Committee is also a Shared Service between the District Municipality and its family of local municipalities. More information on this will be obtained under the Internal audit Report and the report of the Audit Committee Chairperson.

Disaster management

Disaster management within the Municipality is a shared service between the neighbouring local municipalities of Umzumbe and Vulamehlo. The Disaster Management Centre was completed and officially opened in 2009.

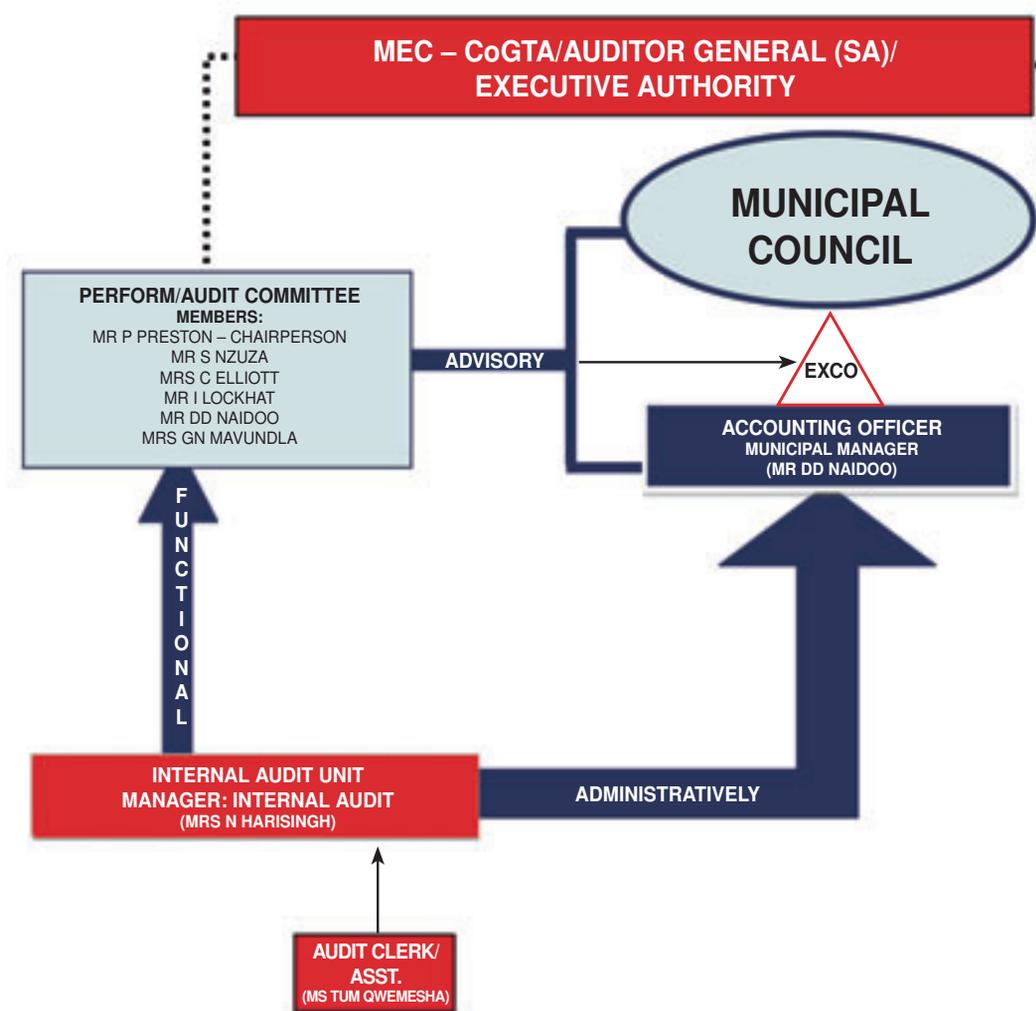
The following services are available:

- Fire fighting services
- Rescue services
- Fire prevention services
- Building plan inspection
- Control room 24-hours emergency operation
- Risk mitigation and prevention
- Disaster management awareness.

More support is required from the two neighbouring local municipalities Umzumbe and Vulamehlo on vehicle maintenance, staff, and buying of equipment.

Internal Audit Section

Structure of the Internal Audit and Reporting Protocol



Structure of the Audit Committee

Parallel to Section 165 Chapter 14 of the Municipal Finance Management Act (MFMA), Umdoni Municipality continues to sustain its own Internal Audit Section. As per legislative directives, the Unit is statutorily driven. The Audit Committee and the Internal Audit Section are governed by respective charters which are reviewed and adopted annually by Council. The Audit Committee reports directly to Council. The committee comprises six members, four of whom are external members who have been recruited via public tender. The members are Mr Paul Preston, who is the Chairman, Mr S Nzuzi, Ms Chantelle Elliott and Mr I Lockhat. The other two members are part of Umdoni Municipality's senior management team, being the Municipal Manager, Mr DD Naidoo, and the General Manager: Corporate Services, Mrs GN Mavundla. The Manager: Internal Audit, Mrs N Harisingh, and the General Manager: Financial Services, Mr A Nunkumar, fulfill their roles as in-attendance at the Audit Committee as per the Audit Committee Charter. It must be mentioned that the Committee had to be re-constituted twice over the reporting period and this report now talks to the current Committee (also applicable to the Performance Audit Committee which is reported on below).

Structure of the Performance Audit Committee

Council adopted the Audit Committee as its Performance Audit Committee. The first set of such meetings were held in 2008-2009, and continue to date. Legislatively, the Committee must sit twice for a financial year. Also, statutorily established under the auspices of the Charter of the Audit Committee serving as its Terms of Reference, the Performance Audit Committee continues to function with the Manager: Internal Audit, Mrs N Harisingh, and the Senior Manager Strategic Planning and Development, Ms B Jaca, fulfilling their roles as in-attendance at the Performance Audit Committee.

Functions of the Internal Audit Section

The Section provides an independent, objective assurance and consulting function that adds value and improves the operations of the Municipality; it helps the Municipality to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and the governance process.

The Internal Audit Section utilises the standards as set by the Institute of Internal Auditors (IIASA) (a body which functions within a professional practice framework), the Standards of Best Practice of Internal Auditing which became effective on 1 January 2004, Version 5/3/2004. The Section has endeavoured to be very strong in its code of ethics.

Deliverables and achievements

The year under review has brought about a myriad unexpected and unplanned events, primarily due to the cascading, overarching local government developmental priorities and deliverables. Municipalities, being the 'engine-room of local government', are entrusted with the task of implementation on the said priorities and deliverables.

It is therefore fitting to document the progression of the planned developments raised for attention in the year under review as indicated in the Annual Report 2009-2010, this being the departure point of the Internal Audit Section.



Deliverables

KEY PERFORMANCE AREAS: GOVERNANCE	SUB-PROGRAMME	STRATEGY PROCESS	OBJECTIVES STATUS REPORT	STATUS REPORT
Anti-fraud and corruption	<ul style="list-style-type: none"> • Anti-fraud corruption strategy • Fraud prevention plan – implementation • Awareness programme – internally and externally 	<ul style="list-style-type: none"> • To introduce detection controls in order to deter fraud on an ongoing basis • Implement fraud prevention plan 	<ul style="list-style-type: none"> • Ensure that fraudulent and corrupt activities be detected, reduced and prevented • Encourage and foster a conducive environment and ethical workforce 	<ul style="list-style-type: none"> • Roll-out of strategy currently underway • MIA deals with issues of fraud and in conjunction with Corporate Services, deals with reports from the Presidential Hotline. Centralised fraud system currently being explored with District Municipality • Included in each S57 performance contract
Risk management	<ul style="list-style-type: none"> • Risk Management Officer • Risk Management Committee • Risk management policy and strategy • Risk management training 	<ul style="list-style-type: none"> • To ensure that preventative measures are in place to minimise and mitigate risk on an ongoing basis • Inculcate a culture of risk management and control 	The Municipality must endeavour to reach a break-even point between risk and control to establish a conducive environment	<ul style="list-style-type: none"> • Risk Management Committee (RMC) has been established • Empowerment, awareness and roll-out programmes are currently being arranged • GMFS and MIA deal with issues of risk in conjunction with the newly established RMC. Centralised RMO is presently being explored with DM • RMC must meet regularly. Management must attend to Risk Registers and manage same • Included in each S57 performance contract • The possibility of procuring a risk profiling system must be explored
Internal audit	Annual Internal Audit Plan 2010-2011			IT – funding issues. PT assistance in FY 2010-2011. SITA and Corporate Services to finalise negotiations and obtain clearance for audit to proceed

Risk assessment

A risk-based audit plan, which spans a three-year period, has been adopted. Subsequent to an annual revision of the risk assessment register, an Annual Audit plan is collated. Risks are prevalent and rife. Risk is addressed in the following categories: operational; strategic; informational; financial; legislative and social, and is monitored on a low, medium and high rating scale. A Risk Management Committee (RMC) has been established. The Annual Internal Audit Plan for Financial Year 2010-2011 has been primarily informed by the risk profiling process.

Audit plan 2010-2011: Internal Audit projects

Internal Audit projects were planned and executed as follows:

ASSIGNMENT	PRO-GRESS 30 JUNE	JUL 2010	AUG 2010	SEP 2010	OCT 2010	NOV 2010	DEC 2010	JAN 2011	FEB 2011	MAR 2011	APR 2011	MAY 2011	JUN 2011
1 Risk Assessment (Review) and Audit Plan	100%												
2 Review of performance management system	100%												
3 Follow-up – procure to pay, SCM	85%												
4 Follow-up: M & E - Disaster Rehabilitation Programme	45%												
5 IT review/assessment	75%												
6 M & E: additional legislation: Compliance with current legislation	95%												

Key:

■ External service provider to assist (support – Financial and Operational from PT)
 ■ Report to Performance Audit Committee
 ■ Internal Audit (in-house)

Audit Report 2009-2010: Plan of Corrective Measures

The Internal Audit Unit was tasked with the responsibility of monitoring and evaluating the adherence of the Action Plan stemming from the Plan of Corrective Measures for the Audit Report 2009-2010 (A-G), including matters arising from the Management Report 2009-2010(A-G). All matters were successfully attended to.

REGULARITY AUDIT						
Category	Ref.	Findings	Action plan	Person respons.	Due date	Status update May 2011
Unauthorised expenditure	10	As disclosed in note 36 to the financial statements, unauthorised expenditure to the amount of R 12 307 million was incurred, as the total budget was exceeding	This unauthorised expenditure was as a result of two predominate factors: 1) Non-cash depreciation being higher than budgeted. 2) Transfer of the disaster management grant of R 7.8 million to Ugu for the Park Rynie industrial park. However, to avoid a re-occurrence of this matter in respect of operational items, the weekly unauthorised expenditure reports will be issued to MANCO and amended to include a 'response from responsible HOD' column	GMFS (MBC)	30 June 2011	Such reports have been included in May MANCO, with the relevant HOD requiring to report at the meeting
Irregular expenditure	11	As disclosed in note 36 to the financial statements, irregular expenditure to the amount of R 218 027 was incurred, as supply chain management regulations were not adhered to	The root causes of the irregular expenditure have been identified and additional control measures have been developed. The quarterly reporting to Council will be augmented to include monthly reporting to MANCO and monthly reporting to F an A is being considered. Further, HODs shall be required to sign off on all monthly reports to ensure accuracy and completeness.	GMFS, all HODs	March 2011	This will be included in the monthly reports as from June 2011

REGULARITY AUDIT						
Category	Ref.	Findings	Action plan	Person respons.	Due date	Status update May 2011
Unauthorised expenditure	20	The accounting officer did not take steps to prevent unauthorised expenditure as required by section 62(1)(d) of the MFMA	The accounting officer has implemented steps, e.g. annual verification of unauthorised expenditure by HODs and budget workshops, however, additional control measures will be implemented as detailed in the point above <ref 10>	GMFS: all HODs	March 2011	<Ref 10>
Irregular expenditure	21	Irregular expenditure as defined in Section 1 of the MFMA, was incurred due to non-compliance with Section 12 of the Municipal Supply Chain Management Regulations relating to procurement processes	Reference to the second point above <ref 11> for the detailed response	GMFS: all HODs	March 2011	<Ref 11>
Unauthorised expenditure	22	Contrary to the requirements of Section 122(1)(a) of the MFMA, the Municipality made material adjustments to the Annual Financial Statement that was submitted for audit. These misstatements related to the disclosure of unauthorised expenditure and expenditure incurred in terms of section 36 of the Municipal Supply Chain Management Regulations	The measures in effect in the previous financial year did not identify these areas of unauthorised expenditure. The additional controls implemented in terms the above <ref 10> shall prevent a re-occurrence. The matters relating to Section 36 are as a result of interpretation differences of the Supply Chain Regulations. Now that the areas of ambiguity have been resolved, this matter shall not be repeated	GMFS: all HODs	30 June 2011	This matter was a once off occurrence and shall not be repeated
Risk assessment	23	A risk assessment was not prepared by the Municipality in terms of section 62(1)(c)(i) of MFMA	In line with the phased-in approach of risk management within Umdoni, the 2009/2010 year risk register was developed after a review of the previous year's risk register. With the establishment of a risk management committee, this risk register is currently undergoing a <i>de novo</i> review to ensure it meets the current needs of the Municipality. This shall be completed for the 2010/2011 financial year	GMFS: all HODs	Once-off event	All aspects of the risk register are complete except for the IT risk assessment, which is currently underway
Tabled budget not accompanied by performance objectives	24	The budget of the Municipality was not tabled with measurable performance objectives for revenue as required by Section 17(3)(b)	The budget for the 2010/2011 financial year has been prepared with the IDP and SDBIP in mind. The performance objectives permeate these documents in the year 2010/2011	GMFS (MBC)	1 July 2010	The budget for the 2011/2012 year has been completed. The measurable performance objectives shall be finalised with the completion of the SDBIP
Irregular and unauthorised expenditure	27	The accounting officer has exercised oversight responsibility over reporting and compliance with laws and regulations and internal control, however, the controls in the area of irregular and unauthorised expenditure has been noted to be weak and needs immediate attention	Additional controls to mitigate the resurgence of this matter has been detailed in the points above <ref 10, ref 11>	GMFS: all HODs	March 2011	<Ref 10, Ref 11>

REGULARITY AUDIT

Category	Ref.	Findings	Action plan	Person respons.	Due date	Status update May 2011
Non-compliance and accuracy	28	The financial statements were not sufficiently reviewed for accuracy and compliance before submission for audit	This statement is due to the adjustments processed in relation to irregular, fruitless and unauthorised expenditure. Due to the additional identification methods implemented, the additional disclosure required in the 2009/2010 year will not re-occur	GMFS	30 June 2011	This matter is not deemed to re-occur

PERFORMANCE AUDIT

Municipal Systems Act	16	There was no community participation in the review of appropriate key performance indicators and targets as required by Section 42 of the Municipal System's Act	The indicators and targets were presented in the IDP Rep Forum that was held on 11 March 2011, and the IDP will also be advertised for public comments where indicators and targets will be part of the document	OMM (Snr. Man. Strategic Planning and Development)	30 June 2011	This is achieved through the IDP participation as the indicators and targets are part of the IDP
Municipal Finance Management Act	17	Section 53(1)(c)(ii) of MFMA requires that the Municipality's service delivery budget implementation plan is approved by the mayor within 28 days of the approval of the budget. This section was not complied with. Usefulness of reported performance information. The following criteria were used to assess the usefulness of the planned and reported performance: Consistency: has the Municipality reported on its performance with regard to its objectives, indicators and targets in its approved integrated development plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents? Relevance: is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets? Measurability: are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable, and time bound?	The Municipality will again ensure compliance for 2011/2012 as we had complied for 2010/2011 and as the SDBIP will be adopted within 28 days of the adoption of the budget. The strategic plan session has transpired on the 3rd and 4th March 2011	OMM (Snr. Man. Strategic Planning and Development)	30 June 2011	Compliance achieved. SDBIP approved on time



PERFORMANCE AUDIT

Category	Ref.	Findings	Action plan	Person respons.	Due date	Status update May 2011
Reported performance information not reliable	18	<p>Indicators/measures do not have clear, unambiguous definitions to allow for data to be collected consistently. Reliability of reported performance information. The following criteria were used to assess the reliability of the planned and reported performance: Validity: has the actual reported performance occurred and does it pertain to the entity i.e. can the reported performance information be traced back to the source data or documentation? Accuracy: amounts, numbers and other data relating to reported actual performance has been recorded and reported appropriately Completeness: all actual results and events that should have been recorded have been included in the reported performance information</p>	Will endeavour for compliance in the 2011/2012 financial year	OMM (Snr. Man. Strategic Planning and Development)	30 June 2011	We might not achieve 100% compliance but progress has been made for 2011/2012 as we endeavour compliance
	24	The budget of the Municipality was not tabled with measurable performance objectives for revenue as required by section 17(3)(b)	Will endeavour for compliance in the 2011/12 financial year	OMM (Snr. Man. Strategic Planning and Development)	30 June 2011	In the current IDP (2012/-2015/16) we have endeavoured to consult eThekweni Metro on the best way to ensure alignment. We now have a template that we will be using that is aligning the objectives and the budget and projects

Challenges

Local government has a significant role to play in Government's responsibility to provide services to stakeholders. The accounting and auditing profession can assist beyond Financial Statement audit and advice and make a meaningful impact on the Municipality and the quest to better deliver against the service promise. Stakeholders are placing more emphasis on measurable objectives and outcomes, including the President, Cabinet, parliament, MECs and other municipal councils.

The attainment of Umdoni's third consecutive Unqualified Audit Report indicates that Umdoni is on the correct path to achieve deliverables for the 'Clean Audit 2014', as earmarked for Umdoni 'Clean Audit 2012'. The resultant Audit Report is now being utilised as a primary yardstick and benchmarking tool to assess the Municipality's administrative capacity and performance competency. The challenge is indeed performance management (PMS) as a whole.

The Auditor-General's current strategy of issuing an audit opinion on performance information to management for the year ended 30 June 2012 and including such a report for Umdoni Municipality in 2012 (medium capacity), is certainly increasing the urgency of the Municipality to assess the current situation and improve the system.

Internal Audit attends to performance reporting and its verification processes. The phased-in approach has revealed a number of issues which, if corrected and improved, will place the Municipality in a better position not only to report on performance against pre-determined objectives, but to take timely corrective action in such areas where non-achievement prevails with regard to the service mandate. Some issues identified for the year under review are as follows:

- an ineffective and inefficient system of internal controls to determine, collect, analyse, verify and report performance;
- Key Performance Indicators (KPIs) don't meet the 'SMART' criteria as set by National Treasury in the Framework for Reporting Programme Performance issued in May 2007;
- inconsistent reporting between annual business plan, monthly reports, quarterly reports and annual reports; and
- a lack of supporting evidence regarding actual performance reported or evidence that shows differences between performance reported and that of supporting documentation.

The above will enable all stakeholders and communities to gauge and measure the performance of the Municipality in supplying services to its constituencies, however, in the absence of such accountability, it cannot be questioned.

The benefits of the PMS must not be underestimated. A credible OPMS is crucial for the Municipality to meet its mandate and provide the added incentive of obtaining an unqualified performance information audit report. Improving performance, therefore, starts with improved performance reporting.

It is hoped that the new financial year (2011-2012) will address all such identified shortcomings with a direct responsibility of performance competencies.

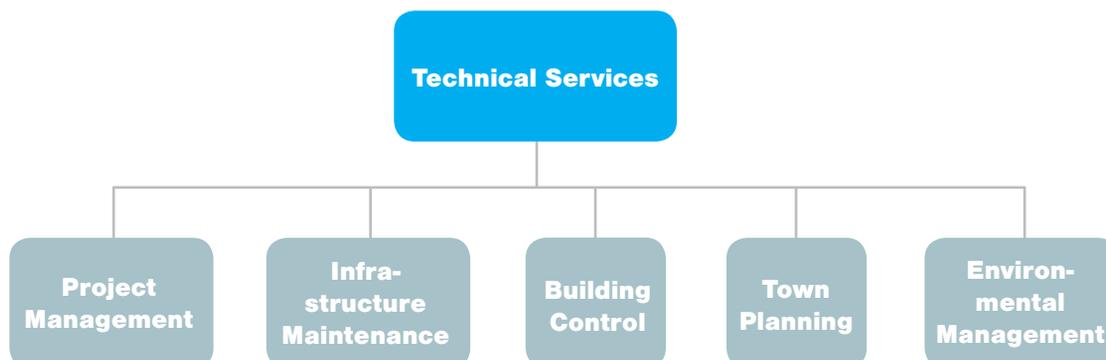
Municipal strategy

It is believed that self-isolation is unsustainable in a transitional environment and it is therefore in support of our Municipal Manager in delivering our constitutional and statutory duties, that the Section fulfils this mission by primarily adopting the following strategy for the 2010-2011 financial year:



KEY PERFORMANCE AREAS	SUB-PROGRAMME	STRATEGY PROCESS	OBJECTIVES
Financial viability (Audit Report)	Maintenance of an unqualified Audit Report	Monitor and evaluate all action plans. Ensure that all internal controls are in place	Ensure sustainability of the unqualified status
Governance (anti-fraud corruption)	<ul style="list-style-type: none"> • Anti-fraud Corruption Strategy • Fraud Prevention Plan - implementation • Awareness Programme – internally and externally • Presidential Hotline 	<ul style="list-style-type: none"> • To introduce detection controls in order to deter fraud on an ongoing basis • Implement Fraud Prevention Plan 	<p>Ensure that fraudulent and corrupt activities be detected, reduced and prevented.</p> <p>Encourage and foster a conducive environment and ethical workforce</p>
Governance (risk management)	Risk Management Strategy and Risk Management Committee	<ul style="list-style-type: none"> • To ensure that preventative measures are in place to minimise and mitigate risk on an ongoing basis. • Inculcate a culture of risk management and control 	The Municipality must endeavour to reach a break-even point between risk and control to establish a conducive environment
Governance (policies, procedures and systems)	<ul style="list-style-type: none"> • Monitor and evaluate progressive development of the Policy and Procedure Register • Compliance with policies and procedures 	<ul style="list-style-type: none"> • Ensure the formulation and adoption of policies and procedures • Ensure processes in place to acquire systems 	<ul style="list-style-type: none"> • To ensure the development of and compliance with policies and procedures and to maintain the Register. • Inculcate a culture of compliance and to maintain an enabling/sustainable register
Governance (M & E – action plans)	<ul style="list-style-type: none"> • Monitor and evaluate progressive implementation of Plan of Corrective Measures for Regularity Audit. • Monitor and evaluate progressive implementation of Plan of Corrective Measures for Performance Audit. • Implementation of Audit Process Plan and timetable 	<ul style="list-style-type: none"> • Monitoring and evaluation, implementation of plan of corrective measures emanating from audit reports (a-g and other). • Successfully implemented plan of corrective measures 	<ul style="list-style-type: none"> • To ensure the compliance with Plan of Corrective Measures. • Inculcate a culture of compliance and to maintain an enabling/sustainable working environment
Governance (oversight role: co-ordination)	<p>Co-ordinate meetings:</p> <ul style="list-style-type: none"> • SCOPA • Audit Committees • Performance Audit Committee • Audit Steering Committee <p>Implement Annual Internal Audit Plan.</p> <p>Assessment for:</p> <ul style="list-style-type: none"> • Internal Audit • Audit Committee 	<ul style="list-style-type: none"> • Oversight roles • Legislative requirements • Batho Pele principles 	<ul style="list-style-type: none"> • To foster meaningful relations with all communities in the affairs of the Municipality and to eradicate unethical behaviour • Inculcate a culture of transparency and meaningful relations and unethical behaviour

Technical Services Department



Technical Services is responsible for ensuring the provision of basic services to the people in the Umdoni area. There are numerous services, and service levels that can be provided, but the most important are listed below.

- Environmental Management
- Building Control
- Town Planning
- Project Management
- Parks and Gardens
- Refuse Removal
- Roads and Stormwater
- Building Maintenance
- Workshop.

The Department is responsible for implementation and monitoring of Municipal infrastructure as a core function. The overall aim is to improve the quality of life of all communities in Umdoni, particularly the poorest without compromising an ability to operate and maintain services already provided. Probably the most important is the 'level' at which the service is provided.

Umdoni Municipality has yet again been extremely successful at spending its full Municipal Infrastructure Grant allocation.

PROJECT NAME	MIG VALUE	2010/2011
Amandawe Sportsfield	R 3 604 292	R 3 604 292
Ghandhinagar Sportsfield	R 2 780 000	R 2 780 000
Humberdale Cemetery Phase 2	R 4 431 314	R 4 431 314
Malangeni Sportsfield Phase 2	R 744 900	R 744 900
Olwasini Sportsfield	R 4 028 609	R 4 028 609



Capital projects

Municipal Infrastructure Grant (MIG)

Humberdale Cemetery

Phase 2 of the Humberdale Cemetery commenced on 22 January 2009. The scope of work in Phase 2 was the bulk earthworks, construction of internal gravel roads, fencing and building of the prayer altar, office block and ablution facilities, all of which have been completed. The total value of Phase 2 of Humberdale Cemetery is R 4 431 314.



Gandhinagar Sportsfield

Phase 1 of the Gandhinagar Sportsfield has been completed. The scope of work in Phase 1 was the construction and grassing of the soccer field, open V-drains, concrete public seating, athletes' change rooms with showers and ablutions, and public ablution facilities. The project has attained a state of practical completion with a one-year defects and liability period. The total value of the project is R 2 780 000.



Amandawe Sportsfield

Construction of the Amandawe Sportsfield commenced in June 2009. The resulting delay in the completion of the project was due to the contractor's slow work rate and non-adherence to the Programme of Works. The project has attained a state of practical completion with a one-year defects and liability period. The total value of the project is R 3 604 292.



Olwasini Sportsfield

Construction of the Olwasini Sportsfield commenced in June 2009. Delays were experienced as a result of claims that ancestral graves existed on the site. This was resolved by conducting archeological tests and seeking the intervention of the Traditional Authority. The project has attained a state of practical completion with a one-year defects and liability period. The total value of the project is R 4 028 609.



Internal Funding

Construction of the Kwa-Cele Community Hall

Construction on the Kwa-Cele Community Hall in Ward 2, commenced on 10 February 2011 and shall be completed on 7 November 2011. The anticipated date of practical completion is 24 October 2011 with landscaping being completed on 7 November 2011. The hall is 468 m² in extent with an entrance porch, raised stage with changerooms, male and female ablutions, kitchen, enclosed courtyard, asphalted parking area, concrete palisade fencing and external lighting. The total construction value is R 5 241 068.



Construction of the Social Development offices in Umzinto

Construction of the Social Development Offices commenced on 6 April 2011 with the contractual completion date of 6 April 2012. The construction programme has been accelerated and the anticipated date of practical completion is 15 December 2011. The total extent of the double storey office block is 1 141 m² and will comprise an entrance porch, entrance foyer, open plan offices, individual offices, sick bay, staff ablutions, public ablutions, lock-up garages, asphalted driveway and landscape gardens. The total construction value is R 11 250 500.



Construction of the Commemorative Park in Umzinto

To commemorate the 150th anniversary of the arrival of indentured labourers of Indian descent to South Africa, Umdoni Municipality constructed a Commemorative Park in Ward 3, Umzinto. The edges of the park are defined with facebrick columns and galvanised palisades. Internally, the area has been landscaped with cobble paving, indigenous vegetation and precast concrete benches. As a focal point, a granite statue of an indentured labourer was installed centrally. The total construction cost, inclusive of the statue, is R 570 000.



Flood disaster rehabilitation projects

Originally there were 109 projects registered under this programme. This was increased to 111 projects due to the inclusion of two prioritised projects, namely:

- Umzinto CBD Refurbishment Project;
- upgrading of rural roads, including provision of concrete and asphalt to road surfaces where required.

The table below is illustrative of the current status of the projects for the second quarter of 2011.

CATEGORY	NO PROJECTS	
	PREVIOUS REPORT	CURRENT REPORT
Projects on hold	0	0
Awaiting design report	1	1
Tender stage	0	0
Awaiting bid evaluation recommendations	0	0
Awaiting bid adjudication award	0	0
Hand over of site to contractor	0	0
Work in progress	14	10
Practical completion	14	11
Completed	82	89
Total	111	111

PROJECT CODE	AREA	CLOSE OUT REPORT	CONSULTANT	CONTRACTOR
KZ212 Pen 4	Pennington	✓	SRK	Akoyiswa
KZ212 Gha	Ghadinagar		TGC Engineers	Amandla
KZ212 Pen	Pennington	✓	SRK	Akoyiswa
KZ212 PR 1	Park Rynie	✓	SBA	Embie Civils
KZ212 Umz 6	Esperanza		UWP	Building Generation
KZ212 RR3	Rural Roads	✓	TPA	Aqua Transport
KZ212 Umz NP	Umzinto CBD		SRK	Sanyati
KZ212 Sez 1	Sezela	✓	Ngcolozi	Margate Construction
KZ212 Mal 18	Malangeni	✓	Ngcolozi	Bhekibeko Construction
KZ212 Mal 34	Malangeni	✓	Ubuntu	Competition Construction
KZ212 Umz 11	Malangeni	✓	Ubuntu	Barleda
KZ212 PR17	Park Rynie	✓	Ngcolozi	Margate Construction

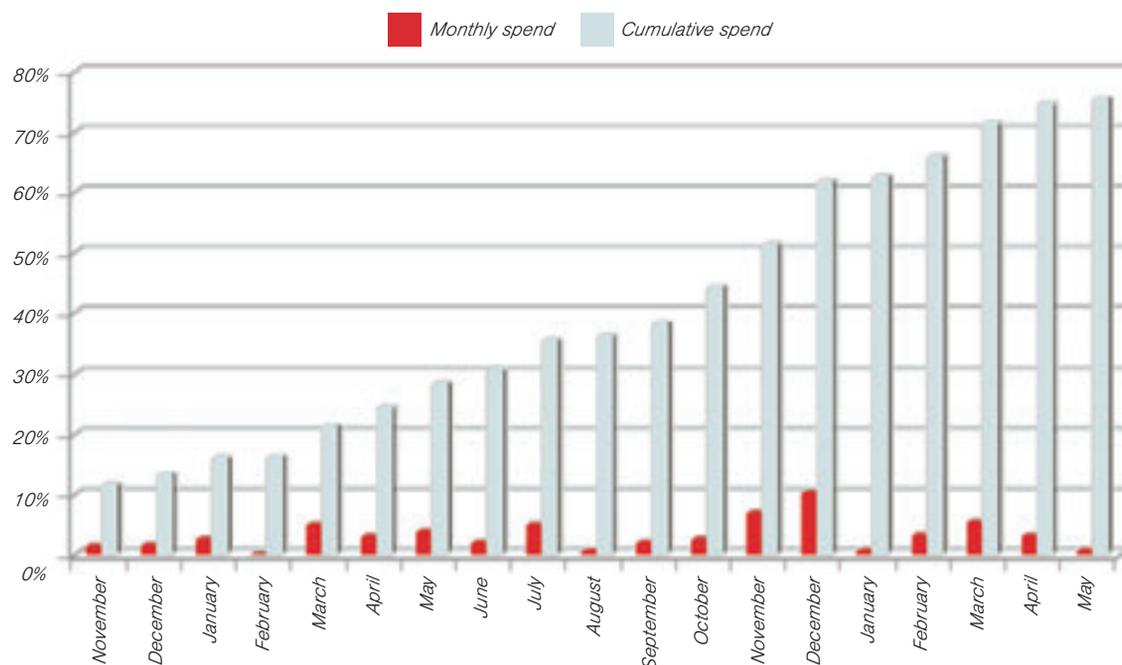
The table above indicates the flood disaster projects with their associated contractors and consultants that have been audited for the month of July 2011. Audit Reports have been sent to the Department of Agriculture Environmental Affairs and Rural Development. Non-compliance issues have been noted on certain sites, site instructions have been issued and these issues are currently being addressed. The environmental control officer will conduct follow-up site investigations to ensure that the non-compliance issues that were raised will be dealt with in an appropriate manner.

Employment of local labour

A total of 1 010 were employed thus far: 717 male and 293 female. The local labour was drawn from the ward in which the project was undertaken.

Finance

The graph below illustrates current monthly and cumulative spend to date.



During the period up till May the cumulative spend amounted to R 314 877 383. Percentage spent to date = 83%.

PENNINGTON

KZ 212 PEN 6 Cherry Lane

This project entails remedial works to the existing box culvert with the construction of gabion walls and reconstruction of the 3,5 m wide gravel access road with concrete grass blocks. The contract was originally awarded to Kwenzokhule Construction but they were dismissed for non-performance. BP and M Construction has since been appointed to complete the project. The total cost of the project is R 685 208. The overall progress on the project is 40% complete.



SCOTTBURGH

KZ 212 Scott 13 TC Robertson

This project entails rehabilitation works to the TC Robertson Nature Reserve in Scottburgh. Remedial works were undertaken on the stormwater infrastructure, gravel access road, the existing public ablutions and storeroom. A cattle grid was installed on the partially asphalted access way, desalination of the dam and construction of game fencing. Bhekimbeko Business Enterprise, a women-owned and operated company, has been awarded this project. The total value of this project is R 1 550 026. The overall progress on the project is 95% complete.



PARK RYNIE

KZ 212 PR 2 Marine Drive South

Marine Drive South, Park Rynie, entails the reconstruction of the road with new kerb and channelling, stormwater infrastructure, sub-soil drainage, layer works and asphaltting. Mtitywa Construction has been awarded this project. The total value of this project is R 2 651 464. The overall progress on the project is 2% complete.



KZ 212 PR 5CD (5, 9, 10, 16)

PR 5CD is the rehabilitation of all asphalted streets and avenues in Park Rynie. Remedial works were carried out on existing stormwater infrastructure, kerbs and channelling and all roads were asphalted. This project was awarded to Siva Pillay Construction. The total value of this project is R11 715 595. The overall progress on the project is 95% complete.



BAZLEY

KZ 212 Baz 1

This project is the upgrade of Reservoir Road in Bazley from gravel to asphalt. The road is approximately 4,8 m wide with kerbs and channelling and stormwater infrastructure. Marlisha Transport has been appointed to undertake this project. The total cost of the project R 1 005 962. The overall progress on the project is 98% complete.



UMZINTO

KZ 212 UMZ 11 Umzinto Main Road

This project relates to the remedial works on the southern portion of the Umzinto Main Road. The activities in this project involved the construction of a 2 m diameter concrete culvert, layer works, kerbing and channelling and asphaltting. This project was awarded to Barleda Plant and Civils. The total cost of the project was R 7 778 646. The overall progress on the project is 100% complete.



KZ 212 NP 1 – Stormwater rehabilitation in Asoka Heights

This project involves the rehabilitation of the existing stormwater infrastructure in Asoka Heights to reduce the risk of future flooding. The existing 450 mm and 600 mm diameter pipes will be replaced by 600 mm and 900 mm diameter pipes, and remedial work to the kerbs, manholes and inlets will be done. This project was awarded to Thebela Trading Enterprise. The total cost of the project is R 630 688. The overall progress on the project is 70% complete.



RURAL ROADS

KZ 212 RR 1A – rural roads in Amahlongwa

This project was the upgrade of numerous gravel roads and the installation of stormwater infrastructure in the Amahlongwa Area. Most of these roads were rendered non-existent after the flood disaster. This project was awarded to Competition Construction CC. The total value of this project is R 4 392 149. The overall progress on the project is 100% complete.



KZ 212 RR 1C – rural roads in Amandawe, Amahlongwa and Kwa-Cele

This project involves gravel upgrades to existing roads, construction of concrete roads, asphaltting Gqaynyanga Road, installation of stormwater infrastructure, kerbing and channelling. These works span the areas of Amandawe, Amahlongwa and Kwa-Cele. This project was awarded to Barleda Plant and Civils. The total value of this project is R 11 516 806. The overall progress on the project is 97% complete.



Building Control Section

This section strives to ensure that the public has a clear understanding of all processes and procedures that need to be complied with in the Building Control Department. The legislation is stringent but needs to be enforced in the process for approving building plan applications. As per national building regulations, building plan applications for developments below 500 m² are to be assessed within 30 days, while developments exceeding 500 m² are to be assessed within 60 days.

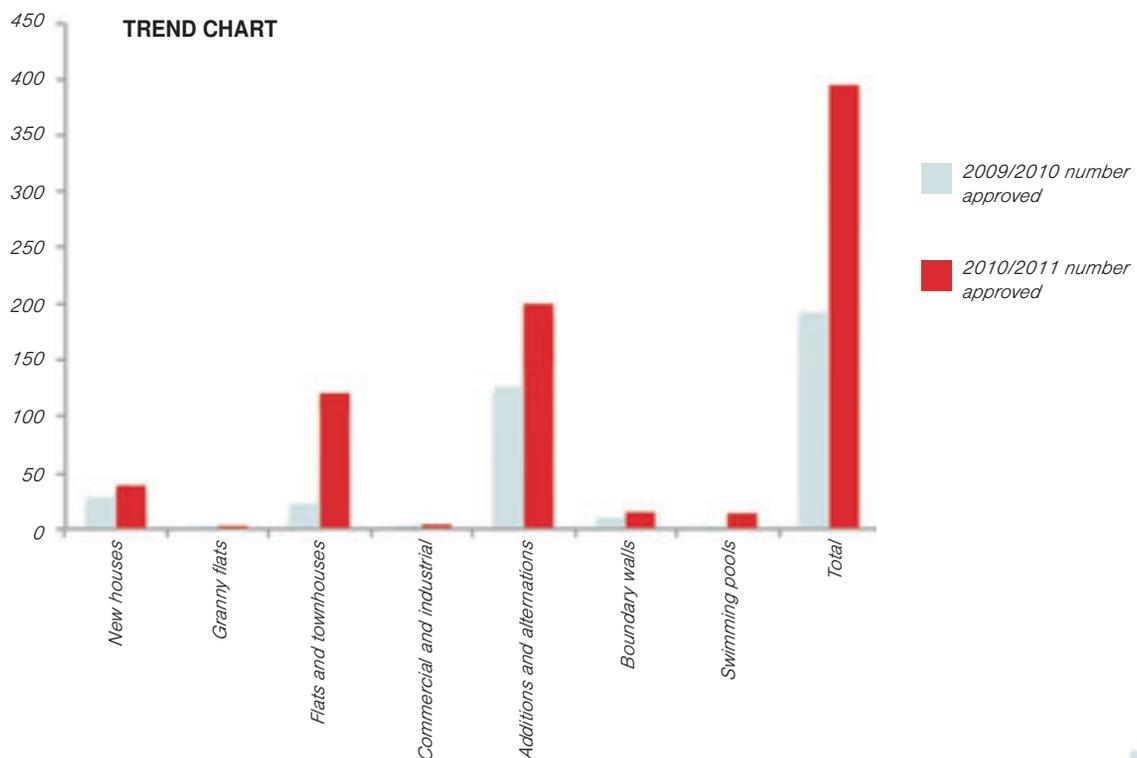
Any building application is approved with cognisance taken of the following legislation:

- The National Building Regulations and Building Standards Act (No. 103 of 1977) as amended
- The Umdoni Town Planning Scheme in the Course of Preparation
- National Environmental Management Act
- Municipal by-laws and policies
- Competent persons registered with statutory bodies.

Building applications

- The submission of building applications for the period July 2010 to June 2011 has averaged 28 plans per month.
- A total of 287 applications were submitted for approval from July 2010 to June 2011.
- A total of 265 applications were approved in the 2010/2011 financial year, however, these plans included older submissions.

DESCRIPTION	2009/2010 NUMBER APPROVED	RAND VALUE 2009/2010	2010/2011 NUMBER APPROVED	RAND VALUE 2010/2011
New houses	28	R 28 356 500	39	R 53 672 180
Granny flats	2	R 650 600	1	R 240 000
Flats and townhouses	22	R 117 090 000	121	R 71 171 000
Commercial and industrial	3	R 11 800 000	4	R 17 084 000
Additions and alterations	127	R 26 525 715	201	R 31 643 652
Boundary walls	10	R 1 071 000	15	R 1 717 500
Swimming pools	1	R 65 000	14	R 690 000
Total	193	R 185 558 815	395	R 176 218 332



BUILDING WORKS COMPLETED FROM JULY 2010 TO JUNE 2011		
Description	Number completed	Rand value
New houses, flats and townhouses	43	R 37 333 479
Commercial and industrial	-	-
Additions and alterations	32	R 8 231 815
Total	75	R 45 565 294

Notices issued for contraventions

Building Control has issued a total of 466 notices throughout Umdoni Municipality for:

- Illegal building works
- Deviation from approved building applications
- Illegal usage
- Encroachments.

Encroachments onto Council-owned property

Building Control, in terms of Section 214 of the Local Authorities Ordinance 25 of 1974 and Section 10.1 of the National Building Regulations and Building Standards Act (No. 103 of 1977) as amended, processes applications for encroachments from street projections, street overhangs, street furniture, etc. Together with the Town Planning Section, the Building Control Section will be embarking on a project to resolve encroachments along the main road in the CBD of Umzinto. This may require the re-alignment of the road in question.

Public awareness

The Department has designed an information brochure to assist the public with all procedural and important information pertaining to the processes of the Building Control, Town Planning and Environmental Sections with regards to the submission of a plan. This will assist in making municipal procedures and information more accessible to the public.

Town Planning Section

The aim of the Town Planning Section is to ensure that the Umdoni Land Use Management Scheme is applied uniformly throughout the Umdoni Municipal area, to correctly implement the Planning and Development Act 6 of 2008 within the necessary timeframes, and to promote harmonious development by balancing the demands of the residential, commercial and industrial development while maintaining environmental integrity.

The Town Planning Section promotes integrated and balanced growth with the preparation and amendment of the Umdoni Urban Land Use Management Scheme by:

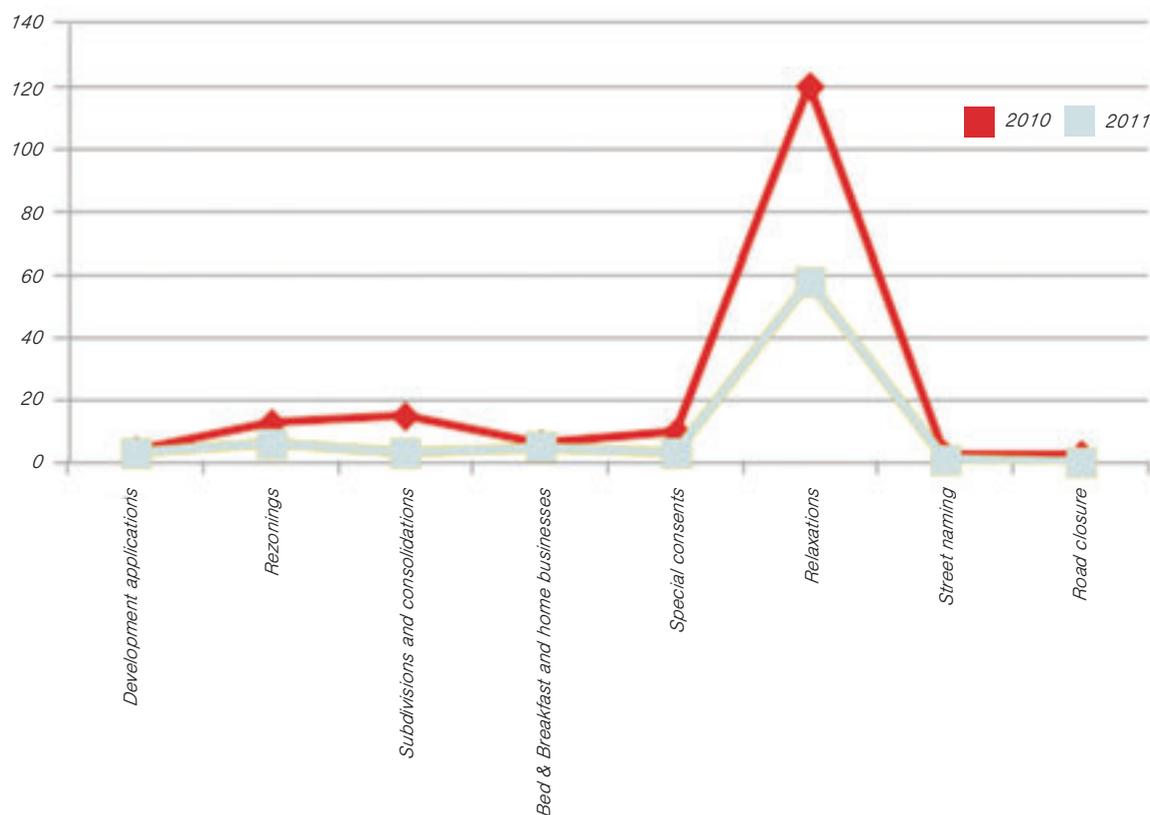
- timeously responding and processing planning applications;
- processing planning applications within the ambit of the relevant legislations;
- conceptualising frameworks and creating planning solutions that assist the Municipality when dealing with developers, stakeholders and other professionals;
- ensuring various land uses are identified and earmarked for the requirements of the community by law of optimum utilisation.

Types of applications assessed by the Town Planning Section are:

- Scheme amendments
- Rezoning
- Sub-divisions
- Home businesses
- Bed and Breakfast
- Relaxations
- Special consents
- Development applications
- Sectional titles
- Consolidations
- Road closure.



Achievements and performance highlights



Other achievements

- approved delegations in terms of the Planning and Development Act 6 of 2008;
- planning approval of the Farm Isonti Housing Scheme; and
- the successful implementation of the Planning and Development Act 6 of 2008.

Development in 2011 significantly reduced mainly due to the turn of the markets. The global recession impacted greatly on the Municipality as there was lack of faith in the property markets and the cost of developing escalated. The Municipality has endeavoured to adopt mechanisms and frameworks to assist developers to invest in the Municipality, such as sliding scales on development levies.

Environmental Management Section

The primary role of the Environmental Management Section is to ensure that all development and land development applications and associated activities are in accordance with environmental legislation and environmental management best practice principles. Should there be a breach in the law, appropriate enforcement and remedial measures are taken. The Section continues to strive for the protection of the environment for the present and future generations and to assist in upholding the people's Constitutional right to an environment that is not harmful to their health or well-being.

The Environmental Management Section showed continuous progress during the 2010/2011 financial year with increased emphasis being placed on combating environmental crimes, particularly pollution-related contraventions and illegal tree felling. The Section is intensively involved with municipal waste management, including the management of the landfill site. The efforts of the Environmental Management Section was instrumental in the Municipality winning the category for Leadership and Planning, and was presented with a trophy, a certificate and a cash prize of R 100 000 by the honourable MEC for Agriculture, Environmental Affairs and Rural Development, Ms L Johnson, who congratulated the Umdoni Municipality for its achievements in the 2010/2011 Greenest Municipality Competition.

The following activities were undertaken during the 2010/2011 financial year.

- 380 building applications were reviewed and specific environmental requirements were required for 215 applications.
- The Section provided comment and represented the Municipality at two tribunal hearings undertaken in accordance with the Development Facilitation Act.
- Five sub-division applications were reviewed and commented on.
- Six rezoning applications were reviewed and commented on.
- Nine basic assessment/EIA applications were reviewed and commented on.
- Seven special consent applications were reviewed and commented on.
- 272 notices were issued to owners of properties with overgrown vegetation. All properties were subsequently cleared, however, 50 properties were cleared by the Municipality following the owner's non-adherence to the directive.
- 168 notices were issued for non-compliance with environmental and waste management regulations and bylaws.
- Facilitated the removal of approximately 12 000 alien plants and trees.
- The section successfully enforced the rehabilitation of 11 sites that were illegally cleared of indigenous vegetation.
- The Section enforced the rehabilitation of 11 sites following pollution-related contraventions.
- The Section, in association with the Parks and Gardens Section, successfully planted 500 indigenous plants and trees at schools and public spaces.
- Environmental education material on waste management, trees and climate change were distributed to 11 schools and libraries.
- 10 hectares of the TC Robertson Nature Reserve were rehabilitated.
- Environmental education campaigns were conducted with eight schools.



Malangen area.

Environmental education and awareness

The Environmental Management Section has been engaging with schools, businesses, the youth, taxi associations and ratepayer associations in an attempt to educate the public about bad environmental practices such as littering, dumping and pollution.



Environmental and water awareness campaign, Amandawe Community Hall.

Recycling programme in Pennington

In partnership with the Pennington Conservancy, different coloured bin bags were distributed to all households and business in Pennington.

Strategic Environmental Assessment

The Environmental Management Section of the Umdoni Municipality is currently operating without an important environmental tool, namely a Strategic Environmental Assessment (SEA). This is an important tool used to guide all planning and development processes, not only for conservation reasons but also for the acknowledgement of the vital role the environment plays in providing free goods and services to the people. A situation exists in the absence of a SEA whereby the Municipality is being transformed and developed without a greater plan that earmarks the areas that are suitable for development and the areas that must be protected for the conservation of the area's natural assets. It is thus imperative that as a matter of priority, such an assessment be undertaken before the remaining natural assets of the Umdoni region are lost forever.

Following several applications for funding for the development of a Strategic Environmental Assessment, the Umdoni Municipality received R 725 000 in funding from the Ugu District Municipality for the project. Thereafter, the Environmental Management Section compiled a comprehensive Terms of Reference document for the project, which was deemed to be excellent by many professionals. The project is geared towards identifying areas of conservation significance, areas suitable for various land use activities, including agricultural, industrial, commercial, residential and tourism-based activities. A crucial part of the project involves the creation of a beneficial GIS tool used for strategic planning and the management of natural resources. The SEA will form the baseline on which future versions of land use management schemes and spatial development frameworks are developed.



Scottburgh beach.

Parks and gardens

Maintenance of all verges, beach areas, public open spaces, removal of alien vegetation on verges and public open spaces, pruning of tree overhanging roads, removal of dead/decaying trees, tree trimming, tree planting cleaning of drains, riverbeds and Council-owned buildings, have all been included in the verge maintenance contract.



Indigenous trees illegally cut down.

Waste management

Refuse

- facilitated the distribution of wheelie bins to all business;
- swing bins were placed at taxi ranks, parks, schools and certain business;
- illegal dumpsites were cleared;
- an additional nine skips were purchased; and
- a transfer station in Mtwalume was constructed.

A total number of 8 645 properties (7 971 domestic and 674 commercial and industrial properties) receive a waste collection service. Ninety-four percent of households in the Umdoni Municipal area receive a refuse removal service.



Environmental awareness on refuse compactors.



Swing bins, Scottburgh taxi rank.



Refuse skip, Ifafa Glebe.



Humberdale landfill site.

Landfill site

The operation of the Humberdale landfill site is contracted to Enviro-Fill and the remaining airspace at the site is around 48%. Only hazardous waste such as fluorescent light bulbs and tubes including penlight batteries are collected at the landfill site and disposed of at a hazardous landfill site. Used motor vehicle oil is collected by an oil company. Medical waste, which presents a health care risk, is collected by contracted personnel who transport the waste to Durban where it is incinerated at their facilities.

Infrastructure Maintenance Section

The Infrastructure Maintenance Section comprises three units:

- **Roads and Stormwater Drainage**
This unit is responsible for maintaining the existing infrastructure in terms of roads and stormwater drainage;
- **Building Maintenance**
This unit is responsible for the maintenance of all Municipal-owned buildings, including housing stock;
- **Municipal Workshop**
This unit provides support services for the maintenance of the municipal fleet of vehicles, plant and equipment.

As of 1 August 2011, the Umdoni Municipality will take over the responsibility of the maintenance of street lights from Eskom upon finalisation and signing of a Service Level Agreement and thereafter, it will become an additional responsibility delegated to the Building Maintenance Unit.

Achievements and challenges

Some of the achievements of the Infrastructure Maintenance Section comprise the following:

- Improved procedures have been implemented for the logging of complaints and reference numbers issued for tracking progress, turnaround time and completion.
- Improved planning processes to minimise delays in service delivery have been developed.
- Records of the existing municipal infrastructure in terms of road network and stormwater drainage reticulation have been compiled.
- The construction of a new central Technical Services Depot in Renishaw, from which all departments of the



Wren Road, Ghandhinagar.

Technical Services Department will operate, inter-alia Building Control, Project Management, Infrastructure Maintenance and Environmental Management.

Some of the challenges of the Department that needs to be addressed are as follows:

- A vast network of roads need to be maintained with limited resources.
- The condition of the existing road network and needs to be improved and additional funding for upgrades needs to be sourced.

Work plan

The Department will implement Government's plan of action which is to construct, improve and upgrade services and infrastructure in the rural sectors without neglecting the infrastructure and services in the urban built environment in order to deliver efficient, effective and economically sustainable services to communities throughout the Umdoni municipal area.

Roads and stormwater drainage

The core functions of this unit entails the following:

- to undertake routine and reactive maintenance of all roads, both surfaced and gravel, in all areas within the municipal boundaries;
- to undertake routine and reactive maintenance of the municipal stormwater drainage infrastructure, including pipes, inlet chambers, manholes and watercourses (e.g. streams, open channels etc.);
- to repair potholes and tarred roads using cold mix asphalt;
- to install guardrails, which is generally carried out on verges of roads with steep adjacent embankments, at locations to protect structures, and at locations to restrict access. Armco barriers and creosoted poles make up the guardrails;
- to construct gabion structures for retaining purposes in areas where there is a potential for embankments to collapse, and also to protect services running alongside watercourses;
- to undertake periodic re-gravelling of roads. This will be based on a maintenance plan which still has to be worked out;
- to manage capital projects funded internally by the Municipality;
- to construct minor new works such as gravel access roads, upgrade existing stormwater drainage infrastructure, re-build drainage structures to improve functionality and laying of new stormwater drainage pipes.

- to assist communities with road access for funerals, predominantly in the rural areas;
- to respond to emergencies for damages and accessibility during storms and heavy rains;
- to assist other service departments such as housing and community services with minor works, for example provision of access, drainage improvements etc.; and
- to construct driveway access scoops for new developments, which is a new service that will be implemented soon, after finalisation of the tariff rates.



Gqoleni Road.

Some of the work undertaken in the past financial year is as follows:

AREA	COMMENT/STATUS
Scottburgh	
Adrienne Road, Cordiner Road, Ann-Abor Road, Williamson Street, Nathan Road, Ratcliffe Road, David Road, Margaret Road, Arbutnot Road, Scott Street and Raymond Avenue	General stormwater drainage maintenance was done and potholes were repaired
Cnr of Airth and Scotts Streets, Alexandra Retirement Home, Erskine Road, Raymond Avenue	Stormwater drainage repairs were undertaken
Freeland Park	
Lavender Road, Sylvia Road, Short Street and surrounding surfaced roads	General stormwater drainage maintenance was done and potholes were repaired
Amandawe	
Themba Road, Gqayinyanga Road, Dexter Road, Wanda Road, Dwani Road, Babhonono Road, Gugulesizwe Road, Totagani Road, Nthobela Road, Kwacele Road, Ntsoviso Road, Shange Road, Silegeni Road, and the road to the taxi rank	Roads have been re-graded and regravelled, however, periodic maintenance will be ongoing. General stormwater drainage maintenance was undertaken

AREA	COMMENT/STATUS
Amahlongwa	
Bhengu Road, Mboso Road and all side roads off main roads	Roads have been re-graded and re-gravelled, however, periodic maintenance will be ongoing. Further repairs to roads in this area are still required
Park Rynie	
Franklin Road, Old Main Road, Marine Drive, Preston Road and School Circle Road	General stormwater drainage maintenance and potholes were repaired. Some roads have been identified for re-sealing/rehabilitation
Industrial Park	Interim maintenance was undertaken prior to re-construction work
Umzinto	
Camelfoot Road, Mpiti Drive, Umbilibili Farm Road, Temple Road, Azad Road, Fern Road, Prospect Road, St. Patrick Road, Flower Road, Lotus Drive, Flamboyant Road and Ixopo Road (behind First National Bank)	Roads have been re-graded and regavelled, however, periodic maintenance will be ongoing. General stormwater drainage maintenance was done and potholes were repaired
Gandhinagar	
All roads	General stormwater drainage maintenance was done and potholes were repaired
Shayamoya	
Pakathi Street and Nkwanyana Road	Collapsed storm water pipes were replaced. General stormwater drainage maintenance was done and potholes were repaired
Esperanza	
All roads	Roads have been re-graded and regavelled, however, periodic maintenance will be ongoing. General stormwater drainage maintenance was done and potholes were repaired
Umtwalume	
All roads and stormwater infrastructure	Collapsed storm water pipes were replaced. General stormwater drainage maintenance was done and potholes were repaired
Malangeni	
Twelisha Road, Golokedo Road, Msani Road, Mtolo Road, Myende, Chiliza, HlokoHloko, Mdasha and Zwelisha Roads, Tabeni, Luthuli and Dasha Roads	Roads have been re-graded and regavelled, however, periodic maintenance will be ongoing. General stormwater drainage maintenance was done and potholes were repaired
Elysium	
All roads and stormwater infrastructure	Roads have been re-graded and regavelled, however, periodic maintenance will be ongoing. General stormwater drainage maintenance was done and potholes were repaired
Ifafa	
All roads and stormwater infrastructure	Roads have been re-graded and regavelled, however, periodic maintenance will be ongoing. General stormwater drainage maintenance was done and potholes were repaired
Sezela	
School Road, Mill to hostel and various other gravel roads and stormwater infrastructure	Roads have been re-graded and regavelled, however, periodic maintenance will be on-going. General stormwater drainage maintenance and potholes repaired
Pennington	
Palm and Syringa Roads, Marion Avenue, Gumtree and Impahle Roads, Edward Crescent, Bream Road, Rahle Road, Dolphin Drive, Marlin Road and Kingfisher Road	Roads have been re-graded and regavelled, however, periodic maintenance will be ongoing. General stormwater drainage maintenance was done and potholes were repaired

Building Maintenance

The Building Maintenance Unit is responsible for routine and reactive maintenance of all Council-owned property which includes office buildings, depots, clinic buildings, halls, community centres, libraries, public toilets, public ablution facilities, beach facilities, rented housing stock, taxi facilities, sports facilities and Municipal-owned buildings rented to business and public service departments.

The following services are provided:

- Minor alteration works
- Painting and minor renovations
- Replacement of doors, windows, locks and light bulbs
- Unblocking of sewer and drainage pipes
- Repairs to burst and leaking water mains
- Cleaning of gutters
- Carpentry work
- Plumbing
- Specialist work such as electrical and air-conditioning is outsourced to approved service providers listed on the Council's database using the relevant Supply Chain Management processes.



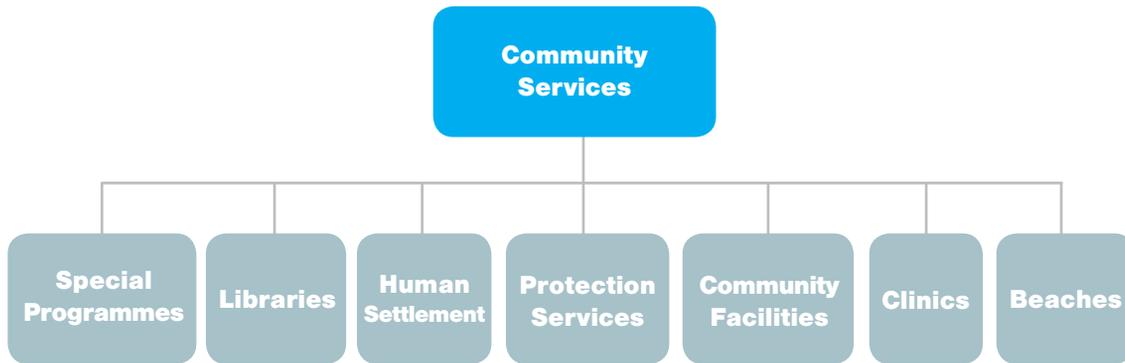
Renovations, Scottburgh beach.

Workshop

The Municipal fleet consists of 137 vehicles, comprising heavy duty vehicles, mobile construction plant and light duty vehicles. The workshop attends to breakdowns and minor services for the entire fleet.

All major repairs and servicing of vehicles are carried out by agents/local service providers. More recently and when time permits, some of the major repairs are undertaken internally to promote transfer of skills and reduce costs. All derelict vehicles are auctioned and aged vehicles are repaired where possible. Minor repairs are carried out as required and all vehicles are prepared for C.O.F.

Community Services Department



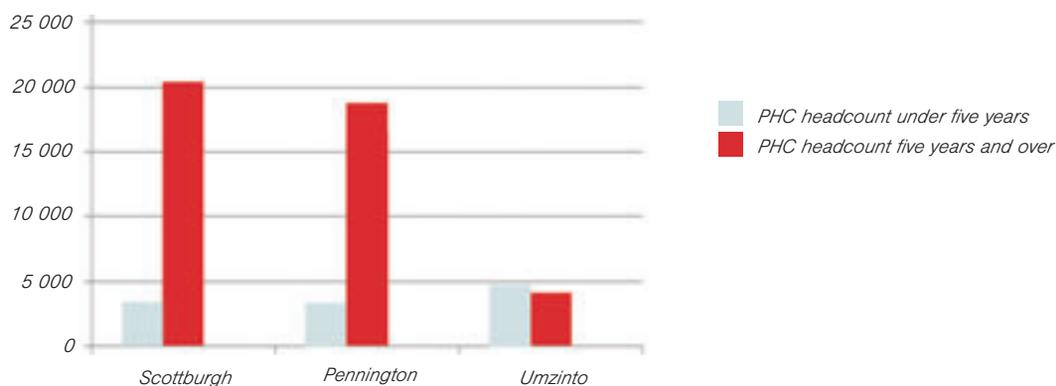
Clinics Section

Routine summary of clinic statistics

JULY 2009 – JUNE 2010			
	Scottburgh	Pennington	Umzinto
*PHC headcount under five years	3 847	2 906	4 950
PHC headcount five years and over	21 713	17 666	3 527
JULY 2010 – JUNE 2011			
PHC headcount under five years	3 455	3 301	4 715
PHC headcount five years and over	20 458	17 853	4 197

*PHC = Primary Health Care

Primary health care for the year 2010/2011

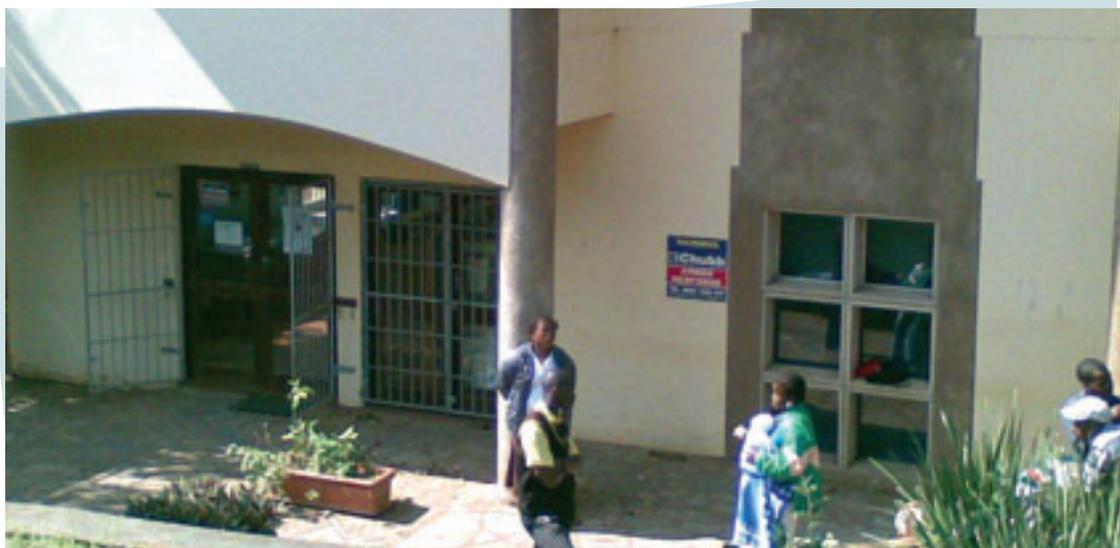


There are three nurses at the Scottburgh and Pennington Clinics and Umzinto Clinic is staffed with two nurses. Both Scottburgh and Pennington Clinics have HIV counsellors who are available during working hours.

Transfer of clinics to Department of Health

The transfer of clinics arose when a number of municipalities in KwaZulu-Natal indicated to Kwanaloga that they preferred to have the service of clinics rendered by the province as opposed to rendering the service themselves. It was agreed at a meeting that the previous structures established between Kwanaloga and the province during 2007 to deal with the transfers be revived to ensure that the process of transferring the clinics is finalised as soon as possible.

Various meetings were held between Kwanaloga and the municipalities to discuss the transfer agreement and the transfer process. It was agreed that once these processes are finalised, the clinics will be transferred. The suggested date of transfer is September 2011.



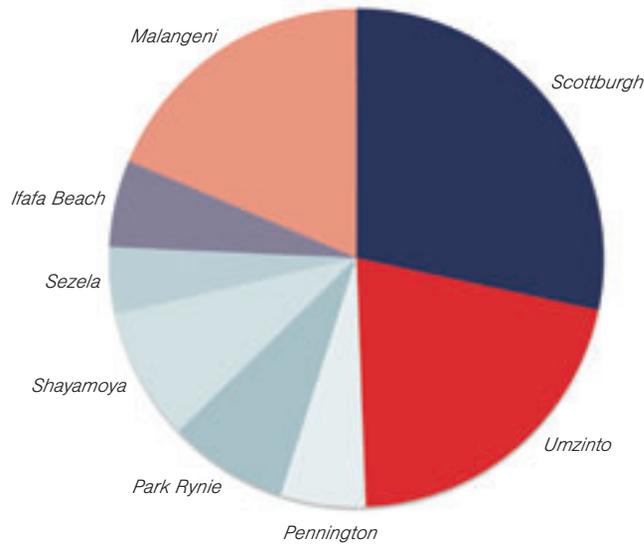
Pennington library and clinic.

Libraries Section

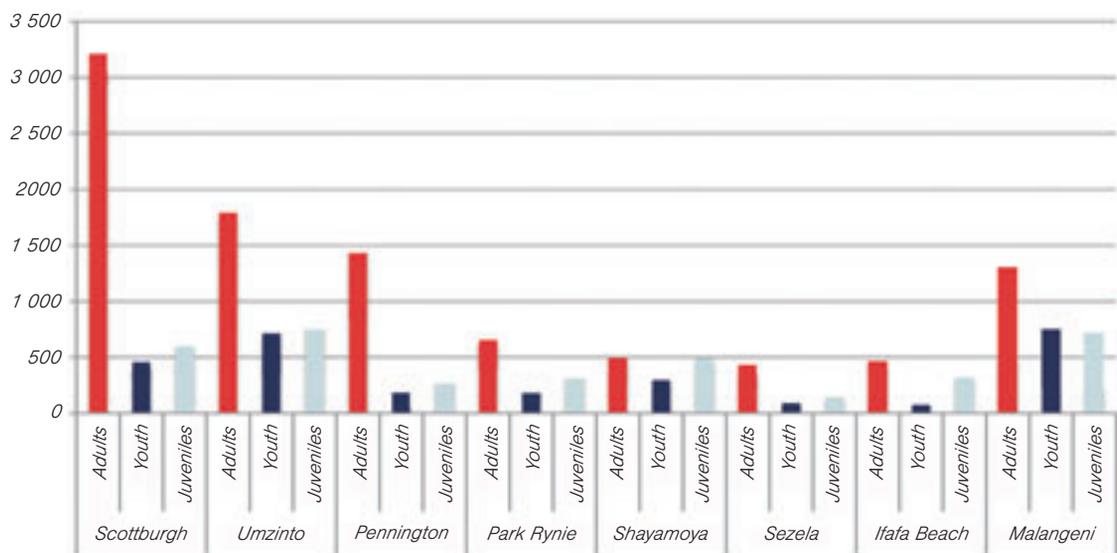
Umdoni Municipality library statistics

Library	Membership		Prints (books)		Non-prints (CDs, DVDs, videos)	
	2010/2011	2009/2010	2010/2011	2009/2010	2010/2011	2009/2010
Scottburgh	Adults: 3 187	Adults: 3 045				
	Youth: 443	Youth: 412	70 821			
	Juveniles: 640	Juveniles: 595		77 576	3 063	
	TOTAL 4 270	TOTAL 4 052				2 896
Umzinto	Adults: 1 776	Adults: 1 789				
	Youth: 649	Youth: 713	41 115			
	Juveniles: 746	Juveniles: 787		57 411	2 833	2 248
	TOTAL 3 171	TOTAL 3 289				
Pennington	Adults: 1 406	Adults: 1 711				
	Youth: 163	Youth: 50	34 278			
	Juveniles: 269	Juveniles: 296		39 644	2 456	3 364
	TOTAL 1 838	TOTAL 2 057				
Park Rynie	Adults: 654	Adults: 649				
	Youth: 176	Youth: 176	12 792			
	Juveniles: 334	Juveniles: 339		13 356	913	1 157
	TOTAL 1 174	TOTAL 1 164				
Shayamoya	Adults: 502	Adults: 486				
	Youth: 303	Youth: 283	19 641			
	Juveniles: 493	Juveniles: 472		19 654	1 384	1 740
	TOTAL 1 298	TOTAL 1 241				
Sezela	Adults: 395	Adults: 355				
	Youth: 94	Youth: 89	23 811			
	Juveniles: 162	Juveniles: 143		23 629	2 612	4 138
	TOTAL 651	TOTAL 587				
Ifafa Beach	Adults: 450	Adults: 434				
	Youth: 83	Youth: 88	8 032			
	Juveniles: 320	Juveniles: 325		8 247	206	164
	TOTAL 851	TOTAL 847				
Malangeni (from Dec 2009)	Adults: 1 289	Adults: 481				
	Youth: 767	Youth: 218	13 996			
	Juvenile: 751	Juvenile: 237		3 180	4 444	570
	TOTAL 2 807	TOTAL 936				

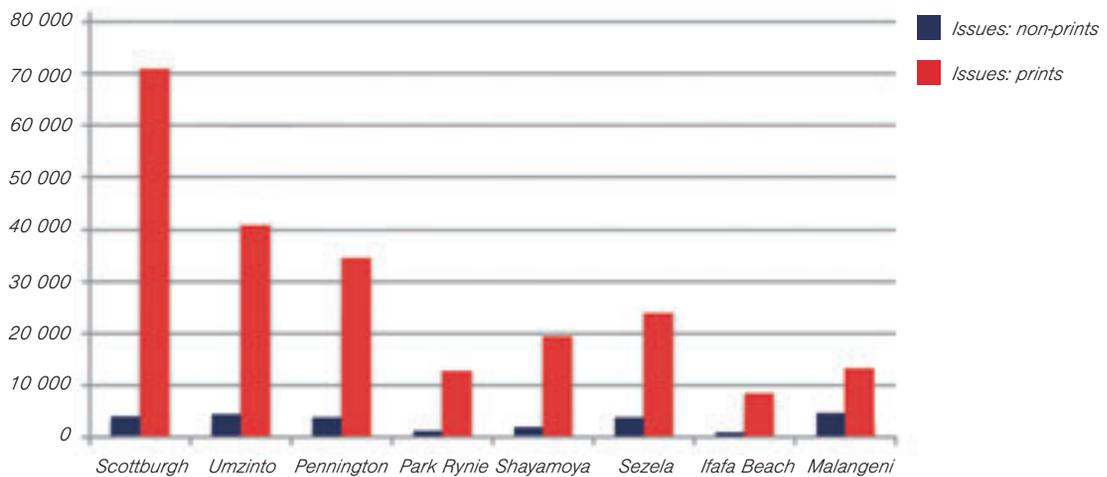
Membership 2010/2011



Library membership by age 2010/2011



Number of issues to membership 2010/2011



Scottburgh Library

In August 2010, all staff attended Batho Pele training, which was to ensure better service delivery in the Municipality.

Staff from Umdoni libraries attended the Annual Library Archives, Museums and Language Services Conference which was held at the ICC in Durban from 1-3 December 2010. The theme was 'Information for Social Cohesion and Prosperity'. The cybercadets from Scottburgh and Malangeni Libraries also attended the conference.

In January 2011, staff attended computer training at Malangeni Library in order to be become acquainted with the Internet Explorer and Firefox web browsers in readiness for the new 'SLIMS' computer programme.

The Provincial Library Services provided Scottburgh Library with five new computers for the new 'SLIMS' computer programme. Computer section staff from the Provincial Library in Pietermaritzburg trained municipal library staff from Scottburgh, Umzinto and Pennington on the 'SLIMS' system from 21 February 2011 to 25 February 2011. The libraries were closed to the public during this period of training.

In terms of the building improvements, new air-conditioners were installed in the library study. The lighting at the entrance of the library was improved and neon lights were installed. The KwaZulu-Natal Public Library Services (KZNPLS) provided the library with a scanner, which has proved to be very useful. Lock-up cupboards for student bags were installed in March 2011 with a view to controlling the theft of books.

Christmas craft activities were arranged for the children during the December holiday period and a visitor to the area gave free dance lessons for young children in the Activities Hall.

In June 2011, two schools from the rural area (Shukumisa SP School and Ntontonto SP School) visited the library. The children were taught how a library functions and how to treat books with care. The children were particularly fascinated with the computers as they do not have computers at their schools.

The computers continue to be a strong draw card at the library and are utilised every minute of every day, mainly by people wishing to do research, look for jobs, type assignments, prepare CVs and send emails.



Scottburgh Library.

The teachers embarked on a strike from 11 August 2010 and the library became inundated with children who were downloading worksheets and other types of homework from the Internet. Staff kept folders with the notes for each grade and made copies for all subsequent requests. The library also agreed to collect completed worksheets which were then handed over to the teachers.

In September 2010, the librarian was invited by Sappi to visit Exclusive Books and to choose books to the value of R5 000. The librarian chose 27 books and showed her appreciation of the continued support of Sappi.

Umzinto Library

The following activities were completed during the year by the librarian and the staff of Umzinto library:

- Movies were shown to the children of Riverside Park and temporary housing during the school holidays.
- Colouring booklets were made for the children.
- The Librarian takes items of interest to elderly members who are ill and cannot visit the library.
- The Umzintovale Primary School has invited the librarian to one of their meetings concerning reading.
- They wanted to start a reading room at the School to encourage the students to read. Ideas, posters and bookmarkers were supplied to the school by the Umzinto Library.
- People are being encouraged to use the computer facilities for browsing on the Internet, typing letters and preparing CVs etc.
- Pictures for colouring books were supplied to the Scholar Amoris School.



Umzinto Library.

Malangeni Library

The Malangeni Library opened its doors to the public in December 2009, however, the official opening was held on 12 April 2011 where the Honourable MEC for Arts, Culture and Recreation, Mrs Weziwe Thusi, delivered a keynote address.

A cybercadet was employed on 1 July 2010 to assist patrons and public with the use of computers, Internet and free computer skills classes were provided. Schools were also visited during the month of July with the aim of promoting the computer projects. The cybercadet created workbooks for the students and a certificate is handed over at completion of the course. A library assistant was also employed to assist patrons and public with information and other library work.



(Above and below) The official opening of the Malangeni Library.



The Library experienced problems during the year where students were found to be cutting pages out of books and the theft of books also became very problematic. In an effort to resolve this matter, the librarian met with the school principal with a view to educating the pupils on how to use a library and the importance of the library. Security was also employed and the problem now appears to be under control.

The following visits and activities also took place during the year of reporting:

- The Library was visited by South Coast depot assistant and her staff for a monitoring visit.
- The librarian and cybercadet attended the Provincial Library Services Annual Conference at the ICC in Durban.
- Grade 12 students from Sihle High School visited the library especially to thank librarians for assisting them during the year – they were proud to show the staff their results.
- An Interest Group meeting was held in Malangeni. This serves as training where librarians share experiences, problems and solutions which could help in managing more efficient libraries.
- Librarians attended the ever popular open day for affiliated public libraries. The aim of this is to provide librarians with the opportunity to select block loans of their choice from the Central Reference Services collection.
- A Toy Library course was held in March, which was about skills development through play action and toy library administration. Unfortunately, at this stage, the Library is not equipped to protect the toys or to facilitate the toy library.
- During Library Week and Mandela's day, Malangeni Library invited children from local schools to participate in painting and colouring, and with the assistance of community members, children were also informed and given interesting facts about Mr Mandela.

Shayamoya Library

During September 2010, which is also Heritage Month, the Library staff invited local residents and children to visit the library. Children were given crayons and colouring books and many cultural books were put out on display.

Storytelling took place on Fridays with the local children. Stories were read and the children had a question and answer session. Library bags were given to participating learners. Books with health information were displayed during the sessions for the benefit of adults who were encouraged to use the library which contains valuable information to enhance their health.

In August 2010, two teachers from local schools visited the library. Librarians discussed the importance of encouraging children to use the library with them.

Pennington, Sezela, Park Rynie and Ifafa libraries





Malangeni Library.

As part of the Outreach Programme, Pennington Library staff visited Abrams Farm in Kelso to donate clothing to the community for the winter months.

Membership at the Sezela Library has increased. The Librarian conducted a community analysis of the Sezela Community. This analysis will assist the Library to improve on its weaknesses and build its strengths. This analysis also assisted the Library to ascertain the demographics of the employees of the Sugar Mill, which is the biggest employment organisation in Sezela.

Sezela Library also took advantage of the block loans from the Reference Library and a further analysis was done for the two local schools: information of their curriculum was acquired to enable the Library to assist the pupils with their assignments and projects. Sezela Library is awaiting computers and the Internet, which will also benefit the community.

During the course of the year, the above libraries had regular monthly displays. Holiday classes for children with learning disabilities were also held. The libraries also conducted several outreach programmes for the communities.

Beach Section

The beaches within the Umdoni Municipality are some of the greatest assets of the area. Umdoni comprises approximately 40 km of coastline, which includes bathing and non-bathing beaches.



Scottburgh Beach.



Park Rynie Beach.

The beach section has a compliment of 19 staff which is broken down as follows:

- One beach manager
- One senior lifeguard
- Four lifeguards
- One team leader
- One security guard
- Eleven general workers.

During the seasonal holiday periods, contractors are employed to assist in ensuring that the beaches are kept in pristine condition for the large crowds that visit the area.



Ablution facilities, Rocky Bay.

Scottburgh Main Beach is the only beach that provides daily lifeguarding services. Lifeguards are placed at Pennington and Park Rynie beaches on weekends and public holidays during the out of season period, and during peak periods.

During the peak holiday seasons, additional bathing beaches are opened and an additional 34 lifeguards are employed by the Lifeguarding Services to patrol these beaches. The additional beaches are, Park Rynie Main Beach, Preston Beach, Rocky Bay, Happy Wanderers, Kelso Lagoon and Beach, Pennington Ski Boat Club Beach, Pennington Main Beach, Sezela, Bazley, Ifafa and Mtwalume beaches.

The function of the Beach Section is to provide the following services:

- Professional lifeguarding which includes rescuing drowners
- Pro-active lifeguarding
- Rendering first aid
- Attending to lost children and property
- Cleaning all facilities and grounds
- Attending to repairs and maintenance of buildings, vehicles and rescue equipment.

Facilities

Umdoni has some of the best facilities on the South Coast and the beaches and grounds are used for various races, competitions, functions, weddings and night markets. Hiring of the facilities for functions is done through a controlled booking system.

Campsite

The Park Rynie Campsite is approximately 1 km in length and 50 m wide. There is a staff member on site who is ensures that the area is clean and facilities are in working order. As with the beaches, the Campsite is cleaned by a contractor over weekends and during the seasonal periods. Additional staff are brought in for the peak holiday season.

The Campsite has been revamped and now includes new facilities, a new road and high mast lighting. Booking is essential to secure the use of the Campsite.



Park Rynie campsite.

Community Facilities Section

Community halls

Umdoni Municipality has six community halls and two town halls. The facilities are equipped as follows:

LIST OF HALLS	CHAIRS	TABLES	KITCHEN FACILITY	STOVE	FRIDGE	CEILING FAN	AIRCON	ALARM SYSTEM
Community halls								
Amahlongwa Hall	200	10	Yes	No	No	Yes	No	Yes
Amandawe Hall	300	10	Yes	No	No	Yes	No	Yes
Malangeni Hall	200	10	Yes	No	No	Yes	No	No
Shayamoya Hall	200	10	Yes	No	No	Yes	No	Yes
Gandhinagar Hall	100	10	Yes	No	No	Yes	No	No
Town halls								
Umzinto Town Hall	750	100	Yes	Yes	Yes	No	Yes	Yes
Umzinto Dining Hall	200	20	Yes	No	Yes	No	Yes	No
Scottburgh Town Hall	300	30	Yes	Yes	No	Yes	No	Yes

Kwa Cele Community Hall

Construction of a 400 m² hall with a parking facilities and fencing in Ward 2 has commenced.



Kwa Cele Community Hall.

Amahlongwa Community Hall

The Amahlongwa Community Hall has been upgraded with new palisade fencing at a cost of R150 000 in the 2010/2011 financial year.

Gandhinagar Community Hall

The facility has been upgraded. The hall was officially opened on 6 May 2011 by Hon. RR Pillay.



Gandhinagar Community Hall

STATISTICS FOR 2009/2010 AND 2010/2011

List of halls	No. of hires	
	2010 /2011	2009 /2010
Umzinto Town Hall	210	96
Umzinto Dining Hall	192	42
Scottburgh Town Hall	86	32
Malangeni MPCC	144	22
Shayamoya Community Hall	12	8
Amandawe Community Hall	105	27
Amahlongwa Community Hall	96	25
Gandhinagar Community Centre	78	28



Umzinto Dining Hall.

Sportsfields

Progress report on sports fields:

LIST OF SPORTS-FIELDS	FENCING	FLOOD-LIGHTING	ABLUTION BLOCKS	COMBI COURT	SITTING STANDS	UPGRADE
Malangeni Sportsfield	Yes		Yes	Yes	Yes	The Construction has been completed and the Sportsfield was officially opened on 11 April 2011. It serves the area of Ward 9 and consists of ablution blocks, combi court, fencing and a seating area
Umzinto Sportsfield	Yes	Yes	Yes	Yes	-	Phase 2 of the construction will commence in October 2011. The Sportsfield will consist of a combi court, ablution block and a seating area
Shayamoya Sportsfield	-	-	-	-	-	The Sportsfield is currently undergoing upgrading
Amandawe Sportsfield	Yes	-	Yes	Yes	Yes	The Construction of the Sportsfield has been completed and was officially opened on 28 April 2011. It will serve Wards 4 and 5
Olwasini Sportsfield	Yes	-	Yes	Yes	Yes	Construction of the Sportsfield has been completed and was officially opened on 28 April 2011. It serves the area of Ward 1 and 2
KwaCele Sportsfield	Yes	-	-	Yes	Yes	The ablution block is currently being upgraded
Ghandhinagar Sportsfield	Yes	-	Yes	-	Yes	Phase 1 of the construction has been completed. The Sportfield was officially opening on 6 May 2011. Phase 2 of the project is scheduled for 2012/2013 financial year. The Sportsfield serves the Ward 3 area



Amandawe Sportsfield.



Ghandhinagar Sportsfield.



Olwasini Sportsfield.



Official opening of Malangeni Sportsfield.

Cemeteries

Burial statistics for 2009/2010 and 2010/2011.

CEMETERY SITE	2010/2011	2009/2010
Scottburgh	8	12
Shayamoya	60	150
Park Rynie	18	30
Total	86	192

A new electronic burial programme has been procured and is now operational. This assists with the registering of graves and easier allocations.

Phase 1 of the Humberdale Cemetery in Kelso has been completed and Phase 2, which includes the crematorium, is currently being finalised.



Humberdale Cemetery in Kelso.

Protection Services Section

Traffic

	ANTICIPATED INCOME	ACTUAL INCOME
2008/2009	R 956 700	R 720 394
2009/2010	R 819 200	R 560 220
2010/2011	R 650 000	R 753 924
2009/2010 – taxi rank fees		R 23 924
2010/2011 – taxi rank fees		R 14 355

PROSECUTIONS, SPOT FINES AND ACCIDENTS		
	2009/2010	2010/2011
Total prosecutions on written notices	1 666	1 378
Total spot fines	566	468
Number of accidents attended to by traffic staff	55	56

INCOME RECEIVED FROM FINES AND LICENCES IN 2010/2011		
	2009/2010	2010/2011
Traffic fines	R399 069	R 701 400
Driver's licence testing	R3 861 280	R 3 542 744
Driver's licence motor	R95 338	R 162 991



Umzinto Test Centre

TOTALS FOR 2010/2011				
Category	Totals	Passed	Failed	Income
Driver's license applications	5 123	3 120	2 003	R 2 850 062
Learner's license	2 590	624	1 966	R 304 320
Professional driving permits applications	1 311			R 225 024
Road worthy certification (motor vehicle testing)	511	390	121	R144 802
Other (instructors and duplicate documents)				R 84 844
TOTALS FOR 2009/2010				
Driver's license applications	4 199	2 975	1 224	R 1 500 954
Learner's license	2 705	1 360	1 345	R 1 651 195
Professional driving permits applications	1 482			R 313 471
Road worthy certification (motor vehicle testing)	361	287	74	R 95 338
Other (instructors and duplicate documents)				R 64 010

Road safety presentations

Road safety presentations were conducted in all 17 primary schools within Umdoni Municipality's area of jurisdiction. The purpose of the presentations was to educate the younger learners on road safety precautions with the aim of reducing the high statistic rate of scholars killed on the roads.

Traffic Contravention System (TCS)

The system was installed in the Administration Office in Protection Services to administrate all fines issued by traffic officials for National Road Traffic Act and municipal bylaw infringements.

Fire and Disaster Management

OPERATIONS: JULY 2010 – JUNE 2011				
Type of incident	Umdoni Municipality	Umzambe Municipality	Vulamehlo Municipality	Totals
Dump fires	29	Nil	Nil	29
Bush fires	179	102	86	367
Vehicle fires	9	3	1	13
Aircraft crash	Nil	Nil	Nil	Nil
Aircraft emergency landing	Nil	Nil	Nil	Nil
Electrical fires	18	6	2	26
Structural fires	97	39	21	157
Trees across roads	48	9	14	71
Special service	24	10	11	45
False alarm (good intent)	6	12	2	20
Garden refuse	156	Nil	Nil	156
Chemical fires – spills	5	Nil	Nil	5
Floods	2	1	1	4
Medical rescue	5	3	1	9
Motor vehicle accidents	94	18	12	124
Hazmat (specify)	14	Nil	Nil	14
Assisted Umzambe/ Vulamehlo Municipality	19 school awareness programmes and 167 hours internal fire training full time fire fighters and 157 volunteers training	Four school awareness programmes	Three school awareness programmes	26 school awareness programmes conducted. Total of 167 hours internal training and 157 total of volunteers/ reservist training
Disaster-related incidents	58 blankets, 14 tents, and nine plastic sheets	132 blankets, 13 tents, and 24 plastic sheets	32 blankets, eight tents, and four plastic sheets	222 blankets, 35 tents, and 37 plastic sheets
Totals	686	203	151	1 040



Umdoni Fire and Emergency Service Centre.

Housing Section

Introduction

The Municipality has a dedicated Human Settlements Section within the Community Services Department and a Housing Debtors Section which is in the Financial Services Department.

Housing projects

Malangeni Rural Housing Project

The construction of 1 000 rural in-situ housing units was completed in April 2011. Consideration is being given to the implementation of a second phase to cater for applicants who could not be assisted during the current project.

Amahlongwa/Amandawe Rural Housing Project

Construction of 1 000 rural housing units commenced in December 2010. Up to July 2011, 338 houses were built. This project is expected to be completed in December 2011. A second phase will be required to cater for those on the waiting list who have not yet been assisted.



Amandawe housing project.

Umzinto Slums Clearance Housing Project

The Implementing Agent for Tranches 2 and 3 has been appointed. The environmental approval, Record of Decision (ROD) for the project, was received in October 2010. The planning approval via the PDA (Provincial Development Act) was obtained in May 2011. Two showhouses have been built. Tender processes will take place and construction of internal infrastructure will commence in November 2011 and construction of top structures is expected to commence in February 2012. This project will provide housing for 1 925 low-income beneficiaries and 312 serviced sites for middle-income applicants. Bulk services, sewer and water reticulation will be provided by Ugu District Municipality.



Show houses at Farm Isonti.

Ifafa Glebe Housing Project In Malangeni

The funding application for the rectification of the 50 abandoned, vandalised houses has been submitted to the Department of Human Settlements. These houses will be repaired and allocated to beneficiaries on the waiting list. 1 863 houses have been completed.

Renovation of old Hibiscus block of flats

Council resolved to renovate rather than demolish this block of flats which was damaged in the June 2008 floods. Contractors commenced work in September 2011. When completed, these flats will be allocated to six needy families.

Ghandhinagar – flooding risk

Contractors are attending to the rehabilitation and upgrade of the drainage system which will address the risk of flooding experienced in the past (floods in June 2008).

Temporary emergency housing for flood victims in informal settlements

The June 2008 flood victims of the Umzinto informal settlements are still occupying the 564 temporary houses provided by the Department of Human Settlements. These residents will be re-located to the Umzinto Slums Clearance Housing Project at Farm Isonti.



Sanathan informal settlement.



Temporary emergency housing and housing for flood victims in rural areas.

Permanent housing for flood victims in rural areas

One-hundred-and-eighty-three of the 203 approved houses for flood victims in rural areas have been built. These are permanent dwellings. The project is expected to be completed in September 2011.

Transfer of government housing stock

Gandhinagar

In terms of the Department of Human Settlements Enhanced Extended Discount Benefit Scheme [EEDBS], 522 beneficiaries opted for ownership and took transfer of their houses and received title deeds.

Riverside Park

The Municipality has appointed a project facilitator who has commenced with the process to transfer the 300 flats in Riverside Park to beneficiaries in terms of the EEDBS. The sales administration and building inspections have been done and the funding application has been submitted to the Department of Human Settlements. During the transfer process, all building defects, electrical and plumbing faults will be rectified and requirements of the Sectional Title Act will be complied with.



Riverside Park (above and below).



Repairs to flood-damaged 'Renaissance' Houses

Fifteen houses from the Renaissance Project which were damaged during the floods were repaired.



Renaissance house in Amandawe.

Special Programmes Section

Umdoni Bursary Fund (2010)

Umdoni has made and will continue to make a substantial and core contribution to student financial support in its area of jurisdiction. The fund is intended to assist with registration fees and is limited to a fixed amount of R 3 000 per successful applicant. Umdoni Municipality designed posters that were placed in public areas and in all respective wards, with the assistance of Ward Councillors. The posters stipulated the conditions of the fund. It was clearly stated that only residents of Umdoni should apply and the eligibility criteria for the bursary was also indicated.

Twelve successful applicants were assisted within a budget of R55 768.

HIV/AIDS programmes

Umdoni conducted three HIV/Aids awareness programmes within the rural areas of Umdoni. Areas covered were Malangeni (Wards 8 and 9), Amahlongwa Ward 1 and Ward 6 covering Kwankonka, Sanathan Area and Umzinto CBD. These awareness campaigns were held in conjunction with stakeholders such as the Department of Health, Red Cross, UVHAA, Social Development and Cherry Bizz as well as other Faith-Based Organisations. HIV testing was also done on site during the awareness campaign.





The public listen to presentations during the HIV awareness campaign.

Youth development programmes

Career guidance in schools

Career guidance sessions were held during the month of July 2010 and the following high schools benefitted from the programme:

- Gugulesizwe High
- Zithokozise High
- Kwahluzingqondo High.

Dress A School Child Programme

The handover of full school uniforms to 27 schools in the locality was held on 21 April 2011 at the Umzinto Town Hall. Initially, 30 schools had been targeted but three of the schools did not respond. Each school identified 10 of their most indigent cases and Umdoni assisted 270 scholars.





Youth Development Summit.

Youth Development Summit

During the month of December 2010, A Youth Development Summit was held at Amandawe Community Hall. Issues pertaining to youth development and programmes were deliberated. Invited stakeholders included the IEC, Social Development, Ugu District Municipality, World Changers and Department of Home Affairs.

Youth Month Celebration: Youth Izimbizo

A Youth Imbizo was held at the Amandawe Community Hall on 22 June 2011. This gathering was in accordance with the Youth Day Commemoration on 16 of June 2011. Representatives from all 10 wards were in attendance and motivational speakers, as well as the Mayor, were there to give words of encouragement to the youth of Umdoni.

Ugu District Youth Awards

Umdoni was part of Ugu District Municipality Youth Awards held in January 2011. Umdoni was presented with two nominations, one for the business category and one for the best Matric student.

Disability

The International Day for Disabled People is an annual event held in the Ugu District. The Umdoni Municipality's Special Programmes Section organised wheelchairs from the NGO based at Chatsworth and donated eight wheelchairs to the community of Ward 1 in the month of December 2010, and a further five wheelchairs and 50 walking sticks were donated by Umdoni Municipality.

Games for people with disabilities was held in the month of July 2010 at St Martin's sportsground and Umdoni sent a team of their Disability Forum members.

Gender programmes: Women's Month celebration

Umdoni, in partnership with Ugu District Municipality, held various Women's Month celebrations. Among them were the 'Zulu Royal Umhlanga Reed Dance' and the 'Take a Girl Child to Work'.

Sports and recreation

Winter Games

Winter Games is an annual sporting event held by all municipalities in preparation of the Kwanaloga games held every December. Games began at a grass root level from selection and actual games were played in the Ugu district, at TB Molefe Sportsfield at Gamalakhe.

Umdoni participated in eight sporting codes and was placed second out of six municipalities, winning a cheque of R 3 000, more than 30 trophies and the 'Golden Boot' award.



Kwanaloga Games

Umdoni participated in the Provincial Kwanaloga Games held in Richards Bay during the month of December 2010. Four Councillors represented Umdoni in support of their district.

Mayoral Cup Games

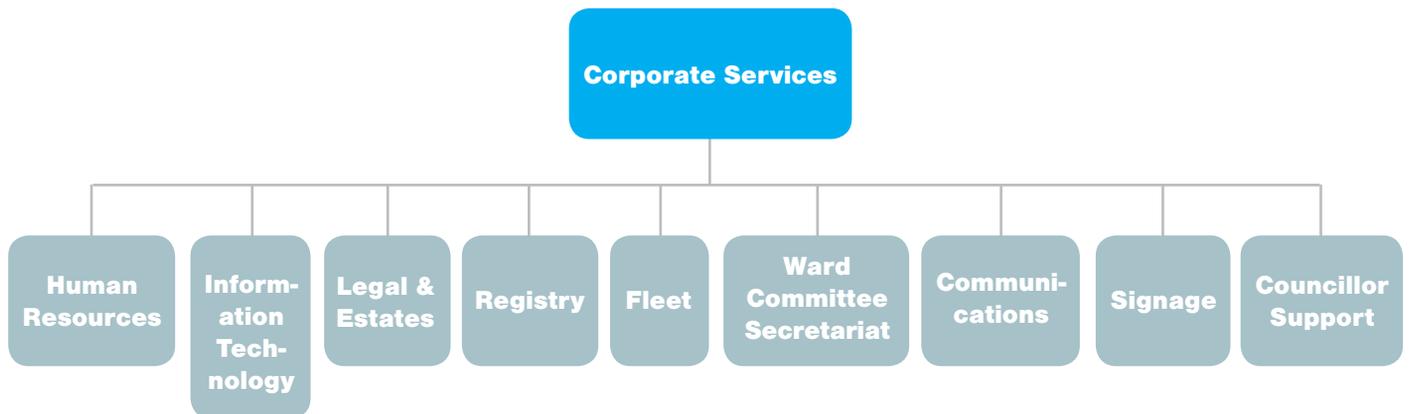
Mayoral Cup Games started in February 2011 at ward level where all wards participated with a total of 64 teams. Winners received a kit at ward level. At the final stages of the games, winners received prize money ranging from R 1 500 to R 10 000. Sporting codes included female soccer, volleyball and netball.



Senior citizens

An official launch was held in October 2010 in Scottburgh Town Hall to recognise and respect the Umdoni senior citizens. Ten members and officials from sector departments, including Umdoni, formed 18 members in total to constitute the Umdoni Senior Citizen Forum.

Corporate Services Department



Signage Section

Aims and objectives

The fourth year of the implementation saw continued communication to the general roleplayers. The fact that the Municipality has now administratively aligned itself to control signage and the framework to effect this task, is promoted frequently.

Various tasks were undertaken in the following areas of operation, including the gazetting of the Umdoni signs bylaws in 2007 to enable the Municipality to institute legal notices, followed, if necessary, by fines and penalties.

This process has been impeded in that authorisation still has to be received from the Chief Magistrate to apply this process to the formal revision of each individual erf within the Umdoni area.

Once this formal revision takes place, all the existing signage anomalies will be addressed and rectified.

Administration policies

At the outset, there was a need to implement policies that apply to specific types of signage not necessarily addressed within the Umdoni signs bylaws. Thus policies governing the placement of banners and the specifications for directional signage, as well as the placement of illuminated street name indicators, mobile signs, street furniture (pole mounted bins, pavement litter bins and advertising seating benches), and permanent poster placeholders, were put in place.

In addition, a specific policy was formulated during 2009 to allow the Signage Control Section the ability to identify sites for the placement of Council-owned illuminated street name indicators for the purpose of generating rental income from advertisers.

To date, two such units in Scottburgh have been installed and other prospective sites will be assessed, should the need arise.

Communication

The availability of the consultant to the general public has continued to be well publicised and the public has reacted well to the reliable availability of signage expertise. The consultant has attended 195 formal appointments with signage roleplayers throughout this past year.

Revenue

The tariffs attached to the various signage permits required in terms of the signs bylaws are reviewed annually, taking any feedback from the affected public as well as the market in general countrywide, into consideration. Recommendations are made to Council with supporting documentation to assist in the formulation of the budget for the coming financial year.



The revised and approved Schedule of Tariffs, as well as updated application forms, are distributed via email to all members of the signage database on 1 July annually.

Umdoni Municipality consists of one main coastal town (Scottburgh) and one main inland town (Umzinto), with extremely limited avenues for the creation of advertising opportunities and the volume of revenue collected reflects this. The increase in revenue from a situation where there was little control to full professional administration and control is the most prevalent factor contained in the table of revenue below. The rebound in revenue earned in 2010/2011 again is indicative of the economic recovery of the advertising industry worldwide.

SIGNAGE REVENUE FROM 2006 TO 2011				
Reporting period	Revenue collected	Increase/decrease	Signs removed	Public appointments
1 July 2006 to 30 June 2007	R 23 264			
1 July 2007 to 30 June 2008	R 211 886	890%	489	191
1 July 2008 to 30 June 2009	R 303 054	30%	462	195
1 July 2009 to 30 June 2010	R 190 524	-37%	559	164
1 July 2010 to 30 June 2011	R 224 209	18%	1 140	238
Total revenue				R 952 938

The general growth can be attributed to the consistent professional control in place, as well as the utilisation of the signage display avenues afforded by the formal policies approved by Council.

Physical monitoring

Signage within the area has been actively monitored resulting in the physical removal of a record 1 140 signs placed within Council-controlled property. The downturn in revenue has not affected the active control of signage within the area and more illegal signage is expected to be erected in times like these.

The sign removals still take place predominantly on weekends and public holidays, thus displaying the commitment of the Council to provide the service outside of normal operating hours.

Conclusion

The year under review has again seen a focus on communication and physical monitoring. The economic downturn will continue to affect the revenue collection throughout the balance of 2011, however, the signage initiative will be taken forward once the Chief Magistrate has signed off the schedule of fines attached to the Umdoni signs bylaws. The formal plan is then to be implemented, which deals with the evaluation of each individual property within the entire area, followed by contact with the owner to ensure that any advertising signage present complies with the Umdoni signs bylaws.

Legal and Estates Section

Long-term agreements

Disclosure of long-term agreements entered into during the year under review (30 June 2010 to 1 July 2011):

LEGAL AND ESTATES LONG-TERM AGREEMENTS		
Company/Municipality	Description	Duration
KZN Sharks Board Service Level Agreement	Agreement to provide safeguards for bathers against shark attacks	Duration shall be for a period of 36 months, from 1 July 2010 to 30 June 2013
Ugu District Municipality	Umzinto Slums Clearance Housing Project – Service Level Agreement	19 August 2010 until completion of the project
Chubb Security Company	Response and Monitoring Agreement for the Scottburgh Library	36 months (three years) – automatically renewed unless terminated by either party
The Water Co.	Provision of water purifier to Debt Recovery, Human Resources and IT offices	36 months (three years) – automatically renewed unless terminated by either party
Ugu District Municipality, Umdoni and Vulamehlo Municipalities	SAMWU agreement for the appointment of a full time shop steward	Signed on 16 November 2010 for an unspecified period
The Provincial Department of Housing – KwaZulu-Natal and the Ugu District Municipality Project Management Unit	Implementation of the Amahlongwa Mission Reserve Rural Housing Project – No K03100016 – Stage 2	Commenced on 10 August 2010
Copy Link Group	Rental and maintenance agreements for Kyocera KM 1620 photocopier at the Scottburgh Depot	Initial period of hire – five years
Technologies Acceptances and Capital Office Automation	Rental and maintenance agreements for Xerox WCP 5675. Photocopier at the Debt Recovery Department	Initial period of agreement – three years

Short term agreements

The following short-term agreements were entered into during the year under review.

LEGAL AND ESTATES SHORT-TERM AGREEMENTS		
Company/Municipality	Description	Duration
Geo Debt Solutions	Software system 'add-on' to SAMRAS system	1 July 2010 to 30 June 2011
Denis Marshall Enterprises	Legal consultation services	1 July 2010 to 30 June 2011
Department of Arts and Culture	Funding for library computer assistant (cybercadet)	1 September 2010 for 12 months
SAPS Umzinto and SAPS Scottburgh	Provision of 'Bobbies' to assist with traffic control, law enforcement etc.	December 2010 to and including Easter 2011
Department of Transport	Construction and upgrading of certain roads in Umdoni for project funded through the Disaster Management Fund	1 November 2010 and terminates on completion of project
G Cudmore	Assistance with MIG funding processes and procedures	1 October 2010 to 31 December 2010
Chiba Ring Development Company (Pty) Ltd	Development of 'Woodlands' site to establish approximately 71 residential units and development of 'Wetlands' site to establish approximately 32 residential units	Agreement is valid for 24 months
Umdoni Business Chamber	Establishment of the Business Chamber Office for the benefit of all participating local businesses	1 July 2010 to 30 June 2011
Department of Energy/(Government of the Republic of SA)	The funding and implementation of The Electrification Programme	1 April 2011 to 31 March 2012

Leases

The following leases were entered into during the year under review:

LEGAL AND ESTATES LEASE AGREEMENTS		
Company/Municipality	Description	Duration
J M McConnell	Fun Hire: Scottburgh Beach Pavilion. All Sorts Shop: Scottburgh Beach Pavilion	1 November 2010 to 28 February 2011 and 1 March 2011 to 31 August 2011
BS Joubert	Water Slide and Miniature Golf. Scottburgh Beach Pavilion	1 November 2010 to 28 February 2011. 1 March 2011 to 31 August 2011
The Beach Company	Beachcomber: Scottburgh Beach Pavilion	1 March 2011 to 31 August 2011
Famous Brands	Wimpy: Scottburgh. Beach Pavilion	1 March 2011 to 31 August 2011
Park Rynie Ski Boat Club	Lease of portion of Admiralty Reserve. Lease of Remainder 1 of the Farm Dumayo No 14812	1 February 2011 to 31 January 2016. Initial period of agreement – 1 year, from 1 April 2011 to 30 April 2012, thereafter it shall continue indefinitely

POLICIES ADOPTED/REVIEWED DURING THE YEAR UNDER REVIEW	
New policies	Council resolution date
Experiential Learning Policy	23 February 2011
Sexual Harassment Policy	23 February 2011
Reinstatement of Service Trenches on Surfaced Roads Damaged by Eskom, Ugu or Citizens Policy	13 April 2011
Amended policies	Council resolution date
Reimbursement of Ad Hoc Travelling Expenses/Travel & Subsistence Policy	29 June 2011
Credit Control and Debt Collection Policy	23 February 2011
Street Light Policy	30 June 2011 and 23 February 2011
Study Leave Policy	30 March 2011 and 27 July 2011
Recruitment and Selection Policy	25 August 2010
Fleet Management Policy	25 August 2010
Supply Chain Policy	20 June 2011
Petty Cash Policy	29 June 2011

Bylaws

No bylaws were promulgated during the year of reporting.

Business licences

Business licences are primarily issued to food outlets, restaurants and businesses which deal with the preparation of food. The following licences were issued after approval was obtained from the Town Planning, Fire and Disaster Sections and Ugu District Municipality's Health Inspectorate.

BUSINESS LICENCES ISSUED IN 2010/2011		
Business	Address	Date of issue
Tikka Darbar	Erf 210, Umzinto	30 July 2010
Chicken World	Shop 2, Paramount Centre, Umzinto	11 January 2011
Shop 112	Mtwalume	13 January 2011
Checkout Supermarket	Umzinto	13 January 2011
Sasol Convenience Store/Bakery/Take-away	Umzinto	14 January 2011
Die Boependie	Erf 883 Scottburgh	7 April 2011
Govender's Mini Market	Erf 446 Park Rynie	15 April 2011
Umdoni Park Golf Clubhouse	1 Don Knight Avenue, Pennington	11 May 2011
Biltong Man	Dynarc Mall, Scottburgh	24 May 2011
King Pie	Dynarc Mall, Scottburgh	26 May 2011
Govender's Superette	Park Rynie	21 June 2011

Sale of Municipal properties for the year under review

Erf 980 Freeland Park and Erf 141 Ifafa Beach

The sales of two properties advertised in 2008, namely Erf 980 Freeland Park and Erf 141 Ifafa Beach, were cancelled in 2011. Council resolved that these properties, together with other suitable properties, would be re-advertised for sale when the property market improves in the future.

Remainder of Erf 533, Erf 535 and Erf 542 Scottburgh

Council is presently negotiating with the Department of Health on the sale of these properties. The Department of Health intends to utilise these properties for extensions and additions to the GJ Crookes Hospital in Scottburgh. This transaction is being pursued vigorously.

Objections and appeals considered by the Valuation Appeals Board for the valuation period 1 July 2007 to 1 June 2012

In terms of the Municipal Property Rates Act, the process for the lodging of objections and appeals is very briefly summarised as follows:

- The new or revised Valuation Roll is advertised for inspection and calling for objections.
- Any objection lodged is to be considered by the valuer, who may or may not alter his valuation.
- If the valuer reaches agreement with the objector, the valuer amends the entry for the property in question and advises the Municipality of the change.
- If the amended valuation is greater than 10% more or less than the original valuation, the revised valuation is referred to the Valuation Appeals Board for review.
- If the valuer does not reach an agreement with the objector, the objector may lodge an appeal.
- The appeal is referred to the Chairman of the Valuation Appeal Board for deliberation and finality. The decision of the Board is final.

The Ugu Valuation Appeal Board was constituted by the Department of Co-operative Governance. Hearings for appeals which were lodged by appellants in the Umdoni Municipal area took place from September to November 2010.

Objections which were settled by the objector and valuer but where the change to the value of the property was either less than or more than 10% of the original value, were reviewed by the Valuation Appeal Board between January and March 2011.

Umdoni Municipality was one of the first municipalities in KwaZulu-Natal to finalise the process for the period under review.



STATISTICS OF OBJECTIONS AND APPEALS	
Objections lodged	Full Title: 1 073 Sectional Title: 247
Objections settled by the objector and the valuer	Full Title: 65 Sectional Title: 11
Objections settled by the objector and the valuer but where the change to the value was greater than 10% of the original value and thus required compulsory review by the Valuation Appeals Board	Full Title: 493 Sectional Title: 196
Objections lodged resulting in a change in value by the Valuation Appeal Board during the compulsory review process	6
Total appeals	126
Upheld appeals	64
Dismissed appeals, where the revised value stands	36
Withdrawn appeals	13
Struck off the roll	1
Lapsed appeals but subject to review by the Board	12
Total cost of Valuation Appeal hearings to date	R 872 446

DEFINITIONS	
Upheld appeals	Appeals where the value of the property was changed through the decision of the Valuation Appeals Board
Dismissed appeals	Appeals where the value of the property has remained unchanged through the decision of the Valuation Appeals Board
Withdrawn appeals	Appeals withdrawn by the appellant
Appeals struck off the roll	Value accepted by appellant prior to hearing. Appeal therefore struck off the roll
Lapsed appeals	Appellant accepts compromise prior to hearings

Registry Section

The amalgamation of numerous Municipal entities into KZ 212, or Umdoni Municipality, has necessitated the need to bring all the records of these former entities together into one centralised records facility. Some records, which have been stored in unsuitable conditions in satellite offices, have subsequently been collected and filed in the central registry situated in Scottburgh.

Accordingly, an off-site storage office has been identified in Pennington, at the offices of the former Pennington TLC. However, for financial and logistical reasons, this storage facility has not become operational as yet. The Registry operates in terms of a procedure manual and policy, which are reviewed annually.

Fleet Section

A total of 13 new vehicles of various types (LDVs, sedans, fire tender) were purchased during the year of reporting. The Fleet Section commenced branding all vehicles which displays the Council's logo, vehicle identification number and Municipal contact numbers. Road users can then report poor driving or abuse of vehicles to the Council. Branding has been undertaken on all existing Council vehicles.

A total of eight accidents involving Council vehicles occurred during the period under review. Several short workshops were held by the fleet officer on numerous aspects of drivers' responsibilities and duties. This seems to have had an impact as these accidents were all of a minor nature. A total of 10 unused/derelict vehicles are to be sold by public auction/tender.

IT Section

The introduction of a fully operational and comprehensive email system has insured that staff have experienced a marked increase in turnaround time with regards to correspondence and handling of queries. With a comprehensive infrastructure in place, the IT function within the Municipality is operated on set standards and practices. The following additional systems and matters have been implemented and/or are monitored:

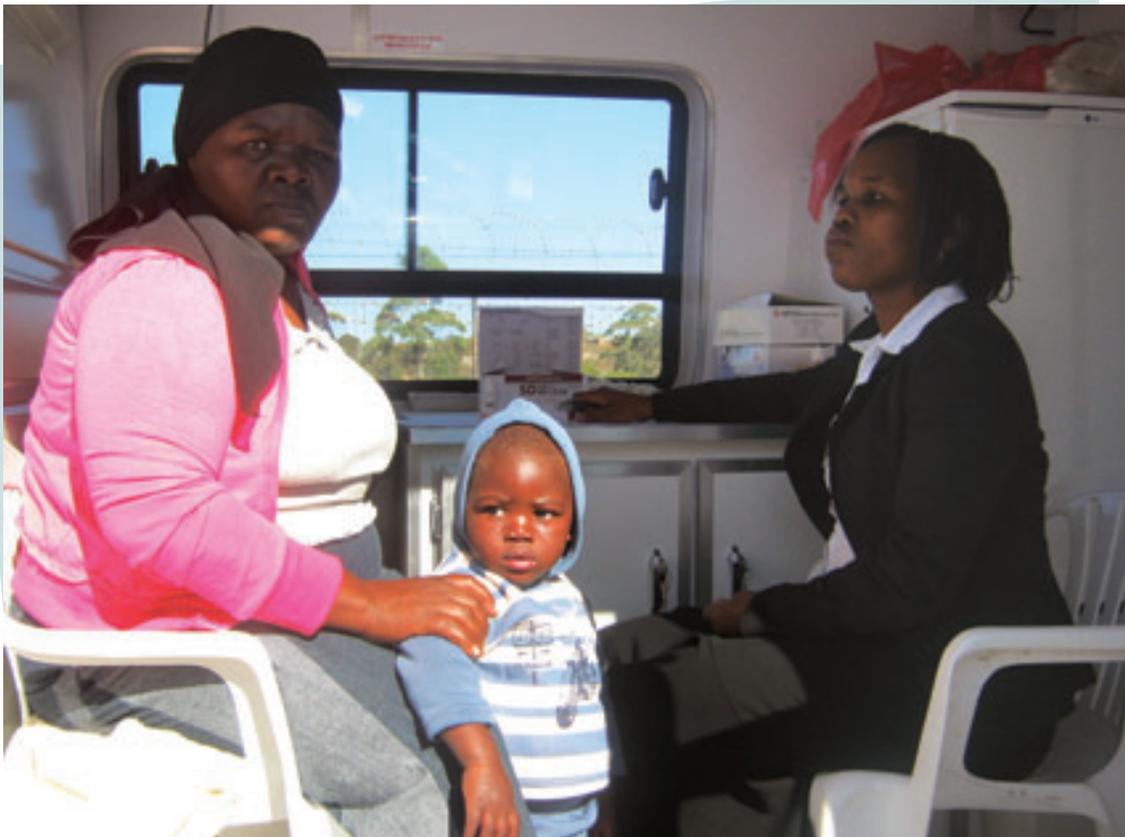
- WebMarshall became fully functional in September 2010.
- Users of laptops have been issued with security locks.
- WebMarshall/Mailmarshall licences have been updated.
- Symantec anti-virus software is monitored on a daily basis.
- Windows File Server 2003, VIP and Georeality systems are monitored on a daily basis.
- Samras M/C disc usage is monitored on a daily basis and backups done daily.
- Regular monitoring of disk usage and errors (Linux M/c) is done on the mail server.
- The Umdoni website is updated regularly.
- Symantic Livestate was implemented in September 2010.
- Two interns underwent training under the supervision of the IT officer.



Communications Section

Community outreach programmes

One of the key responsibilities of local government is to ensure that communities receive services that they are entitled to without travelling long distances. In the spirit of taking services to the communities, Umdoni Municipality has designed a Community Outreach Programme which is designed to 'take services to people'. The targeted communities are in the rural areas due to the long distances that they need to travel. Outreach programmes are conducted on a monthly basis in partnership with other government departments such as SASSA, Social Development, the Department of Health, SAPS and Ugu District Municipality.



Press articles

A total of 32 press articles were published during the financial year.

Clean-up Campaign: 23 July 2010

Umgeni Water partnered with Ugu District Municipality, Umdoni Municipality and the Department of Agriculture in the Ugu Region to organise a Clean-Up Campaign in Umzinto as part of Environmental Day. Six schools in the area of Umzinto participated in this campaign. Each school produced a banner with an environmental message carried by learners during the street clean-up operation.



Worker's Parliament and unveiling of the Wall of Remembrance: 4-6 May 2011

Family and friends of the 13 victims of the serial killer, Thozamile Taki, gathered at Umzinto Municipal Grounds, when members of the KZN Legislature under the leadership of the Speaker, Ms Peggy Nkonyeni, unveiled the Wall of Remembrance for the victims.

Among the dignitaries who attended this remembrance day were, COSATU General Secretary Mr Zwelinzima Vavi, who commended the Speaker of the KZN Legislature for erecting the memorial wall. Members of the labour federation, families of the victims, Councillors and officials also attended this remembrance which was held over three days from from 4-6 May 2011.



Unveiling of the Wall of Remembrance.

Ward committees

Section 152 of the Constitution places the participation of communities at the centre of service delivery and other matters of local government: the Municipal Structures Act, (Act 117 of 1998). The Municipal Systems Act, (Act 32 of 2000) provides the legislative framework for the establishment of ward committees within the Municipality's area of jurisdiction. Ward committees were introduced into municipalities as community structures to play a critical role in linking and informing the Municipality about the needs, potential and challenges of the communities.

Establishment of ward committees

The Council resolved that ward committees be established within the Municipal area. A ward committee was established for each ward in the Municipality; in total there are nine wards which consist of urban and rural components. To enable ward committees to perform their functions and exercise their powers effectively, a fully equipped office was allocated for the ward secretariat to perform his/her duties. The provision of these facilities will ensure that their duties are performed in an efficient and effective manner. A ward committee official is available at the office to offer support and assist administratively where necessary.

Note that after the 2011 elections, Umdoni Municipality had 10 wards and the establishment of ward committees for the ensuing year will be reported on in the 2011/2012 Annual Report.

Composition of ward committees

A ward committee consists of the Councillor representing that ward in the Council, who must also be the chairperson of the committee; and no more than 10 other persons. When electing members, the following is taken into account:

- women must be equitably represented in a ward committee;
- diversity of interests in the ward is to be represented;
- gender equity may be pursued by ensuring an even spread of men and women on a ward committee.

Frequency of ward committee meetings

Meetings are scheduled and circulated in advance in order to plan and prepare Councillors for forthcoming meetings. Ward committees are required by the guidelines to meet at least quarterly. Ward committees had regular

meetings during the first half of the year and no meetings were conducted during the second half of the year. This was due to the local government elections.

The schedule depicting meetings held is as follows:

WARD/COUNCILLOR	NO. OF MEETINGS SCHEDULED	NO. OF MEETINGS HELD
Ward 1: Cllr D Cele	4	0
Ward 2: Cllr PH Ngcobo	4	1
Ward 3: Cllr M Moodley	4	0
Ward 4: Cllr MO Zama	4	2
Ward 5: Cllr EV Baptie	4	2
Ward 6: Cllr NH Gumede	4	2
Ward 7: Cllr RJW Meyer	4	1
Ward 8: Cllr GH Myende	4	0
Ward 9: Cllr ES Gumede	4	2

Capacity building and skills development

The ward committee structures accommodate for training workshops to enhance participatory democracy in local government. The main objective of the workshops is to capacitate ward committees in understanding their roles and responsibilities in the Municipality.

The following workshops and training was conducted during the year:

- CPP Workshop (Public Participation and Development) Course 1
- CPP Workshop (Public Participation and Development) Course 2
- Community-based Planning Workshop.

Stipend for secretariat and ward committee members

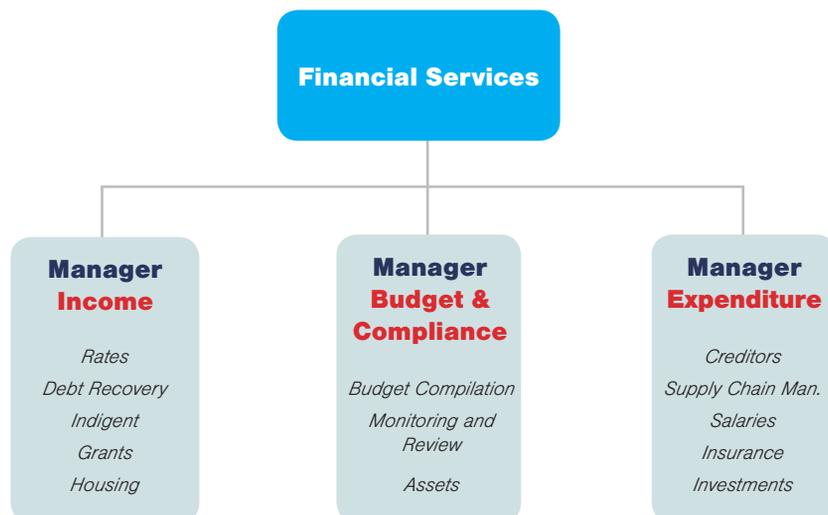
No remuneration is payable to ward committees; the policy makes financial provisions for out-of-pocket expenses which are payable from the budget of the Municipality to members of ward committees in respect of participation by ward members in the activities of the ward committees.

A total provision of R 115 000 was made available from the MSIG funding for the functioning of ward committees. Council resolved that an amount of R 250 be payable to ward members for attendance of committee meetings and R 750 to the secretariat for administrative duties.

Challenges

Ward committees increase the participation of local residents in Municipal decision-making as they are a direct link to the Council. Some of the challenges that were identified in the rural areas are as follows: housing, water, sanitation and electricity. The establishment of ward committees is currently in the early stages and a great deal of capacity building still needs to be done.

Financial Services Department



Income

Municipal property rates and valuation roll

The first ever consolidated valuation roll within Umdoni Municipality was implemented on 1 July 2008. The market-based valuation system represented a significant change from the municipal-based system of valuation. Ratepayers were now rated on the willing-seller-willing-buyer principle as opposed to the previous municipal value.

During the course of the year, significant progress has been made in improving the quantitative aspects of the valuation roll. With all objections having been responded to in the previous financial year, the 2010/2011 financial year resulted in the finalisation of all outstanding appeals as well as the release of a further supplementary valuation roll. Umdoni Municipality has continued the internal verification and review process of the completeness and accuracy of the valuation roll. This process is continued by the Technical Services Department and is monitored on a monthly basis by the Finance and Administration Portfolio Committee. Any queries identified are forwarded to the valuer to investigate on an ongoing basis.

The Municipal rates policy is under a constant process of review with an emphasis on meeting the needs of the public within the prescripts of the law.

Umdoni has recognised the strategic importance of increasing revenue. This strategic objective has been classified into two main categories: improving collections on current revenue streams, and increasing the number of revenue streams. The above will assist the Municipality in not only maximising revenue, but also in identifying alternate revenue streams so as not to overburden the existing ratepayers. Various strategies have been implemented to meet the above objective with increasing effectiveness.

Indigent support

Umdoni Municipality continued indigent support in respect of refuse services, certain categories of electricity users and rates during the 2010/2011 financial year. In order to ensure the necessity of service, all applicants are subjected to a verification process prior to the extension of such services.

BENEFITS EXTENDED TO QUALIFYING APPLICANTS			
	Refuse	Electricity	Rates
Number of households	782	1 766	728
Rand value	418 526	678 071	1 503 320

Debt recovery

Debt recovery remains one of Council's priority areas. While Umdoni does understand the plight of ratepayers in these tough economic times, in order to remain a viable entity and render continued services to an ever increasing need, all revenue due must be collected. With the cost of services spiraling higher, it is imperative that collection rates are improved so as to negate the impact of any future increases. The total recovery percentage against the charges for the 2010/2011 year has increased due to intensified debt recovery efforts with a recovery percentage of 98% (2009/2010: 90%) being achieved.

Expenditure Grant in Aid

Umdoni's Grant in Aid allocation is for the upliftment and assistance of non-profit organisations within the Municipality. In a break from tradition, the 2010/2011 allocation was issued in a handover ceremony, which served to highlight the sterling work undertaken by the various organisations.

The 2010/2011 allocation was distributed to the successful qualifying applicants listed below.

SUCCESSFUL QUALIFYING APPLICANTS IN 2010/2011	
Applicant	Amount R
Park Rynie Senior Citizens Association	R 4 500
Ghandhinagar Senior Citizens Association	R 4 500
Inkanyezi Foundation for the Physically Challenged and Disabled	R 4 500
Scottburgh Surf Lifesaving Club	R 4 500
Khumbula Ikhaya	R 4 500
Khanya Hospice	R 10 000
Amandawe Community Care Centre	R 4 500
Sezela Senior Citizens	R 4 500
Pennington Recreation Club	R 4 500
Sukumuzame Community Development Organisation	R 4 500
Umzinto Civic Association	R 4 500
Umzinto Association for the Aged	R 4 500
Total	R 55 000

Repairs and Maintenance

The total repair and maintenance for the financial year was approximately 6%, however, given the increasing asset base and the aging infrastructure, this will be required to be augmented in the forthcoming financial years.

Supply Chain Management

Supply Chain Management remains one of the most dynamic and challenging units within the Finance Department. During the year under review, significant strides have been made towards the review of the Supply Chain Management policy and its implementation. The Municipality has a fully fledged bid committee system in accordance with its policy, and qualifying bids are weighted to ensure preferential points are taken into account.

There are three bid committees in place and their functions are briefly as follows:

Bid Specification Committee

- compiles the specifications for the procurement of goods and services by the Municipality;
- number of meetings for the financial year = 13;
- Bid Specification Committee Membership for the year of reporting was as follows:

1 July 2010 to 31 March 2011

- GM Technical Services
- Manager Expenditure
- Manager Legal & Estates
- Representative from Department requesting product/service.

1 April 2011 to 30 June 2011

- GM Technical Services
- Manager Expenditure
- Manager Legal and Estates
- Manager Income
- Representative from Department requesting product/service.

Bid Evaluation Committee

- evaluates bids and recommends to the bid adjudication committee, regarding award of the bid.
- number of meetings for the financial year = 24.

Bid Evaluation Committee membership for the year of reporting was as follows:

1 July 2010 to 31 March 2011

- GM Corporate Services
- GM Technical Services
- Assistant Manager SCM
- Project Manager.

1 April 2011 to 30 June 2011

- GM Corporate Services
- GM Technical Services
- Assistant Manager SCM
- Project Manager
- Senior Superintendent Protection Services.

Bid Adjudication Committee

- considers the report and recommendations of the Bid Evaluation Committee and depending on its delegations, makes a final award; or makes further recommendation to the accounting officer on how to proceed with relevant procurement of goods and services.
- number of meetings for the financial year = 20.

Bid Adjudication Committee membership for the year of reporting was as follows:

1 July 2010 to 31 March 2011

- GM Financial Services
- GM Community Services
- Manager Legal and Estates
- Manager Budget and Compliance.

1 April 2011 to 30 June 2011

- GM Financial Services
- GM Community Services
- Manager Legal and Estates
- Manager Budget and Compliance
- Manager – Environmental.



LIST OF TENDERS AWARDED: 2010/2011

No.	Title/Description	Awarded to	Total tender amount
1.	Alternative Energy Supply Gel	Flamable Gel	R 1 872 000
2.	Lifeguard services	Tower 13 Lifeguard	R 619 050
3.	Beach cleaning and maintenance (Area 1)	Bekwa's Business Ent.	R 831 233
4.	Beach cleaning and maintenance (Area 2)	Intsikelelo Contracting & Trading	R 1 008 486
5.	Verge maintenance (Area 1 Pennington)	Kadis Contractors CC	R 417 600
6.	Verge maintenance (Area 2 Bazley & Sezela)	Sesiyeza Trading	R 2 210 940
7.	Verge maintenance (Area 3 Mtwalume)	Intsikelelo Contracting & Trading	R 201 600
8.	Verge maintenance (Area 4 Ifafa Beach & Elysium)	Nonono Contracting	R 228 000
9.	Verge maintenance (Area 5 Ifafa Glebe)	Intsikelelo Contracting & Trading	R 126 000
10.	Verge maintenance (Area 6 (Shayamoya and Esperanza))	Nhlo & Mandla Trading	R 120 000
11.	Verge maintenance (Area 7 Umzinto 2)	Njeb's Business Ent.	R 330 000
12.	Verge maintenance (Area 8 Umzinto 1)	Intsikelelo Contracting & Trading	R 222 000
13.	Verge maintenance (Area 9 Ghandhinagar)	Nhlo & Mandla Trading	R 276 000
14.	Verge Maintenance (Area 10 Park Rynie)	East Coast Panel Paint	R 360 000
15.	Verge maintenance (Area 11 Freeland Park and Scottburgh)	Bahali Trading	R 678 000
16.	Cutting and removal of overgrown vegetation on overgrown properties	Izululethu Events Co-Ordinating	0.85 m ²
17.	Refuse bags	Mbalenhle Consulting Projects	0.44 per bag
18.	G5 quality gravel	Anix Trading 104 CC	13.62 cubic metre
19.	Hiring of plant and equipment	Aqua Transport and plant hire	R 356 664
20.	Insurance services	Indwe Risk Services	R 400 161
21.	Implementing agent – Umzinto Slum Clearance Housing Project	SLB Consulting	R 7 410 000
22.	Security services	Ithunzi Protection Services	As per tender
23.	Banking tender	Standard Bank	As per tender
24.	Construction of Kwa-Cele Hall	Allen Bros	R 5 241 067
25.	Government housing stock	SLB Consulting	Various prices
26.	Construction of gabion basket wall: Riverside Park	Building Generation	R 1 341 060
27.	Supply of petrol	JVR Fuel Services	R 7 93 per litre
28.	Supply of diesel	JVR Fuel Services	R 7.69 per litre
29.	Strategic Environmental Assessment	Isikhungusethu Envio. Services	R 706 224
30.	Maintenance and servicing of plant and equipment	Murray & Daddy Auto Centre	R 120+ 12%
31.	Maintenance and servicing of plant and equipment	A & T Auto Electrical CC	R 6 000 + 10%
32.	Supply of wheelie bins	Chanson Trading 1090 CC	R 39 000 each (R507 000)
33.	Registry system implementation	Ubuntu Business Advisory	R 481 080
34.	Water testing for Umdoni beaches	NN & MM Trading Enterprise CC	R 54 054
35.	New offices: Social Services (Umzinto)	Serengeti Projects	R 10 516 946
36.	Supply of skip containers	Anthony's Welding Works	R 262 598
37.	Four-ton long wheel base truck	Bates & Johnson Motors	R 819 527
38.	Supply Chain Management software 1	Bytes System Integration	R 283 481
39.	1.6 L: Car for traffic section	Bates Motors	R 320 117
40.	LWB van 2.0L	Tata North Coast	R 438 890
42.	1.4 Bakkie	Bates & Johnson	R 136 355
43.	1.4 L Car	CHM Fleet Solution	R 262 461
44.	General Valuation Roll	E-Valuations	R 2 980 161

The Flood Disaster projects have placed additional challenges on the Supply Chain Management systems and structures.

In order to ensure the fairness and effectiveness of the Municipality's Supply Chain processes, Provincial Treasury has, at Umdoni's request, conducted a review. This audit was finalised during the course of the year.

To further enforce the pillars of transparency, equity and fairness, Umdoni Municipality finalised the procurement of an automated SCM system.

Budget and Compliance Section

Umdoni Municipality has over the past financial year entrenched the role of the budget office within the organisation. This section now plays a key role in the following financial disciplines:

- reporting to external stakeholders, e.g. National Treasury and Statistics South Africa;
- reporting to internal stakeholders via weekly and monthly variance analysis reports;
- consolidating final and adjustment Municipal budgets;
- monitoring and updating of the asset register.

In addition, a greater emphasis has been placed on interpretation of budget information by the implementation of narrative explanation reports to all portfolio committees.

Further, a concerted effort was made in order to ensure that all Umdoni's returns were timely completed and submitted to National Treasury.

Importantly, the budget regulations guided the 2011/2012 budget preparation process.

Implementation of the GAMAP/GRAP accounting standards

The exemptions previously available to all medium-capacity municipalities have now been lifted, requiring almost full compliance with GAMAP/GRAP during the period under review. This has resulted in significant changes to the Municipality's year-end processes to ensure alignment to the accounting standards.

Our largest challenge, however, remains the implementation of GRAP 17, Property Plant and Equipment.

The total contribution paid to Kwanaloga during the financial year amounted to R 239 514.22.

Analytical review of financial status

- Net surplus
- Year-on-year income growth
- Year-on-year expenditure growth
- Unspent conditional grants and receipts.



Performance Reporting

Consolidated Performance Report

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target		
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved	Action plan/ corrective measure	Projected	
	Social and economic development	To implement priority projects			% completion	100% for EOI	50%	Partially achieved	N/A	N/A	N/A	N/A	N/A	
3.07/3/3	Local economic development	To facilitate the rejuvenation of the tourism industry and to expand the tourism market in terms of the products available and the inclusion of people who have not had the opportunity to participate in the sector	Beachfront development	EOI document	% completion	N/A	N/A	N/A	100% for EOI	100%	Achieved	N/A	N/A	
	Social and economic development	To implement priority projects	Umzinto CBD Renewal		No. of projects undertaken	One		Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A
			Park Rynie Industrial Park			N/A	N/A	N/A	Two	Reported under Technical Services		N/A	N/A	N/A
			% completion of the implementation plan		80%	40%	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3.07/3/2	Local economic development	To facilitate the development of the manufacturing sector in Umdoni by creating a conducive environment for economic growth			% completion of the implementation plan	N/A	N/A	N/A	80%	40%	Not achieved	N/A	N/A	
IDP3.07/4/8	Municipal transformation and institutional development	To ensure sustainable service delivery excellence	MTAS		Overall rating of Municipality from 3-4	N/A	N/A	N/A	Four	Quarterly reports submitted to CoGTA	Achieved	N/A	N/A	
	Social and economic development	To implement priority projects	Shared services		% implementation of development planning shared services	100	100	Achieved	N/A	N/A	N/A	N/A	N/A	
	Institutional governance	To ensure effective implementation of the IDP	IDP	IDP document	% adoption of the IDP	100%	100%	Achieved	N/A	N/A	N/A	N/A	N/A	
					Assessment	75%	57%	Not achieved	N/A	N/A	N/A	N/A	N/A	
IDP3.07/1/4	Municipal transformation and institutional development	To ensure integrated development and environmental planning			Adoption of process plan	N/A	N/A	N/A	30 Sep 2010	Adopted	Achieved	N/A	N/A	
					No. of adverts	N/A	N/A	N/A	Three	Three	Achieved	N/A	N/A	
					No. of meetings held	N/A	N/A	N/A	Four	Three	Achieved	N/A	N/A	
					Date of submission of draft IDP	N/A	N/A	N/A	31 Mar 2011	25 Mar 2011	Achieved	N/A	N/A	
					Date of adoption IDP	N/A	N/A	N/A	30 May 2011	13 Apr 2011	Achieved	N/A	N/A	
					Assessment score	N/A	N/A	N/A	75%	87%	Achieved	N/A	N/A	
3.07/4	Institutional transformation and organisational development	To enhance organisational development in line with community needs	IDP	IDP document	Adopted IDP 2012/2013 Process Plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	31 Aug 2011	
					IDP 2012/13 Process Plan advert	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 Sep 2011
					Advert for IDP 2012/2013 review commencement	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 Sep 2011
					Reviewed IDP 2012/2013 adopted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 Jun 2012
					IDP Rep Forums	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Four

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		
	Institutional governance	To ensure effective implementation of the IDP	Strategic planning workshop	IDP document	No. of strategic planning workshops undertaken	Two	Two	Achieved	N/A	N/A	N/A	N/A	N/A
IDP 3.07/1/4	Municipal transformation and institutional development	To ensure integrated development and environmental planning			No. of strategic planning workshops undertaken	N/A	N/A	N/A	Two	Two	Achieved	N/A	N/A
IDP 3.07/5/2	Municipal transformation and institutional development	To implement an effective organisational and individual performance management system	Performance agreements	Signed copies of performance agreements together with PDPs and performance plans	No. of S57 agreements signed	N/A	N/A	N/A	Five	Five	Achieved	N/A	N/A
3.07/4	Institutional transformation and organisational development	To enhance organisational development in line with community needs			No. of S57 performance contracts signed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Institutional governance	To ensure effective implementation of the IDP	Advert for performance contracts	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 Sep 2011	
IDP 3.07/5/2	Municipal transformation and institutional development	To implement an effective organisational and individual performance management system	Scorecards (OPMS)	Signed copies of performance agreements together with PDPs and performance plans	% adoption of PMS	100%	100%	Achieved	N/A	N/A	N/A	N/A	N/A
					No. of performance reports prepared	Four	Four	Achieved	N/A	N/A	N/A	N/A	N/A
3.07/4	Institutional transformation and organisational development	To enhance organisational development in line with community needs	SDBIP	Signed copies of performance agreements together with PDPs and performance plans	Adoption of 2011/2012 scorecards/ OPMS	N/A	N/A	N/A	30 Jun 2011	13 Apr 2011	Achieved	N/A	N/A
					Adoption of 12/13 scorecards/ OPMS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Institutional governance	To ensure effective implementation of the IDP	% reduction in OPMS audit queries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%	
IDP3.07/5/2	Municipal transformation and institutional development	To implement an effective organisational and individual performance management system	Reporting	Signed copies of performance agreements together with PDPs and performance plans	% adoption of SDBIP	100%	100%	Achieved	N/A	N/A	N/A	N/A	N/A
					Adoption of 2011/2012 SDBIP	N/A	N/A	N/A	28 days after the adoption of budget	13 Apr 2011	Achieved	N/A	N/A
	Institutional transformation and organisational development	To enhance organisational development in line with community needs	Adopted SDBIP 2012/2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28 days after the adoption of budget	
IDP3.07/5/2	Municipal transformation and institutional development	To implement an effective organisational and individual performance management system	Reporting	Signed copies of performance agreements together with PDPs and performance plans	SDBIP 2012/2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A	31 Sept 2012
					Advert	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3.07/4	Institutional transformation and organisational development	To enhance organisational development in line with community needs	Reporting	Signed copies of performance agreements together with PDPs and performance plans	No. of quarterly reviews undertaken	Four	Four	Achieved	N/A	N/A	N/A	N/A	N/A
					No. of quarterly reviews undertaken	N/A	N/A	N/A	Four	Four	Achieved	N/A	N/A
3.07/4	Institutional transformation and organisational development	To enhance organisational development in line with community needs	Reporting	Signed copies of performance agreements together with PDPs and performance plans	Quarterly Performance Reports	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Four

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
	Social and economic development	To ensure that 3 000 households without grid electricity benefit from free basic energy programme: of receiving 160 litres of gel per household for the year	Gel as alternative energy	No. of households benefit from alternative energy	No. hh to benefit from 10 litres of gel per month	3 000 hh	4 000 hh	Achieved	N/A	N/A	N/A	N/A	N/A
					No. of gel stoves distributed	1 000	1 000	Achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/2/1	Basic service delivery and infrastructure development	To ensure access to free basic services for indigent households			No. of new households with gel stoves	N/A	N/A	N/A	1 000 hh	1 000	Achieved	N/A	N/A
					No. of hh receiving 7 l of gel per month	N/A	N/A	N/A	5 000 h per month	4 500	Achieved	N/A	N/A
3.07/2	Basic service delivery and infrastructure	To ensure that all communities have access to energy sources			No. of new households with gel stoves	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1 000 hh
					No. of hh receiving 7 l of gel per month	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5 000 hh per month
	Social and economic development	To lessen poverty in our communities through improving food security initiative	Commercialising communal gardens	30 communal gardens	Identification of one small scale farming group that will be given all necessary support to produce commercially	One			N/A	N/A	N/A	N/A	N/A
IDP3.07/3/4	Local economic development	To facilitate the expansion of the agricultural sector and to assist in the diversification of the sector to include more small producers and to expand the product range. To reduce poverty to a significant and measurable extent	Communal gardens	30 communal gardens	No. of communal gardens commercialise	N/A	N/A	N/A	Three	Three	Partly achieved	N/A	N/A
					No. of meetings conducted with the department of agriculture	10	10	Achieved	N/A	N/A	N/A	N/A	N/A
	Social and economic development	To lessen poverty in our communities through improving food security initiative			No. of meetings with agricultural associations	Four meetings per association	10	Achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/4	Local economic development	To facilitate the expansion of the agricultural sector and to assist in the diversification of the sector to include more small producers and to expand the product range. To reduce poverty to a significant and measurable extent	Communal gardens	30 communal gardens	Purchasing a cultivator for the agricultural tractor	N/A	N/A	N/A	One cultivator	Purchased	Achieved	N/A	N/A
					Installation of small scale irrigation	N/A	N/A	N/A	Five communal gardens will benefit	N/A	N/A	N/A	N/A
IDP3.07/3/4	Local economic development	To facilitate the expansion of the agricultural sector and to assist in the diversification of the sector to include more small producers and to expand the product range. To reduce poverty to a significant and measurable extent			No. of communal gardens assisted	N/A	N/A	N/A	30	30	Achieved	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
3.07/3	Local economic development and social	To create a participative and enabling environment in economic activities			No. of communal gardens assisted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30 communal gardens assisted
			Update and revise Database of NGOs and CBOs		Create partnerships to address poverty alleviation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Advert which calls for organisations to register in the Umdoni database
	Social and economic development	To lessen poverty in our communities through improving food security initiative	One home one garden		Identify the number of households to be assisted in having sustainable gardens	88	88	Achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/4	Local economic development	To facilitate the expansion of the agricultural sector and to assist in the diversification of the sector to include more small producers and to expand the product range. To reduce poverty to a significant and measurable extent	Needs Analysis Campaign		No. of hh assisted with food garden	N/A	N/A	N/A	90	18	Partly achieved	N/A	N/A
					No. of people assisted with their IDs	60	60	Achieved	N/A	N/A	N/A	N/A	N/A
					No. of meetings held with Home Affairs, DSD and SASSA	Four	Four	Achieved	N/A	N/A	N/A	N/A	N/A
					No. of wards covered for ID campaign	Nine	Four	Partially achieved	N/A	N/A	N/A	N/A	N/A
	Social and economic development	To attract industrial investment in the Umdoni area	Investment Policy		% completion adopted policy	100%	0%	Not achieved	N/A	N/A	N/A	N/A	N/A
		MIG/grant projects	75 people employed	No. of jobs created through MIG	100	317	Achieved	N/A	N/A	N/A	N/A	N/A	
				Rotation of database		20%	Not achieved	N/A	N/A	N/A	N/A	N/A	
IDP3.07/3/1	Local economic development	To ensure that the required support structures and institutional mechanisms are in place to promote economic growth while identifying and maximising opportunities for economic growth			No. of jobs created through MIG	N/A	N/A	N/A	50	150	Achieved	N/A	N/A
3.07/1	Spatial rationale and environment	To enhance trade and investment facilitation in the rural areas	100 jobs (EPWP)		No. of jobs created through LED projects	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Engage Public Works; implement EPWP programme
			Implemented LED projects		% of implemented projects	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Packaging of projects; stakeholder engagement; commence with implementation of projects
			Signed SLA/ MoU		No. of MoU's/ SLAs signed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Identification of projects; stakeholder packaging of projects
			Functional projects		No. of developmental projects	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
		Jobs created		No. of sustainable jobs created through projects	N/A	N/A	N/A	N/A	N/A	N/A	N/A		



IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target	
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected	
IDP3.07/3/1	Local economic development	To ensure that the required support structures and institutional mechanisms are in place to promote economic growth while identifying and maximising opportunities for economic growth	Internal funded projects	75 people employed	N/A	N/A	N/A	N/A	N/A	25	15	Partially Achieved	N/A	N/A
			Commercialisation of rural wards	75 people employed	No. of rural wards with at least one LED project	N/A	N/A	N/A	N/A	N/A	Six wards	Six	Achieved	N/A
IDP3.07/3/3	Local economic development	To facilitate the rejuvenation of the tourism industry and to expand the tourism market in terms of the products available and the inclusion of people who have not had the opportunity to participate in the sector	Market stalls	Business support	No. of formalised market stalls	N/A	N/A	N/A	N/A	30	30	Achieved	N/A	N/A
					No. of informal traders with permits	N/A	N/A	N/A	N/A	30	15	Partially achieved	N/A	N/A
			Business support unit (stakeholders support – not office bound)		Functional business support unit	N/A	N/A	N/A	N/A	Established business support unit by 31 March 2011	Business plan not funded	Not achieved	An application be forwarded to the job fund	N/A
IDP3.07/3/2	Local economic development	To facilitate the development of the manufacturing sector in Umdoni by creating a conducive environment for economic growth	Review of LED Plan	Reviewed LED plan	Adopted LED plan	N/A	N/A	N/A	N/A	Dec 2010	Draft LED strategy	Not achieved	N/A	N/A
			LED forum		No. of meetings held	N/A	N/A	N/A	N/A	Three	Three	Achieved	N/A	
			Supply chain		Developing SMME database	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Workshops to assist SMMEs on filling tender documents	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Social and economic development	To capacitate SMMEs on business skills	SMME training		No. of SMMEs trained	100 SMMEs	156 SMMEs	Achieved	N/A	N/A	N/A	N/A	N/A	N/A	N/A
				No. of workshops conducted on SMMEs	Four			N/A	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/2	Social and economic development	To capacitate SMMEs on business skills	SMME tourism training	Reviewed LED plan	No. of SMMEs trained	20 SMMEs	10 SMMEs	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A
3.07/3	Local economic development and social	To create a participative and enabling environment in economic activities	SMME training		% trained	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	60
					No. of established industries involved in mentorship programme of SMMEs and co-ops	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/2	Social and economic development	To capacitate SMMEs on business skills	Contractors training on costing and filling in of tender documents		No. of contractors trained in tendering for government work	50	22	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A
					No. of successfully trained SMME	N/A	N/A	N/A	N/A	Four	Four	Achieved	N/A	N/A
IDP3.07/3/2	Social and economic development	To encourage participation from our rural community in the tourism economy	Rural tourism nodes		% completion of rural tourism strategy	100%	100%	Achieved	N/A	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
IDP3.07/3/3	Local economic development	To facilitate the rejuvenation of the tourism industry and to expand the tourism market in terms of the products available and the inclusion of people who have not had the opportunity to participate in the sector	Development of tourism node	Tourism expansion and rejuvenation	Comprehensive business plan	N/A	N/A	N/A	100% completion	100%	Achieved	N/A	N/A
	Social and economic development	To encourage participation from our rural community in the tourism economy	Tourism page on the Umdoni website		% completion of the tourism web page	100%	5%	Not achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/2	Local economic development	To facilitate the development of the manufacturing sector in Umdoni by creating a conducive environment for economic growth	Rehabilitation of small scale cane farmers	Agricultural expansion and diversity	Comprehensive business plan	N/A	N/A	N/A	100% complete business plan		Partially achieved	N/A	N/A
	Institutional transformation and governance	To introduce detection controls in order to deter fraud on an ongoing basis	Anti-fraud corruption strategy	Fraud prevention plan	% of implementation	% of strategies	30%	Partially achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee			% of implementation	N/A	N/A	N/A	% of strategies	-	Not achieved	MIA deals with fraud and in conjunction with Corporate Services (HR matters) deal with reports from the Presidential Hotline. Centralised fraud system currently being explored with DM	N/A
3.07/5	Good governance and community participation		Anti-Fraud Corruption Strategy	Fraud prevention plan	% of implementation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Identify strategies, prioritise and roll-out to roleplayers. Advise processes, informing and encouraging public involvement. Monitor and deal with issues; ongoing monitoring, evaluation and annual reporting
	Institutional transformation and governance	To introduce detection controls in order to deter fraud on an ongoing basis	Fraud Prevention Officer	Fraud prevention plan	Compliance	One Fraud Prevention Officer	Not achieved	Budgetary constraints	N/A	N/A	N/A	N/A	N/A
						% compliance to requirements of plan	35%	Partially achieved and ongoing (straddled reporting)	N/A	N/A	N/A	N/A	N/A
Good governance, community participation and ward committee systems	To ensure functional Internal Audit Activity and Audit Committee	Fraud Prevention Plan	Fraud prevention plan	Compliance	N/A	N/A	N/A	% compliance to requirements of Plan	30%	Partially achieved	Included in each S57 performance contract	N/A	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
3.07/5	Good governance and community participation				% compliance to requirements of plan	N/A	N/A	N/A	N/A	N/A	N/A		Roll-out programme of policy and strategy, comply with strategy and plan; monitoring and evaluation of fraud and 'hot spots'; quarterly and annual reporting
	Institutional transformation and governance	To introduce detection controls in order to deter fraud on a ongoing basis	Awareness programme – internally and externally	Fraud prevention plan	Results of the awareness programme	% of reported cases of fraud corruption	25%	Partially achieved and ongoing (straddled reporting)	N/A	N/A	N/A	N/A	N/A
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit Activity and Audit Committee			Results of the awareness programme	N/A	N/A	N/A	% of reported cases of fraud corruption	35%	Partially achieved and ongoing (straddled reporting)	Included in each S57 performance contract. Re-established MSDC to aid in the roll-out programme	N/A
3.07/5	Good governance and community participation				% of reported cases of fraud corruption	N/A	N/A	N/A	N/A	N/A	N/A		Plan and develop whistle blowing programme - Fraud Hotline, branding; structured media reporting encouraging anonymous reporting; introduce a reward system for reporting fraud and corruption which is proven to be factual; monitoring, evaluating and reporting
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee	Presidential Hotline	Fraud prevention plan	Compliance	N/A	N/A	N/A	% compliance to requirements of plan	25%	Partially achieved and ongoing (straddled reporting)	Matter was revisited at the strategy session with DM. LM's process is very dependent on the DM's response (MM's forums)	
3.07/5	Good governance and community participation				% compliance to requirements of plan	N/A	N/A	N/A	N/A	N/A	N/A		Monitoring, reporting and evaluation of fraud and 'hot spots'; quarterly and annual reporting and evaluation of process
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee	SCOPA (continued training)	Oversight role	No. of members trained	N/A	N/A	N/A	Six members of committee	Annual reporting and final assessment	Achieved – new committee	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
3.07/5	Good governance and community participation		SCOPA	Oversight role	No. of members trained	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Six members of committee
					No. of meetings	N/A	N/A	N/A	Four meetings per annum	Annual reporting of two meetings and assessment of SCOPA	Two meetings	N/A	N/A
3.07/5	Good governance and community participation				No. of meetings	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Four meetings per annum
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee	Audit Committee	Oversight role	No. of meetings	N/A	N/A	N/A	Four meetings per annum	Annual reporting and assessment of Audit Committee	Achieved	N/A	N/A
3.07/5	Good governance and community participation				No. of meetings	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Four meetings per annum
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee	Performance Audit Committee	Oversight role	No. of meetings	N/A	N/A	N/A	Two meetings per annum	Convening of meeting annual reporting and assessment of PAC	Achieved	N/A	N/A
3.07/5	Good governance and community participation				No. of meetings	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Two meetings per annum
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional internal Audit activity and Audit Committee	Audit Steering Committee	Oversight role	No. of meetings	N/A	N/A	N/A	Three meetings per annum	Annual reporting and debriefing for 2011-2012 FY	Achieved	N/A	N/A
3.07/5	Good governance and community participation				No. of meetings	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Three meetings per annum
	Institutional transformation and governance	To introduce detection controls in order to deter fraud on a ongoing basis	Annual Internal Audit Plan	Oversight role	No. of Internal Audit projects	% of projects identified from the Risk Register. % of projects on Annual Audit Plan completed	80%. 12 Sep	Partially achieved and ongoing (straddled reporting)	N/A	N/A	N/A	N/A	N/A
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee			No. of Internal Audit projects	N/A	N/A	N/A	% of projects identified from the Risk Register. % of projects on Annual Audit Plan completed	85%. 6 May	Partially achieved and ongoing (straddled reporting)	IT funding issues. PT has assisted in FY 2010 - 2011. SITA and Corp Services. To finalise negotiations and obtain clearance. Audit to proceed irrespective	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
3.07/5	Good governance and community participation				% of projects identified from the Risk Register. % of projects on Annual Audit Plan completed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Ensure alignment of Audit Plan with Risk Register and compile/prepare plan; approve Audit Plan; and implement Audit Plan; quarterly and annual reporting
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee	Assessment of Internal Audit	Oversight role	% rating per evaluation report	N/A	N/A	N/A	Evaluation Report by 30 June 2011	31 Aug 2011	Still to be achieved	N/A	N/A
					Evaluation report by 30 June 2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit Activity and Audit Committee	Assessment of Audit Committee and PAC	Oversight role	% rating per evaluation report	N/A	N/A	N/A	Evaluation report by 30 June 2011	31 Aug 2011	Still to be achieved	N/A	N/A
					Evaluation report by 30 June 2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Institutional transformation governance	To ensure that preventative measures are in place to minimise and mitigate risk on an ongoing basis	Risk Management Officer	Risk management register and risk management committee	Appointment per no. of personnel	One Risk Management Officer	-	Not achieved	N/A	N/A	N/A	N/A	N/A
			Risk Management Committee	Risk Management register and risk Management Committee	Appointment. No. of Committee members. % of required recruitment	No. of confirmed membership	Eight	Achieved	N/A	N/A	N/A	N/A	N/A
				No. of reports to Accounting Officer	Four reports to Accounting Officer			N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee			No. of meetings	N/A	N/A	N/A	Four meetings per annum	N/A	N/A	N/A	N/A
3.07/5	Good governance and community participation	To ensure that preventative measures are in place to minimise and mitigate risk on an ongoing basis	Risk management policy and strategy	Risk management register and risk management committee	No. of meetings	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Four meetings per annum
	Institutional transformation governance				% compliance to policy requirements	% of risks mitigated	40%	Partially achieved and ongoing (straddled reporting)	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee			% compliance to policy requirements	N/A	N/A	N/A	% of risks mitigated	40%	Partially achieved and ongoing (straddled reporting)	RMC must meet regularly. Management must attend to Risk Registers and manage same. Included in each S57 performance contract	N/A
3.07/5	Good governance and community participation				% of risks mitigated	N/A	N/A	N/A	N/A	N/A	N/A		Roll-out programme and implementation of policy and strategy; monitoring and evaluation of risk status; quarterly and annual reporting
	Institutional transformation governance	To ensure that preventative measures are in place to minimise and mitigate risk on an ongoing basis	Risk management training	Risk management register and risk management committee	No. of officials trained	% of officials trained	Eight members by 30 June 2010	Partially achieved and ongoing (straddled reporting)	N/A	N/A	N/A	N/A	N/A
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee			% of officials capacitated in risk management	N/A	N/A	N/A	% of officials capacitated in risk management	HODs	Partially achieved and ongoing (straddled reporting)	Members/ officials must be familiarised with up-grades and new training programmes. The possibility of procuring a risk profiling system to be explored	N/A
			Monitor and evaluate progressive development of the policy and procedure register	Register of policies and procedures	% of no. of policies/ procedure developed, reviewed and adopted	N/A	N/A	N/A	75% complete	60%		Pro-active planning. Included into S57 performance contracts	N/A
					75% complete	N/A	N/A	N/A	N/A	N/A	N/A	N/A	SWOT of register and performance plans and targets per dept; report to MANCO; monitor and evaluate progressive development of register; annual re-ported and assessment of register
IDP3.07/5/3	Good governance, community participation and ward committee systems	To ensure functional Internal Audit activity and Audit Committee	Compliance with policies and procedures	Register of policies and procedures	% compliance with policies and procedures	N/A	N/A	N/A	100% compliance	100% compliance	75%	Pro-active planning. Included into S57 performance contracts	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
					100% compliance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Monitor, evaluate and report to MM and MANCO; annual reporting on compliance
			Monitor and evaluate progressive implementation of Plan of Corrective Measures for Regularity Audit	Successfully implemented plan of corrective measures	% of no. of action plans successfully implemented	N/A	N/A	N/A	100% complete by 30 June 2011	100%	Achieved	N/A	N/A
3.07/5	Good governance and community participation				100% complete by 30 June 2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Monitor and assess implementation of the 2009-2010 Plan concurrent to finalisation of AFS 2011-2012 by CFO (31 Aug); upon receipt of Audit Report 2011-2012, ensure finalisation of the Plan of Corrective Measures; submission to Audit Comm and Council; monitor and evaluate progressive implementation of plan, report to AC and Council; ensure 100% compliance of action plan
3.07/5	Good governance and community participation		Monitor and evaluate progressive implementation of Plan of Corrective Measures for Performance Audit	Successfully implemented plan of corrective measures	100% complete by 30 June 2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
			Implementation of audit process plan and timetable	Successfully implemented plan of corrective measures	% compliance to timelines	N/A	N/A	N/A	100% compliance	100%	Achieved	N/A	N/A
3.07/5	Good governance and community participation				100% compliance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Submission of complete AFS and performance packs by 31 Aug 2011 to AG; audit process by AG and receipt of draft Audit Report by 30 Nov 2011; annual reporting to Council, final Audit Report, 100% compliance
			Malangeni Rural Housing Project	Houses constructed for people who previously resided in rural mud huts and temporary dwellings	Number of houses built	400	726 houses were built to date and handed over to beneficiaries	Achieved	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target		
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved	Action plan/ corrective measure	Projected	
3.07/2/4	Basic service delivery and infrastructure development	To facilitate the provision of formal housing	Malangeni Rural Housing Project		Number of houses built	N/A	N/A	N/A	350	274 houses completed	Achieved	N/A	N/A	
			Amahlongwa rural housing		Number of houses built	180	No houses built	Not achieved		N/A	N/A	N/A	N/A	N/A
					Number of houses built	N/A	N/A	N/A	300	290 houses had been completed	Achieved	N/A	N/A	N/A
3.07/2	Basic service delivery and infrastructure development	To ensure that the existing housing backlogs are eliminated	Houses built		Number of Houses Built	N/A	N/A	N/A	N/A	N/A	N/A	N/A	650	
			Umzinto slums clearance/Farm Isonti Project		Number of houses built	300	No houses built	Not achieved	N/A	N/A	N/A	N/A	N/A	N/A
3.07/2/4	Basic service delivery and infrastructure development	To facilitate the provision of formal housing	Umzinto slums clearance		Milestones achieved	N/A	N/A	N/A	All	All	Partially achieved	N/A	N/A	
			Temporary housing		No. of families relocated	180	61	Partially achieved	N/A	N/A	N/A	N/A	N/A	
			Gandhinagar		100% policy developed and adopted by Council	100%	Policy developed but not adopted by Council	Achieved	N/A	N/A	N/A	N/A	N/A	
					No. of houses transferred to individuals	100 transfers			N/A	N/A	N/A	N/A	N/A	
3.07/2/4	Basic service delivery and infrastructure development	To facilitate the provision of formal housing	Riverside Park		No. of houses transferred to individuals	N/A	N/A	N/A	20 transfers	93 houses transferred	Achieved	N/A	N/A	
					No. of units transferred	All units transferred	No transfers made	Not achieved	N/A	N/A	N/A	N/A	N/A	
3.07/2/4	Social and economic development	To minimise the damage to life and property in Umdoni, Umzombe and Vulamehlo by being on site within 45 minutes of receiving the call	Fire	Incident reports indicating minimal damage and response time	Milestones achieved	N/A	N/A	N/A	All	All	Partially achieved	N/A	N/A	
					No. of satellite fire stations operationalised	Two		Parking shelters and offices identified	Achieved	N/A	N/A	N/A	N/A	N/A
					No. of workshops conducted for fire prevention awareness	Four	Four		Achieved	N/A	N/A	N/A	N/A	N/A
					% of existing staff trained	50%	100% full time staff		Achieved	N/A	N/A	N/A	N/A	N/A
					% completion of business inspections and building plans conducted within seven days of receipt of application	100%	100% received plans		Achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/7	Basic service delivery and infrastructure development	Providing safety and security measures for local communities and road users	Fire fighting	Incident reports indicating minimal damage and response time	No. of existing staff trained	N/A	N/A	N/A	16	Staff are trained on a daily basis	Achieved	N/A	N/A	
	Social and economic development	To minimise the damage to life and property in Umdoni, Umzombe and Vulamehlo by being on site within 45 minutes of receiving the call	Risk Management Plan		% of successful assessments in the nine wards	100%	100% (all wards)	Achieved	N/A	N/A	N/A	N/A	N/A	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target	
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved	Action plan/corrective measure	Projected
IDP3.07/3/7	Basic service delivery and infrastructure development	Providing safety and security measures for local communities and road users	Education and promotion of fire drills and awareness	Incident reports indicating minimal damage and response time	No. of fire drills and awareness in all schools within Umdoni	N/A	N/A	N/A	19 schools	22 awareness campaigns in 22 schools have been completed	Achieved	N/A	N/A
	Infrastructure and service delivery	Build 1 100 formal houses in Umdoni and relocate 180 families from the temporary housing by June 2010	Consumer education		No. of workshops	Four	Achieved	4th Consumer Education interrupted by community but staff were at the venue	N/A	N/A	N/A	N/A	N/A
3.07/2/4	Basic service delivery and infrastructure development	To facilitate the provision of formal housing	Consumer education		No. of workshops	N/A	N/A	N/A	Four	Four workshops completed in Malangeneni, Aman-dawe, temporary housing and Kwa Cele	Achieved	N/A	N/A
	Social and economic development	Promoting mass participation in sporting activities	Sports development sponsorship		No. of sports leagues supported	Volleyball, netball and rugby leagues sponsored			N/A	N/A	N/A	N/A	N/A
			Umdoni Sports Indaba and launch of Umdoni Sports Council		All sporting codes participate in the Sports Indaba; part of Sports Council	All sporting codes participate in the Sports Indaba; part of Sports Council	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/7	Good governance, community participation and ward committee systems	Promoting mass participation in sporting facilities	Support of sporting leagues and development initiatives	Annual sporting programmes	No. of sports associations supported	N/A	N/A	N/A	Two sporting associations supported financially	Netball and soccer teams have been assisted to participate in the district and provincial tournaments	Achieved	N/A	N/A
	Social and economic development	Promoting mass participation in sporting activities	Umdoni Mayoral Cup	Annual sporting programmes	100% tournament hosted or no. of sporting codes?	Soccer (M+F), netball (M+F), cricket, volleyball participating in the tournament	Soccer (M+F), netball (M+F), cricket, volleyball participated in the tournament	Achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/7	Good governance, community participation and ward committee systems				No. of tournaments hosted and no. of sporting codes participated	N/A	N/A	N/A	One tournament hosted and four sports codes (soccer (M), netball (M+F), cricket, volleyball)	The Mayoral Cup finals were held on 14 & 15 May 2011	Achieved	N/A	N/A
	Social and economic development		SALGA KZN Games 2009		Participation in SALGA Games with sport codes participating	90% of sport codes representing Umdoni Municipality	95% of sport codes participated in the games and presented Umdoni Municipality	Achieved	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		
IDP3.07/3/7	Good governance, community participation and ward committee systems	Promoting mass participation in sporting facilities	Kwanaloga Games 2010	Annual sporting programmes	No. of Councillors participated in Kwanaloga Games	N/A	N/A	N/A	Four Councillors	Four Councillors participated in the Kwanaloga Games	Achieved	N/A	N/A
					No. of sports codes part of preparations and selections for Kwanaloga Games	N/A	N/A	N/A	Six sports codes (soccer, netball, volleyball, cricket, athletics, and indigenous games)	Six sports codes participated in the games: soccer, volleyball, netball, athletics, and indigenous games	Achieved	N/A	N/A
					No. of track-suits and other promotional material bought for the games	N/A	N/A	N/A	20 track-suits, caps, bags, shorts and t-shirts	Promotional materials have been purchased	Achieved	N/A	N/A
3.07/3	Local economic development and social	To promote human rights and social upliftment of vulnerable groups		No. of Mayor's Cup Games hosted and sports codes participating	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	One tournament with three sports codes
				No. of Kwanaloga Games participated in	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Preparations and local selection
	Coordinate youth development programmes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Calling for applications; 15 bursaries awarded		
	Social and economic development	Promoting and facilitating social development of youth	Annual Youth Vezikhono Talent Show	No. of annual show successfully hosted	One youth Vezikhono Talent Show successfully held	One youth Vezikhono Talent Show successfully hosted	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
			National Youth Service Programme – Proud to Serve Campaign	One five-day Proud to Serve Campaign held	Minimum of 200 youth people recruited in the programme	Proud to Serve Campaign, four soccer teams participated	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
		Youth Council quarterly meetings	No. of quarterly meetings held in a year	Four youth council meetings	Two youth Council meetings	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A	
IDP3.07/3/7	Good governance, community participation and ward committee systems	Promoting mass participation in sporting facilities	Youth Development Summit	Youth talent identified and nurtured. Participating in community upliftment programmes	Youth Development Summit successfully held	N/A	N/A	N/A	Successful summit held with a minimum of 40 delegates	Youth Development Summit was held on 1 Dec-2010	Achieved	N/A	N/A
	Social and economic development	To provide clean and safe beaches within the jurisdiction of the Umdoni Municipality	Beach cleaning and maintenance		100% clean beaches	100% beaches to be cleaned within Umdoni Municipality	100%	Achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/2/7	Basic service delivery and infrastructure development	To construct new community and public facilities and maintaining existing structures	Provision of parking facilities in beaches	Safe environment for all beach users	Income generated from parking fees	N/A	N/A	N/A	R250 000	R261 669.16	Achieved	N/A	N/A
	Social and economic development	To provide clean and safe beaches within the jurisdiction of the Umdoni Municipality	Seasonal night markets		No. of seasonal night markets undertaken	Three	Three	Achieved	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target	
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved	Action plan/corrective measure	Projected
IDP3.07/2/7	Basic service delivery and infrastructure development	To construct new community and public facilities and maintaining existing structures	Provision of parking facilities in Park Rynie Campsite	Safe environment for all beach users	Income generated from parking fees	N/A	N/A	N/A	R400 000	R564 748.95	Achieved	N/A	N/A
	Social and economic development	To provide a formalised ranking facility in the Umzinto area	CCTV		Technical Report	Technical Report completed	Technical Report completed	Achieved		N/A	N/A	N/A	N/A
IDP3.07/3/7	Basic service delivery and infrastructure development	Providing safety and security measures for local communities and road users	Additional learners classes	Improved safety of school children on our roads. Increased learner classes	No. of additional classes	N/A	N/A	N/A	Three	15 additional classes completed	Achieved	N/A	N/A
			Scholar patrol education		No. of scholar patrol awareness and education	N/A	N/A	N/A	Eight	17 scholar patrols education and awareness conducted	Achieved	N/A	N/A
IDP3.07/2/7	Basic service delivery and infrastructure development	To construct new community and public facilities and maintaining existing structures	Upgrading of Gandhinagar community centre	Improved condition of community facilities	No. of community facilities upgraded	N/A	N/A	N/A	One	The upgrade has been completed	Achieved	N/A	N/A
3.07/2	Basic service delivery and infrastructure	Improve, expand and maintain existing infrastructure	Upgraded crèche		No. of crèches	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Completion of crèche upgrade
			Upgraded sportsfields (KwaCele-ablution)		No. of sportsfields	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Social and economic development	To be able to create an electronic database and manage all community	Programme for booking of facilities	Electronic booking in place	Operationalised electronic booking	Booking system procured and set up	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/2/7	Basic service delivery and infrastructure development	To construct new community and public facilities and maintaining existing structures	Hiring of community facilities	Improved condition of community facilities	Income generated from hiring of facilities	N/A	N/A	N/A	R300 000	R335 448	Achieved	N/A	N/A
			Provision of parking facilities in beaches		Income generated from parking fees	R188 000	R211 703	Achieved	N/A	N/A	N/A	N/A	N/A
			Provision of parking facilities in Park Rynie campsite		Income generated from parking fees	R210 000	R331 123	Achieved	N/A	N/A	N/A	N/A	N/A
	Social and economic development	Facilitation of social upliftment of OVCs	Orphans and vulnerable forum establishment	Launch of OVC Forum	Umdoni OVC Forum launched	OVC Forum not launched	Not achieved	N/A	N/A	N/A	N/A	N/A	N/A
			Dress a School Child Programme	Well cared for orphans and vulnerable children	No. of deserving OVCs benefiting from the programme OVCs benefiting with 15% of OVCs in primary schools	150 children benefitted in 83% of primary schools (15)	Achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups whilst empowering them to be respected members of society			Number of deserving OVCs benefiting from the programme	N/A	N/A	N/A	150 OVCs benefiting (10 of OVCs per targeted primary)	270 scholars benefitted from the programme	Achieved	N/A	N/A
	Social and economic development	Promoting and facilitating social development of youth	Umdoni Bursary Fund	Youth talent identified and nurtured. Youth participating in community upliftment programmes	No. of deserving matriculants awarded bursaries	Five matriculants awarded bursaries	13 matriculants awarded bursaries	Achieved	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups while empowering them to be respected members of society			No. of registration fees bursaries awarded to matriculants	N/A	N/A	N/A	15	Completed (12 matriculants were awarded with bursaries)	Achieved	N/A	N/A
			Life skills and leadership training programme	Youth talent identified and nurtured. Youth participating in community upliftment programmes	No. of life skills programmes conducted for youth out of school	N/A	N/A	N/A	Two training programmes conducted	Not achieved	Not achieved	Life skills for youth out of school is important and hence will receive priority in the 2011/2012 budget	N/A
	Social and economic development	To ensure an efficient an effective developmental local government and create a culture of service excellence	Thusong Centre in Amahlongwa		% completion of securing funding	Source funding approval from CoGTA	Negative response received from CoGTA - KZN	Not achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups whilst empowering them to be respected members of society	Induction and capacity building	Social upliftment of people with disabilities	No. of Disability Forum members trained and inducted	N/A	N/A	N/A	10 disability forum members inducted and trained	The Induction and capacity building training was held on 5-6 May 2011 at Malangen MPCC	Achieved	N/A	N/A
			Disability programmes and initiatives	Social upliftment of people with disabilities	No. of proposals/ programmes identified	N/A	N/A	N/A	One project/initiative with impact implemented	Wheel chairs and walking sticks were procured	Achieved	N/A	N/A
	Social and economic development	Promoting and facilitating social development of people with disabilities	International Day for the Disabled	Social upliftment of people with disabilities	Participation and/or hosting the annual celebration	Participation/hosting in annual International Day for the Disabled	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups whilst empowering them to be respected members of society			No. of people participated in the annual celebration	N/A	N/A	N/A	120 people with disabilities	Partnered with Ugu District and participating members from Umdoni were transported to the celebrations	Achieved	N/A	N/A
3.07/3	Local economic development and social	To promote human rights and social upliftment of vulnerable groups			International Day for Disabled celebration	N/A	N/A	N/A	N/A	N/A	N/A	N/A	One celebration held/participated in
	Social and economic development	Promoting and facilitating social development of people with disabilities	Basket Weaving Project		Basket weaving material brought	Basket weaving material bought for targeted beneficiaries			N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/corrective measure	2011/12 target
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved		Projected
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups whilst empowering them to be respected members of society	'One Home one Garden' Programme	Well coordinated gender programmes	No. of households supported with garden tools and equipment	N/A	N/A	N/A	40 households	Procured 30 hoes, watering cans, fertilisers and different seeds	Achieved	N/A	N/A
	Social and economic development	Promoting and facilitating social development of women	Gender Forum capacity building workshop	Well coordinated gender programmes	No. of workshops for Umdoni Gender Forum held	One workshop for Umdoni Gender Forum	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
			Financial support to women agricultural groups		Women agricultural groups funded	Four agricultural women groups funded	60 women from Ward 2 and nine funded with farming seeds	Achieved	N/A	N/A	N/A	N/A	N/A
			Women's Day celebration		Participation and/or hosting the annual celebration	At least one celebration hosted or participated in	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups whilst empowering them to be respected members of society	Women's Day celebration		Participation and/or hosting the annual celebration	N/A	N/A	N/A	One celebration hosted or participated in	The celebration was hosted in August 2010	Achieved	N/A	N/A
3.07/3	Local economic development and social	To promote human rights and social upliftment of vulnerable groups	Women's Day celebration		Women's month celebration programme held	N/A	N/A	N/A	N/A	N/A	N/A	N/A	One celebration held or participated in
	Social and economic development	Promoting healthy nation and reducing rate of new infections by 50% by 2011	HIV and AIDS awareness campaign	Well coordinated and effective awareness programmes	Awareness campaigns held	Five campaigns held in five schools	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups whilst empowering them to be respected members of society	HIV and AIDS awareness campaign	Well coordinated and effective awareness programmes	No. of awareness campaigns held	N/A	N/A	N/A	Three campaigns held in three targeted wards	Completed. Three awareness campaigns were held	Achieved	N/A	N/A
3.07/3	Local economic development and social	To promote human rights and social upliftment of vulnerable groups			No. of education and awareness programmes hosted	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Two
	Social and economic development	Promoting healthy nation and reducing rate of new infections by 50% by 2011	Branded condom and femidom dispensing containers	Well coordinated and effective awareness programmes	No. of condom and femidom dispensers installed in community facilities	50% installation (three community facilities)	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups whilst empowering them to be respected members of society	High schools life skills and sexuality programme	Well coordinated and effective awareness programmes	No. of life skills programmes conducted in high schools	N/A	N/A	N/A	Two programmes conducted per two targeted high schools	Not completed	Not achieved	N/A	N/A
	Social and economic development	Promoting healthy nation and reducing rate of new infections by 50% by 2011	Umdoni Local AIDS Council		No. of meetings and workshops held	Four Umdoni LAC meetings and one workshop participated in	Not achieved	N/A	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target		
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved	Action plan/corrective measure	Projected	
IDP3.07/3/8	Local economic development	To promote the human rights of the special groups whilst empowering them to be respected members of society			No. of meetings and workshops held	N/A	N/A	N/A	Four Umdoni LAC meetings and one workshop participated in	Two LAC meetings have been held	Partially achieved	N/A	N/A	
	Social and economic development	Promoting healthy nation and reducing rate of new infections by 50% by 2011	Wards AIDS Councils HIV and AIDS, TB and STD Workshop		Workshops held in all nine wards	100% wards: nine AIDS Councils workshopped	No wards AIDS Councils workshopped	Not achieved	N/A	N/A	N/A	N/A	N/A	
IDP3.07/3/8	Local economic Development	To promote the human rights of the special groups whilst empowering them to be respected members of society	Immune boosting protein porridge	Well co-ordinated and effective awareness programmes	No. of 500 g sachets bought	N/A	N/A	N/A	1 000 of 500 g sachets bought	Immune-boosting protein porridge has been procured	Achieved	N/A	N/A	
	Social and economic development	To provide a formalised ranking facility in the Umzinto area	Umzinto Bus Rank		Council approval/ resolution	Council approval/ resolution	Land identified	Partially achieved	N/A	N/A	N/A	N/A	N/A	
			Umzinto taxi rank extension		% completion of the plan	100%	Project transferred to be dealt with by Municipal Manager's department	-	N/A	N/A	N/A	N/A	N/A	
3.07/4	Institutional transformation and organisational development	To ensure transparency and accessible institution	Strengthened/ foster relations – streamlined implementation processes		No. of meetings convened with the following departments:	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Six	
					Dept of Justice									
					Dept of Transport	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Three
					SAPS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	27
					Dept of Human Settlement	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15
					Dept of Land Affairs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Three
					Dept of Agriculture & Environment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Two
	Financial management	To ensure sound asset management which is aligned to GRAP and LG Best Practices	Implement the asset management plan			% completion adopted plan	100% completed asset maintenance plan	An asset framework has been developed, workshopped and adopted by the June MANCO	Achieved	N/A	N/A	N/A	N/A	N/A
						No. of staff workshopped on plan	20 staff workshopped on plan	Staff were workshopped during the budget process and a subsequent management workshop in June	Achieved	N/A	N/A	N/A	N/A	N/A
						% of indexing completed	90% completion of indexing of new assets	100% movables. 75% immovables	Achieved	N/A	N/A	N/A	N/A	N/A
						% of development and implementation of plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100% development
						Componentisation of Asset Register	Componentised asset register	The immovables have been completed	Partially achieved	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target		
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved	Action plan/corrective measure	Projected	
	Financial management and viability	Identify and mitigate risks that may impair our ability to achieve an unqualified audit report	Maintain unqualified Audit Report		Status of Audit Report	Unqualified Audit Report	Unqualified Audit report achieved for the 2008/2009 financial year. A plan of corrective measures developed to address weaknesses	Achieved	N/A	N/A	N/A	N/A	N/A	
3.07/6	Municipal financial viability	To ensure financial sustainability	Clean audit report		Reduction in number of audit queries raised	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Full implementation of 2009/2010 audit action plan; developed 100%; 50% implementing action plan 2010/2011	
	Financial management and viability	To ensure effective and efficient revenue and cash management and improved collection levels	Credit Control and Debt Collection Policy		% adoption and implementation of policy	100% reviewed, adopted policy by officials understanding the policy	Policy reviewed, adopted by Council and implemented	Achieved	N/A	N/A	N/A	N/A	N/A	
					No. of officials workshopped on policy	One workshop of policy to officials and councillors	Debt recovery sub-committee established and procedures workshopped to officials	Achieved		N/A	N/A	N/A	N/A	
IDP3.07/6/1	Financial Management	To create a financially viable and sustainable municipality	Review Debt Collection and Credit Control policy	Reduction in outstanding debt and increased cash flow	Council resolution adopting amended policy	N/A	N/A	N/A	Reviewed, adopted and implemented policy	Policy reviewed and adopted	Achieved	N/A	N/A	
3.07/6	Municipal financial viability	To ensure financial sustainability	Increased debt collection/ decreased debt		% debt actioned							N/A	100% debt actioned; Report to council on collection challenges	
			Increased number of tariffs		No. of revenue streams identified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Two
	Financial management and viability	To maintain an efficient and enabling supply chain management service which contributes towards development objectives (job creation and local economic development) and is legally compliant	SCM Policy	Transparent and credible SCM	100% policy approved	100% adopted, reviewed, and implemented policy and procedures	Revised policy adopted, monthly reports are submitted directly to Council regarding deviations, tender awards and quotations	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
					No. of officials trained/ understanding policy	25 officials trained on reviewed policy	Policy review formed part of the budget	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A
				No. of vulnerable groups/PDIs workshopped on policy	50 individuals educated on SCM Policy			N/A	N/A	N/A	N/A	N/A	N/A	
IDP3.07/6/3	Financial management	To create an Intergovernmental platform to ensure that the roll out of overlapping services benefit from the economies of scale	Work shopping on SCM policies and procedures	Transparent and credible SCM	No. of workshops held	N/A	N/A	N/A	Two workshops held for the year	Two workshops held via management workshops	Achieved	N/A	N/A	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target	
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected	
			Implementation of automated SCM system	Transparent and credible SCM	Automated SCM system	N/A	N/A	N/A	Implemented automated SCM system	SCM system awarded, however implementation delayed	Partially achieved	N/A	N/A	
3.07/6	Municipal financial viability	To ensure financial sustainability	Credible database		% improvement on current database	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Implementation of SCM software 100%	
	Financial management and viability	To maintain an efficient and enabling supply chain management service which contributes towards development objectives (job creation and local economic development) and is legally compliant	SCM business processes	Transparent and credible SCM	MANCO resolution of adoption of service level agreements	Adopted and implemented service level agreements and procedures	The procedures including timeframes have been adopted by MANCO	Achieved	N/A	N/A	N/A	N/A	N/A	
IDP3.07/6/3	Financial management	To create an Intergovernmental platform to ensure that the roll out of overlapping services benefit from the economies of scale	Review business process		MANCO resolution adopting process	N/A	N/A	N/A	Reviewed, adopted and implemented policy	The policy was reviewed with ongoing implementation	Partially achieved	N/A	N/A	
	Financial management and viability	To measure the adequacy of the income department in responding to customer queries	Issue of customer care feedback forms		The improvement of the rating of the efficiency of the income section	40 reports			N/A	N/A	N/A	N/A	N/A	
		To investigate the unused modules within SAMRAS	Investigation of unused SAMRAS modules		No. of assessment reports completed	Six			N/A	N/A	N/A	N/A	N/A	
		To ensure effective and efficient revenue and cash management and improved collection levels	Realistic revenue streams	Transparent and credible SCM	No. of revenue streams identified and income received in Rands value from each stream	Income streams identified	All revenue streams reviewed – now new streams identified and three tariffs re-structured	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
								Partially achieved	N/A	N/A	N/A	N/A	N/A	
								Partially achieved	N/A	N/A	N/A	N/A	N/A	
								Partially achieved	N/A	N/A	N/A	N/A	N/A	
Handover of debtors to attorneys	No. of days between completion of internal processes and handover	Seven working days	All legal processes are now handled in-house up to and including sales in execution, if undefended	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A				
				Partially achieved	N/A	N/A	N/A	N/A	N/A					
Handover debt management (internal)	Reduction in outstanding debt and increased cash flow	No. of monthly progress report	12 quality reports	Reports are submitted to every sitting of debt recovery sub-committee	Achieved	N/A	N/A	N/A	N/A	N/A				
					Achieved	N/A	N/A	N/A	N/A	N/A				
IDP3.07/6/1	Financial management	To create a financially viable and sustainable municipality			Handover debt management (internal)	N/A	N/A	N/A	30 days from date of default	90 from default on all monthly accounts /30 days from default on all annual	Achieved	N/A	N/A	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target	
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved	Action plan/corrective measure	Projected
		Reduced turnaround time for investigations	Completion of investigations		Turn-around time of one month	One month			N/A	N/A	N/A	N/A	N/A
		To ensure effective and efficient revenue and cash management and improved collection levels	Chronological categorisation of debt by recoverability	Reduction in outstanding debt and increased cash flow	No. of debtors: implementation of debt category specific procedures	% per category debt recovered	Collection procedures continue to be developed and standardised e.g. AODs and collection of rental debt. Reports are now reported on collections per category	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/6/1	Financial management	To create a financially viable and sustainable municipality			Percentage collection per category	N/A	N/A	N/A	40% collection on old debt and 85-90% on current debt	40% of old debt collected. 80-90% collection on current debt	Partially achieved	N/A	
3.07/6	Municipal financial viability	To ensure financial sustainability	Implementation of TOC		% increase in existing revenue	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Gap analysis report; implementation
			Cost reflective TOC		% of operational costs recouped	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IDP3.07/6/1	Financial management	To create a financially viable and sustainable municipality	Risk management committee meetings	Identify risks within the organisation	No. of meetings held	N/A	N/A	N/A	Four per year	Four meetings scheduled	Achieved	N/A	N/A
			Compilation of Risk Register	Identify risks within the organisation	Approved risk register	N/A	N/A	N/A	Approval of risk register	Approved by RMC on the 7 Sep 2011	Partially achieved	The 2011/2012 Risk Register finalisation process shall be accelerated	N/A
			Develop a strategy	Identified revenue streams	Approved strategy	N/A	N/A	N/A	Developed strategy	Draft key focus areas identified	Not achieved	Requested PT to pilot policy with Umdoni	N/A
			Review policy	Identified revenue streams	Council resolution adopting amended policy	N/A	N/A	N/A	Reviewed, adopted and implemented policy	New revenue streams identified	Partially	N/A	N/A
	Financial management and viability	To maintain an efficient and enabling supply chain management service which contributes towards development objectives (job creation and local economic development) and is legally compliant	Budget, cash-flow understanding and accountability		No. of staff and councillors workshopped	100% management and councillors workshopped	100% councillors & management workshopped	Achieved	N/A	N/A	N/A	N/A	N/A
IDP3.07/6/1	Financial management	To create a financially viable & sustainable municipality	Implementing appeals register		No. of successful appeals	N/A	N/A	N/A	Less than 10%	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
		To maintain an efficient and enabling supply chain management service which contributes towards development objectives (job creation and local economic development) and is legally compliant	Contract management		100% measurable rating performance management system for contractors developed and implemented		100% reviewed and implemented processes for performance valuations	Partially achieved	N/A	N/A	N/A	N/A	N/A
					No. of officials workshopped on the above-mentioned system	25 officials workshopped on contract management approach	All HODs workshopped	Partially achieved	N/A	N/A	N/A	N/A	N/A
	Municipal financial viability	To ensure financial sustainability	Four workshops relating to financial matters		No. of workshops conducted relating to financial matters	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Four
3.07/6	Institutional transformation and governance	To ensure development and implementation of WSP, training needs analysis; learnership programmes for the unemployed persons and unemployed graduates by 30 June 2009	ABET		No. of staff trained	20 workers		Not achieved	N/A	N/A	N/A	N/A	N/A
3.07/4	Institutional transformation and organisational development	To ensure a trained staff complement	Computer literacy training. ABET – for general workers. Supervisory skills training. Minimum competency levels. ELMDP Partnership Programme		% of completed training programmes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Prioritise and roll-out of training programme as per the WSP
3.07/4	Institutional transformation and organisational development	To ensure a capacitated staff complement	Five departmental succession plans		No. of departmental succession plans approved by MANCO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	All depts to prepare and submit draft plans to HR/MANCO. Approval of consolidated plan by MANCO. Ongoing implementation of Succession Plan



IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/corrective measure	2011/12 target
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved		
	Institutional transformation and governance	To ensure development and implementation of WSP, training needs analysis; learnership programmes for the unemployed persons and unemployed graduates by 30 June 2009	Succession plans implementation		% implementation of departmental succession plans								
			Specialist technical training	No. of staff trained	Five artisans	43 staff trained in road patching, Kerb laying and construction of V-drains	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
			First Aid	No. of staff obtaining certificate of competence	13 field based staff	Training is scheduled for 5 July 2010 - 7 July 2010	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
			Learnerships	No. of learners skilled	15 unemployed persons and unemployed graduates	15	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
			Councillor training oversight	No. of Councillors trained	18 – all Councillors	DLGTA presentation on Councillor oversight and roles and responsibilities (Mr Lionel Pienaar & Mr John Johnsons)	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
3.07/5/1	Good governance, community participation and ward committee systems	To foster meaningful relations with all communities in the affairs of the municipality and to eradicate unethical behavior	Mayoral Imbizo		No. of Mayoral Izimbizo held	N/A	N/A	N/A	Four Mayoral Izimbizo	Six Mayoral Izimbizo held	Achieved	N/A	
	Institutional transformation and governance	To ensure effective, timeous, relevant and frequent external communications on a continuous basis			No. of Mayoral Izimbizo held. No. of matters raised and issues attended to and resolved	Four Mayoral Izimbizo	Four	Achieved	N/A	N/A	N/A	N/A	N/A
				IDP Budget Roadshows	No. of roadshows held. No. of matters raised and issues attended resolved	Four roadshows	Four	Achieved	N/A	N/A	N/A	N/A	N/A
3.07/5/1	Good governance, community participation and ward committee systems	To foster meaningful relations with all communities in the affairs of the municipality and to eradicate unethical behavior	IDP/Budget Roadshows		No. of roadshows held	N/A	N/A	N/A	Four IDP roadshows	Five IDP and Budget Roadshows	Achieved	N/A	N/A
	Institutional transformation and governance	To ensure effective, timeous, relevant and frequent external communications on a continuous basis	Media briefings on SDBIP		No. of media briefings held			Partially achieved	N/A	N/A	N/A	N/A	N/A
			Press articles		No. of press articles released	Minimum 48 press articles per annum			N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
3.07/5/1	Good governance, community participation and ward committee systems	To foster meaningful relations with all communities in Municipality affairs and to eradicate unethical behavior			No. of press articles released	N/A	N/A	N/A	Minimum 48 press articles per annum	42 press articles	Achieved	N/A	N/A
	Institutional transformation and governance	To ensure effective, timeous, relevant and frequent external communications	Council newsletter		No. of newsletters produced	Four quarterly newsletters		Not achieved	N/A	N/A	N/A	N/A	N/A
	Good governance, community participation and ward committee systems	To foster meaningful relations with all communities in the affairs of the Municipality and to eradicate unethical behavior	Effective administration of ward councils		No. of newsletters produced	N/A	N/A	N/A	Four quarterly newsletters	N/A	Not achieved	Newsletter covering previous quarters currently underway	N/A
					Appointment of ward committee secretariat. Appointment of ward committees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Institutional transformation and governance	To strengthen participatory governance through functional and effective ward committees on an ongoing basis	Effectively functioning WCs	10 ward committees trained, each meeting on a quarterly basis, with each ward committee having had two community meetings and 100% auctioning of minutes of ward committees	No. of secretaries trained	Five ward committee secretaries trained	Nine ward committee secretaries were trained	Achieved	N/A	N/A	N/A	N/A	N/A
% of items actioned by HODs from ward committees					100% auctioning of relevant items by HODs	Approx. 70% matters raised were addressed to committees by relevant HOD's and about 30% matters were referred to other sector departments	Achieved	N/A	N/A	N/A	N/A	N/A	
3.07/5/1	Good governance, community participation and ward committee systems	To foster meaningful relations with all communities in the affairs of the municipality and to eradicate unethical behavior		No. of ward committees receiving training	N/A	N/A	N/A	10	Nine ward committees trained. (Seven training programmes)	Achieved	N/A	N/A	
				% of items processed by HODs from ward committee minutes	N/A	N/A	N/A	100%	100%	Achieved		N/A	
				No. of community meetings convened per ward committees	N/A	N/A	N/A	One meeting convened per ward	Two	Partially achieved	Capacity building	N/A	
				No. of ward committee meetings held	N/A	N/A	N/A	40	26 ward committee meetings held	Partially achieved	Strict compliance to be monitored by the office of the Speaker	N/A	
3.07/5	Good governance and community participation	To ensure functionality of ward committees	Capacitate ward committees to achieve functionality		No. of functional ward committees in terms of the GTA Calculator	N/A	N/A	N/A	N/A	N/A	N/A	Roll-out and implement programme to 10 wards	
			Capacity building workshop		No. of capacity building workshops in rural ward committees	N/A	N/A	N/A	N/A	N/A	N/A	Roll-out & implement programme to 10 wards. Monitoring and Evaluation Report to Council and CoGTA	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target		
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved	Action plan/corrective measure	Projected	
	Institutional transformation and governance	To ensure effective, timeous, relevant and frequent external communications on a continuous basis	Integration of public participation through ward committees		No. of PP interventions in rural areas	Three PP interventions in rural areas per department	Three	Achieved	N/A	N/A	N/A	N/A	N/A	
		To strengthen participatory governance through functional and effective ward committees on an ongoing basis	Monitor scheduled ward committee meetings		No. of meetings held	Four meetings held by each ward committee	Four ward committees have complied fully	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A
		To appoint two additional staff members within the HR section by the end of Nov 2009	HR manager		No. of HR managers recruited, inducted & working	One HR manager	One HR manager	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
		Improved compliance with HR legislation, labour stability and peace, openness and transparency and the ability to obtain maximum productivity of staff	Annual review of existing policies		No. of policies reviewed	Five reviewed HR policies	Four policies	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A
			New HR policies		No. of policies developed	A total of 10 new policies by end March 2010	Three new policies	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A
3.07/4/2		To provide effective and efficient human resources management services	HR Strategy		Date of adoption of HR strategy	N/A	N/A	N/A	Feb 2011	F&A - Feb 2011. LLF - Feb 2011	Achieved	N/A	N/A	
					Workshop of staff on HR strategy				One	Adoption - Mar 2011 draft HR strategy tabled at Feb 2011 F&A, item submitted to Feb 2011 LLF				
			HR Policies		No. of policies compiled/ reviewed and adopted	N/A	N/A	N/A	Four new policies		Partially achieved	N/A	N/A	
									Four reviews		Two new policies developed - sexual harassment and experiential learning. Two policies reviewed - one policy reviewed - study leave policy - adopted by Council 30 Mar 2011 and subsistence and travel policy			
			Recruitment of SDF		No. of SDF recruited, inducted and working	One SDF recruited				N/A	N/A	N/A	N/A	N/A
			To appoint two additional staff members within the HR section by the end of Nov 2009	Training		No. of staff trained in specialist technical training	N/A	N/A	N/A	40 staff trained	30 staff trained in this field	Achieved. 60 staff trained in specialist technical training (15 bricklaying, 15 plumbing, 15 V-drain, and 15 kerb laying)	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
3.07/4/2	Institutional transformation and organisational development	To provide effective and efficient human resources management services			No. of staff trained for First Aid	N/A	N/A	N/A	10	10 staff trained	Achieved	N/A	N/A
					No. of Councillors trained on oversight	N/A	N/A	N/A	19	10 Councilors trained	Partially achieved	N/A	N/A
					No. of trainees/ interns capacitated	N/A	N/A	N/A	Five	Seven interns	Achieved. Seven interns appointed effective 1 Oct 2010	N/A	N/A
					No. of managers trained on disciplinary hearings	N/A	N/A	N/A	12	Seven managers trained	Partially achieved	Training will be resuscitated first quarter 2011/2012 FY	N/A
3.07/4/1	Institutional Transformation and organisational development	To ensure that the Municipality has sufficient institutional capacity so as to ensure quality and sustainable service delivery	On line enquiry for rates	100% purchase of software	N/A	N/A	N/A	Purchase of software	N/A	Partially achieved	Rolled over to new FY due budgetary constraints	N/A	
		To ensure that service delivery issues are dealt with at all levels of the municipality and are implemented accordingly	Service delivery improvement	No. of departmental reports on service delivery	One report per department		Partially achieved	N/A	N/A	N/A	N/A	N/A	
			Action plan	Action plan	One action plan report	One action plan report	Achieved	N/A	N/A	N/A	N/A	N/A	
			Reports on MSDC – action plan	Reports on MSDC – action plan	Monthly progress reports	Monthly progress reports	Achieved	N/A	N/A	N/A	N/A	N/A	
			Switchboard and telephonic systems	% reduction of traffic on switchboard	50% reduction of traffic on switchboard by July 2009		Achieved	N/A	N/A	N/A	N/A	N/A	
			Develop an electronic document and complaints management system	% of saving on paper and stationery vote	30% reduction in paper trail June 2011		Partially achieved	N/A	N/A	N/A	N/A	N/A	
			To conduct an IT infrastructure assessment in all Municipal offices over a three-year phased in period and improve IT internal procedures	No. of feedback reports – track and trace		Target is due in June 2011							
			Engagement with SITA	No. of reports and action plan	One assessment report		Partially achieved	N/A	N/A	N/A	N/A	N/A	
3.07/6	Municipal financial viability	To reduce employee-related costs by 2014 to an acceptable level	Annual workplans. Quarterly performance assessments	% roll-out of the PMS tool to lower levels of the organisation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Review PMS and framework to include identified levels of management; workshopping and management and labour; 10% roll-out	
			Task/work plans	% of improvement in performance measurement through weekly/ monthly/quarterly work plans	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Develop, roll-out and workshop – labour consultation. Ongoing monitoring, evaluation and reporting. Identify and address troubleshoot areas	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target	
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected	
		To conduct an IT infrastructure assessment in all Municipal offices over a three-year phased in period and improve IT internal procedures	IT procedure manual (job cards)		% of job card logs attended to	80%		Achieved	N/A	N/A	N/A	N/A	N/A	
3.07/4/9	Institutional transformation and organisational development	To provide effective information communication technology solutions	IT Infrastructure & equipment		No. of servers procured. Cabling/ wireless connections	N/A	N/A	N/A	One server. 100% linkage/ communication	N/A	Partially achieved	Rolled over to new FY due budgetary constraints	N/A	
	Institutional transformation and governance	To ensure that the Municipal Website is utilised to it's full potential by June 2010	Hit counter		No. of users who log onto the site	1 500 hits	7 644 users have logged onto site	Achieved	N/A	N/A	N/A	N/A	N/A	
			Customer Care online feedback forms		No. of forms that are completed	50 feed back forms received	Over 180 feedback forms received	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
3.07/5	Good governance and community participation	To introduce customer survey evaluation programme	Customer satisfaction surveys		No. of internal and external customer survey	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Workshop and consultation for roll-out of survey questionnaire	
			Awareness programmes (complaints management)		No. of internal and external awareness programmes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Develop and finalise system (ACCESS). Workshoping and consultation on implementation of system	
		To have an effective complaints management system	Roll-out of complaints management system		% of complaints attended to									Implementation of system. Ongoing monitoring, evaluation and reporting. Identify and address troubleshoot areas
			Online enquiries for rates		% completed feasibility study. No. of ratepayers who are able to enquire their accounts online	100% completed	100% assessment feasibility study undertaken	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
3.07/4/9	Institutional transformation and organisational development	To provide effective information communication technology solutions	Web site management		Fully compliant with legislated requirements	N/A	N/A	N/A	100% compliance	80% compliance	Partially achieved	Staff capacity – occasion by resignation of website designer	N/A	
3.07/5	Good governance and community participation	To implement communication strategy	Newsletter		No. of newsletters issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Review community strategy	
			Updated website		% of website update									Implementation of strategy. Ongoing monitoring, evaluation and reporting. Identify and address troubleshoot areas
	Institutional transformation and governance	To ensure compliance with the principles of contract and leases within the applicable legislative requirements	Maintenance of contracts/ leases registers		No. of contracts listed/ registered	100 % of compliance with the listing of contracts	63 leases. 185 agreements. 100% compliance achieved	Achieved	N/A	N/A	N/A	N/A	N/A	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/corrective measure	2011/12 target	
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved		Projected	
3.07/4/7	Institutional transformation and organisational development	To ensure effective administrative support services			No. of contracts listed/registered	N/A	N/A	N/A	100% of compliance with the listing of contracts	95% compliance. Monitored on a monthly basis	Achieved	N/A	N/A	
	Institutional transformation and governance	To enhance awareness of registry procedures and to improve document management system within the Municipality by Feb 2010	Staff trainings/workshops		No. of staff workshopped	30 staff workshopped	11 staff trained	Partially achieved	N/A	N/A	N/A	N/A	N/A	
			Dissemination of the registry manual departmentally		No. of registry manuals disseminated	50 registry manuals disseminated		Partially achieved	N/A	N/A	N/A	N/A	N/A	
		To ensure the effective disposal of Council properties with the aim of generating revenue by August 2009	Technical inspections of the properties		No. of properties inspected	Technical reports for 20 properties	23 properties inspected and evaluated		Achieved	N/A	N/A	N/A	N/A	N/A
			Valuation of property		No. of valuation certificate	Valuations of 20 properties	20 valuations were completed		Achieved	N/A	N/A	N/A	N/A	N/A
			Tender process		No. of tenders awarded	20 properties advertised and 12 properties awarded			Partially achieved	N/A	N/A	N/A	N/A	N/A
3.07/4/7	Institutional transformation and organisational development	To ensure effective administrative support services	Delegations of authority between Council and administration		% compliance with the updated register	N/A	N/A	N/A	100% compliance	100% compliance	Achieved	N/A	N/A	
			Appointment of a registry specialist on contractual basis		% of improvement on efficiency	N/A	N/A	N/A	50% improvement in efficiency	45%	Partially achieved	Letter to the Department of Arts and Culture and other possible funders was forwarded for financial support	N/A	
			Fuel management controls		% compliance with fuel management schedule	N/A	N/A	N/A	100% compliance with the schedule	40% compliance	Partially achieved	Appointment of FM. Strengthen the accountability by individual HODs	N/A	
	Institutional transformation and governance	To enhance service delivery by ensuring the provision of a cost effective fleet management system by Feb 2010	Maintenance and roll out of fleet management software		Installation of software	FM software installed		Not achieved	N/A	N/A	N/A	N/A	N/A	
					No. of users trained	...users trained		Not achieved	N/A	N/A	N/A	N/A	N/A	
			Monitoring, implementation of FMP		% level of compliance. No. of policy contraventions dealt with through the FMC	55% compliance. No. of contraventions dealt with		Partially achieved	N/A	N/A	N/A	N/A	N/A	
		Fleet management committee		No. of monthly meetings held and reports submitted to MANCO	Eight	Six FMC	Partially achieved	N/A	N/A	N/A	N/A	N/A		
3.07/4/7	Institutional transformation and organisational development	To ensure effective administrative support services	Effective functioning of fleet monitoring committee		One meeting per month	N/A	N/A	N/A	Eight sets of minutes	Five meetings. Five sets of minutes	Partially achieved	N/A	N/A	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
			Branding of vehicles		% fleet branded	N/A	N/A	N/A	50% vehicles branded	Partially achieved	Budgetary constraints	Funds were allocated during the budget review process	N/A
			Training		No. of staff trained	Two			N/A	N/A	N/A	N/A	N/A
		To enhance service delivery by ensuring the provision of a cost effective fleet management system by Feb 2010	Tabling of Annual Report		Tabling of the Annual Report in Jan 2010	Tabling of the Annual Report in Jan 2010		Achieved	N/A	N/A	N/A	N/A	N/A
3.07/5/2	Good governance. Community participation and ward committee systems	To implement an effective organisational and individual performance management system			% compliance with applicable framework	N/A	N/A	N/A	100% compliance	100% compliance	Achieved	N/A	N/A
		To enhance organisational development in line with community needs			Date of adoption of annual reports	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Apr 2012
3.07/5	Good governance and community participation	To ensure effective, timely, relevant and frequent external communications on a continuous basis	Community outreach programmes		No. of community outreach programmes held. Statistics on people assisted by different stakeholders involved	12 community outreach programmes	15 community outreach programmes held	Achieved	N/A	N/A	N/A	N/A	N/A
		To foster meaningful relations with all communities in the affairs of the Municipality and to eradicate unethical behavior	Community outreach programmes (customer care van)		No. of community outreach programmes	N/A	N/A	N/A	12 community outreach programmes	11 community outreach programmes held	Achieved	N/A	
		To provide support to staff who have social, economic challenges on an ongoing basis and on a needs basis	Substance/ alcohol abuse counselling HIV and AIDS counselling Domestic violence counselling		No. of cases of support received	100% support facilitated		Partially achieved	N/A	N/A	N/A	N/A	N/A
3.07/5/1	Good governance, community participation and ward committee systems	To ensure that the Council oversight role is exercised in an effective and on a regular basis in respect of the terms of reference for Council structures and delegations	Management brainstorm session		No. of workshops on roles and responsibilities	100% completion of discussion document		Partially achieved	N/A	N/A	N/A	N/A	N/A
			Roles and responsibilities		No. of workshops on roles and responsibilities	One workshop	Workshop held and full discussion of document undertaken	Achieved	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/corrective measure	2011/12 target
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved		Projected
3.07/6	Municipal financial viability	To reduce employee-related costs by 2014 to an acceptable level	Review organogram (ERC)		Annual review of organogram	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Annual review of organogram in line with budget process
			Filling of positions that are vacant through natural attrition and retirement		% of positions addressed by natural attrition and retirement	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Quarterly monitoring and evaluation of departmental plans
			Implementation of employment equity plan		% employment of equity target groups	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Ongoing implementation of EEP-MANCO reports
			Filling of critical posts		Annual review of organogram specific to critical position in line with annual budget. Filling of identified budgeted critical positions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Review organogram and identify critical positions. Ensure budget for critical positions and follow policy of recruitment
	Implementation of WSP	% Municipal budget spent on implementing WSP	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Ongoing implementation of WSP			
	Infrastructure and services	Appoint new service provider for the landfill site and extend refuse collection to rural areas	Appointment of new service provider for Umdoni landfill site and ensure compliance		Appointment of new contractor. % compliance with audit	80% compliance by 1 Apr 2010	100%	Achieved	N/A	N/A	N/A	N/A	N/A
3.07/1/3	Spatial, rational and environment	To ensure effective waste management	Landfill audit	300 landfill audited	Date of completion of audit	N/A	N/A	N/A	30 Mar 2011	30 Mar 2011	Achieved	N/A	N/A
			Preston Public Park established at the current roads depot site in Park Rynie (relocate roads depot by Jul 2010)		Depot relocated and earthworks completed	Relocate roads depot and complete earthworks for the park by Jul 2010	Soil has been imported for earthworks	Partially achieved	N/A	N/A	N/A	N/A	N/A
			Indigenous tree planting		200 trees planted	Plant 200 trees by Jun 2010	700 trees planted	Achieved	N/A	N/A	N/A	N/A	N/A
			Establish children's playground at park (Jungle gyms)		One playground established	One playground established by Jul 2010	Old Lotus Park library demolished. Paving complete. Jungle gym to follow	Partially achieved	N/A	N/A	N/A	N/A	N/A
			Bush clearing, cutting and maintenance of vacant Municipal owned properties		Square meters completed	100 000 m ² by July 2010	125 000 m ²	Achieved	N/A	N/A	N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target		
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved	Action plan/corrective measure	Projected	
3.07/1/3	Spatial, rational and environment	To achieve improved compliance for all structures in Umdoni by undertaking more regular inspections. Approve plans within 21 day after referrals are attended to. Establish new offices	Establishment of new Technical Services office block		% office block established	100% established by July 2010	Construction commenced. Contractor has completed roof on storage facility. Office block – first floor slab cast and brickwork has commenced on first floor	Achieved	N/A	N/A	N/A	N/A	N/A	
					No. of building inspectors trained	Two building inspectors trained	Not done in this quarter	Not achieved	N/A	N/A	N/A	N/A	N/A	
					No. of reports	12	12	Achieved	N/A	N/A	N/A	N/A	N/A	
			To achieve improved compliance for all structures in Umdoni by undertaking more regular inspections. Approve plans within 21 day after referrals are attended to. Establish new offices	Improve communication regarding building control inspections by updating the web with results from PD&I meetings	No. of workshops held	Two	50%. Town planning and building control leaflet completed	Partially achieved	N/A	N/A	N/A	N/A	N/A	N/A
					No. of revised scheme maps	Five	100% completed	Achieved	N/A	N/A	N/A	N/A	N/A	
					No. of suburbs	One	100% completed	Achieved	N/A	N/A	N/A	N/A	N/A	
	Infrastructure and services	To accelerate the processing of all town planning applications and to regularise and rectify town planning contraventions. To improve stakeholders knowledge of town planning regulations	Street numbering	Street naming	No. of streets	Five	100%	Achieved	N/A	N/A	N/A	N/A	N/A	
			Improve communication regarding town planning applications by updating the web with results from PD&I meetings	No. of reports	12	100%	Achieved	N/A	N/A	N/A	N/A	N/A	N/A	
				One new policy by Jul 2010	% completion	100%	Achieved	N/A	N/A	N/A	N/A	N/A		
				No. of workshops	Two	50% completed	Partially achieved	N/A	N/A	N/A	N/A	N/A		
			Routine inspections		No. of routine inspections conducted	1 000	1 000	Achieved	N/A	N/A	N/A	N/A	N/A	
		Develop town planning inspection plans for each ward		No. of plans	12	100% completed	Achieved	N/A	N/A	N/A	N/A	N/A		
	3.07/1/1	Spatial rationale and environment	To ensure sustainable development & equitable use of natural resources whilst protecting and conserving the ecological integrity	Greening initiative	500 trees planted	No. of trees planted	N/A	N/A	N/A	Plant 500 trees in Umdoni	500	Achieved	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target	
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected	
		To achieve an improved state of environment for the people of Umdoni. To protect and enhance the state of the environment for present and future generations through continued implementation and enforcement of environmental legislation and policies	Environmental education programme for schools		No. of workshops held	12 workshops held	12 schools and four workshops	Achieved	N/A	N/A	N/A	N/A	N/A	
			Re-establish environmental forum		No. of meetings	Four	Three (one meeting cancelled due to municipal strike)	Partially achieved	N/A	N/A	N/A	N/A	N/A	
			Improve communication regarding environmental department activities by updating the web with reports from PD&I meetings		No. of reports	12	12	Achieved	N/A	N/A	N/A	N/A	N/A	
			Clearing of privately owned overgrown properties		% compliance with notices issued to owners	100% compliance by July 2010	100%. (All notices sent to owners result in the property being cleared either by the owner or by the Municipality)	Achieved	N/A	N/A	N/A	N/A	N/A	
	Spatial rationale and environment	To ensure sustainable development and equitable use of natural resources whilst protecting and conserving the ecological integrity	Environmental education	Five schools workshopped in environmental education matters	No. of schools workshopped	N/A	N/A	N/A	Five	Eight	Achieved	N/A		
3.07/1	Spatial rationale and environment	To protect and continually improve the environment and ensure the preservation of our environmental assets	Environmental workshops conducted		No. of workshops	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Eight	
			Cleanup campaigns conducted		No. of campaigns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Three
			Educational material distributed		Number of environmental education packs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20
3.07/1/1		To ensure sustainable development and equitable use of natural resources whilst protecting and conserving the ecological integrity	Strategic environmental assessment	Completed SEA report	Date of completion	N/A	N/A	N/A	30 Jun 2011	30 June 2011 – first draft SEA complete	In progress	N/A		
	Spatial rationale and environment	To achieve an improved state of environment for the people of Umdoni. To protect and enhance the state of the environment for present and future generations through continued implementation and enforcement of environmental legislation and policies	Alien vegetation eradication		Extent of area cleared of alien vegetation	100 000 square metres	120 000 square metres	Achieved	N/A	N/A	N/A	N/A	N/A	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			2011/12 target			
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved	Action plan/corrective measure	Projected		
3.07/1/1	Spatial rationale and environment	To ensure sustainable development and equitable use of natural resources whilst protecting and conserving the ecological integrity	Alien invasive control	23 ha of alien vegetation eradicated	Hectare	N/A	N/A	N/A	23	29	Achieved	N/A	N/A		
3.07/1	Spatial rationale and environment	To protect and continually improve the environment and ensure the preservation of our environmental assets	Alien vegetation eradicated		No. of hectares	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	10ha	
			Trees planted		No. of trees	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	300
			Areas of high conservation value protected		No. of hectares	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4ha
			Implemented integrated environmental management plan		Km ² covered by the plan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	285
3.07/1/1	Spatial rationale and environment	To ensure sustainable development & equitable use of natural resources whilst protecting and conserving the ecological integrity	Wheelie bins distribution	300 businesses provided with wheelie bins	No. of business supplied with wheelie bins	N/A	N/A	N/A	300	1950	Achieved	N/A	N/A		
3.07/1	Spatial rationale and environment	To protect and continually improve the environment and ensure the preservation of our environmental assets	Rivers/ Streams free of solid waste		No. of km	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Four kms	
3.07/2	Basic service delivery and infrastructure	To ensure that all people have access to safe waste disposal	Illegal dumpsite cleared		No. of sites cleared	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Five	
			Refuse receptacles provided		No. of refuse receptacles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	650
	Spatial rationale and environment	Appoint new service provider for the landfill site and extend refuse collection to rural areas	Rural refuse collection services extended to some rural areas		No. of skips placed in rural areas as identified by Council	Place six skips in rural areas as identified by Council by March 2010	Six (Skips placed in Amandawe, Amahlongwa and Malangeneni. Bins placed at all rural bus stops. Weekly door-to-door refuse collection at Ifafa Glebe/ Malangeneni)	Achieved	N/A	N/A	N/A	N/A	N/A	N/A	
3.07/1/1	Spatial rationale and environment	To ensure sustainable development and equitable use of natural resources whilst protecting and conserving the ecological integrity	Skips in rural areas	Nine rural skips cleared weekly	No. of skips placed in rural areas	N/A	N/A	N/A	Nine	Nine skips received in May 2011. Item to next PD&I to discuss placement	Achieved	N/A	N/A	N/A	
	Spatial rationale and environment	Appoint new service provider for the landfill site and extend refuse collection to rural areas	Recycling igloos		No. of skips placed in rural areas as identified by Council	Place 6 skips in rural areas as identified by Council by March 2010			N/A	N/A	N/A	N/A	N/A	N/A	

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/ corrective measure	2011/12 target
						Projected	Actual	Achieved/ not achieved	Projected	Actual	Achieved/ not achieved		Projected
3.07/1/1	Spatial rationale and environment	Appoint new service provider for the landfill site and extend refuse collection to rural areas	Refuse compactor	New compactor procured	Date of delivery of refuse compactor	N/A	N/A	N/A	15 Mar 2011	Internal tenders cancelled, embarked on Section 32 process which failed as no stock of units in SA. To be procured in new financial year	In progress	N/A	N/A
			Clearing illegal dumping sites		No. of sites cleared	Four sites cleared	Seven illegal dumping sites cleared in Ifafa, Amandawe and Umzinto, Mtwalume, Park Rynie, Freeland Park, Pennington)	Achieved	N/A	N/A	N/A	N/A	N/A
			Establish street cleaning co-ops together with LED		No. of co-ops	Two	0	Partially achieved	N/A	N/A	N/A	N/A	N/A
3.07/1/1	Spatial rationale and environment	To ensure sustainable development and equitable use of natural resources whilst protecting and conserving the ecological integrity	Waste guidelines for building applications	300 businesses provided 20 application approved subject to waste guidelines	No. of approved building applications with waste guidelines	N/A	N/A	N/A	20	27	Achieved	N/A	N/A
		Appoint new service provider for the landfill site and extend refuse collection to rural areas	Conduct an investigation into the conversion of waste to energy		% completion of investigation	30% completion by Jul 2010	50%. (Council approved in principle the project by MEGNA-CORP)	Achieved	N/A	N/A	N/A	N/A	N/A
3.07/2/1	Basic service delivery and infrastructure development	To ensure that all households in Umdoni have access to all basic household services in line with national standards so as to enhance community satisfaction	Rural electrification	630 households electrified	No. of households electrified	N/A	N/A	N/A	630	0	In progress	Project will commence in Olwasini with 250 houses. The consultant Khanyisani has been appointed with Mr Ngcobo as the project leader. Eskom and DME require from Council the exact no. of houses that need to be electrified. Without that a network planning report cannot be produced by Eskom	N/A
3.07/2	Basic service delivery and infrastructure	To ensure that all communities have access to energy sources	Rural households electrified		No. of rural households electrified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	350
			Maintenance of storm water drains		Metres	2 000 m					N/A	N/A	N/A

IDP indicator no.	National KPA	Strategic objective	Programme	KPI output	Indicator	2009/10 target			2010/11 target			Action plan/corrective measure	2011/12 target	
						Projected	Actual	Achieved/not achieved	Projected	Actual	Achieved/not achieved		Projected	
3.07/2/5	Basic service delivery and infrastructure development	To improve the existing storm water network	Installation of storm water facilities		Metres of drains laid	N/A	N/A	N/A	200	65	Partially achieved	N/A	N/A	
	Infrastructure and services	To undertake a road audit, develop and implement a road management system	Cut rural gravel roads		Kms	40 kms	100%	Over achieved	N/A	N/A	N/A	N/A	N/A	
			New access roads from track to gravel			20 kms	100%	Achieved	N/A	N/A	N/A	N/A	N/A	
			Resealing of urban roads			Two kms	Dealt with under disaster	N/A	N/A	N/A	N/A	N/A	N/A	
			Maintain urban gravel roads			One km	100%	Achieved	N/A	N/A	N/A	N/A	N/A	
			Repair Potholes		m ²	2 500 m ²	100%	Achieved	N/A	N/A	N/A	N/A	N/A	
3.07/2/6	Basic service delivery and infrastructure development	To improve accessibility in rural areas and improve road linkages between urban and rural components	Existing gravel rural roads Maintained		Kilometres of roads maintained	N/A	N/A	N/A	50	80,5	Achieved	N/A	N/A	
			Existing tarred roads maintained			N/A	N/A	N/A	Three	Four	Achieved	N/A	N/A	
			Construction of new gravel rural roads			N/A	N/A	N/A	Three	Three	Achieved	N/A	N/A	
	Infrastructure and services	To undertake a road audit, develop and implement a road management system	Repairs to stone kerbing and channels		Metres	1 000 m	100%	Achieved	N/A	N/A	N/A	N/A	N/A	N/A
			Pavement repairs			300 m	100%	Over achieved	N/A	N/A	N/A	N/A	N/A	
			Construction of ramps for the disabled			No. of ramps	Eight	100%	Over achieved	N/A	N/A	N/A	N/A	N/A
3.07/2	Basic service delivery and infrastructure	Improve, expand and maintain existing infrastructure	Bridges constructed		No. of bridges constructed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	250 m	
			New gravel roads constructed			Km of new gravel road	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4,2
			Existing gravel roads rehabilitated		Km of gravel roads rehabilitated		N/A	N/A	N/A	N/A	N/A	N/A	N/A	50
			Existing asphalt roads rehabilitated			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Six
			New stormwater drainage constructed		Metres of stormwater drainage constructed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	600
			Existing stormwater drainage rehabilitated			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	200
3.07/2	Basic service delivery and infrastructure 3.07/2	To ensure that all people have access to safe waste disposal	Recyclables collected from households		No. of households	N/A	N/A	N/A	N/A	N/A	N/A	N/A	600	
			Rural refuse collection programme		No. of cubic metres of waste recycled	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2 000
					% of rural households covered	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	50%
3.07/2	Basic service delivery and infrastructure	To ensure effective facilitation of water and sanitation services to all our communities	Facilitation of water and sanitation services with the District Municipality		The % of households with access to basic level of water. The % of households with access to basic level of sanitation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	97%	

Council's Oversight Report

DATE: 29 February 2012
NON-DELEGATED ITEM
FOR CONSIDERATION OUT OF COMMITTEE

DEPARTMENT: Corporate Services
AUTHOR OF REPORT: GM Corp

Purpose

For Council to adopt the Oversight Report in respect of the 2010/2011 Annual Report.

Attachments

- Minutes of the Oversight Committee meeting held on 6 October 2011
- Minutes of the Oversight Committee meeting held on 10 February 2012
- Annual Report Checklist
- 2010/2011 Annual Report (Distributed to Chief Whips).

Background

MFMA Circular No. 21, issued by National Treasury on 15 March 2006, provides guidelines on the preparation of the Oversight Report in respect of a Municipality's Annual Report. The guidelines were followed and Council appointed an Oversight Committee which comprised the following members:

Non-executive members

Cllr MN Maphumulo (Chairman)
Cllr GN Mbambo
Cllr DP Gambushe
Cllr EV Baptie (Ex-Officio Member)
Cllr P Naidoo (Ex-Officio Member)

Public members

Rev ZA Luthuli
Mrs SP Nyawo

Audit Committee

Mr SC Nzuzo

The above committee met on two occasions to consider the annual report and the minutes of the meetings are attached.

The Community and Councillors were invited to submit presentations on the report and copies of the draft document were placed at all Council libraries and Municipal offices. No comments were received.

The draft Annual Report was forwarded to the Office of the Auditor-General (SA) and CoGTA on 15 October 2011. In accordance with section 129 of the MFMA, the Annual Report was also tabled before Council at the December 2011 Council meeting together with the Annual Financial Statements.

At the meeting held on 10 February 2012, the Oversight Committee unanimously agreed to recommend to Council the adoption of the Annual Report.

Recommendation

That Council resolve as follows:

1. That the Council, having fully considered the 2010/2011 Annual Report of the Municipality and representations thereon, adopts the oversight report, and
2. That Council approves the 2010/2011 Annual Report.
3. That the amended Audit Report for the year ended 30 June 2011, from the Office of the Auditor General (S.A.), be hereby received and noted.
4. That the Plan of Corrective Measures aligned to the Audit Report in resolution (3) above be hereby adopted.



COUNCILLOR MN MAPHUMULO, CHAIRPERSON

Annual reporting checklist: Municipalities

	Annual Report components	MFMA	Yes	No	N/A	Comments
1	Is there a set of the audited Annual Financial Statements?	S121(3)(a)	✓			Pg 43
2	Does the Annual Report contain the audit report on the AFS?	S121(3)(b)	✓			Pg 44
3	Does the Annual Report contain annual performance report in terms of S.46 of the MSA?	S121(3)(b)	✓			Pg 178
4	Does the Annual Report contain the Auditor-General's report on the Municipality's performance report?	S12(3)(d)	✓			Pg 45
5	Does the Annual Report contain an assessment of the performance against measurable performance objectives for revenue collection by the accounting officer?	S12(3)(f)	✓			Pg 196
6	Does the performance report include the current year's performance and targets as well as the prior years?	MSA s 46(1) (a)	✓			Pg 178
7	Does the performance report include measures that were taken or are to be taken to improve performance?	MSA s 46(1) (a)	✓			Pg 178
8	Does the performance report contain the development and service delivery priorities and performance targets set for the next financial year?	MSA s 46(1) (a)	✓			Pg 178
9	Is there an assessment by the accounting officer on any arrears on Municipal taxes and service charges?	S121(3)(e)	✓			To be included Pg 5
10	Does the Annual Report contain a response to the audit report on the AFS?	S121(3)(g)	✓			Pg 46
11	Does the Annual Report contain the recommendations of the Audit Committee?	S12(3)(j)	✓			Pg 46
12	Does the Municipality have sole or effective control of a Municipal entity?			x		
13	If yes to above, is there a set of consolidated Annual Financial Statements?	s121(3)(a) s122 (2)			x	

MFMA disclosure checklist: Municipalities

	Disclosure requirements	MFMA	Yes	No	N/A	Comments
	Has the following been disclosed?					
a)	Government Grants (AFS)	s 123 (1)	✓			Pg 98
1	Allocations received from an organ of state in the National or Provincial sphere of government?	s 123 (1) (a)(i)	✓			Pg 98
2	Allocations received from a Municipal entity or another municipality.	s 123 (1) (a)(ii)	✓			Pg 98
3	Allocations made to a Municipal entity or another municipality.	s 123 (1) (b)(i)	✓			Pg 49
4	Allocations made to any other organ of state.	s 123 (1) (b)(ii)			x	
5	Details of how the allocations that were received were spent, per vote excluding equitable share.	s 123 (1) (c)	✓			Pg 98
6	The Municipality has complied with allocations made to it by National Government.	s 123 (1) (d)(i)	✓			Pg 98
7	The Municipality has complied with allocations made to it other than by national organs of state.	s 123 (1) (d)(ii)	✓			Pg 98
8	Reasons for non-compliance with conditions referred to in 6 and 7 above.	s 123 (1)(e)			x	
9	Delays or withholding of funds in terms of DoRA.	s 123 (1)(f)			x	
10	Reasons for delay or withholding of funds indicated in 9 above.	s 123 (1)(f)			x	
b)	Disclosures concerning Councillors, directors and officials (notes).	s 124				
1	Salaries, allowances and benefits of political office-bearers and Councillors of the Municipality (financial and in-kind).	s 124 (1) (a)	✓			Pg 77
2	Statement by the accounting officer that the salaries, allowances and benefits above are in accordance with the framework in s.219 of the Constitution.	s 124 (1)(a)	✓			Pg 43
3	Arrears owed by individual Councillors to the Municipality or its Municipal entity for rates and services which were at any time during the year outstanding for more than 90 days. This should include the names of the Councillors.	s 124 (1)(b) s 124 (1)(b)				Pg 79
4	Salaries, allowances and benefits of the Municipal Manager, CFO and every senior manager.	s 124 (1)(c)	✓			Pg 76
c)	Other compulsory disclosures (notes).					
1	List of all Municipal entities under the shared or sole control of the Municipality.	s 125 (1) (a)			x	
2	Total amount of contributions to organised local government for the year and any outstanding amounts at year end.	s 125 (1) (b)	✓			Pg 177
3	Total amounts paid for the following and whether any amounts were outstanding at year end:	s 125 (1) (c)				
	Audit fees	s 125 (1) (c)	✓			Pg 78
	Taxes	s 125 (1) (c)	✓			Pg 78
	Levies	s 125 (1) (c)		x		
	Duties	s 125 (1) (c)		x		
	Pension	s 125 (1) (c)	✓			Pg 76
	Medical Aid	s 125 (1) (c)	✓			Pg 76

	Disclosure requirements	MFMA	Yes	No	N/A	Comments
4	In respect of each bank account during the relevant financial year:	s 125 (2) (a)	✓			Pg 72
	Name of bank where account is held	s 125 (2) (a)	✓			Pg 72
	Account type	s 125 (2) (a)	✓			Pg 72
	Opening balances	s 125 (2) (a)	✓			Pg 72
	Year-end balances	s 125 (2) (a)	✓			Pg 72
5	Summary of all investments at year-end.	s 125 (2) (b)	✓			Pg 69
6	Particulars of contingent liabilities at year-end.	s 125 (2) (c)	✓			Pg 79
7	Material losses and material, irregular or fruitless and wasteful expenditure and unauthorised expenditure and whether they are recoverable.	s 125 (2) (d)(i)	✓			Pg 80
8	Any criminal or disciplinary steps taken as a result of material losses and material, irregular or fruitless and wasteful expenditure and unauthorised expenditure.	s 125 (2) (d)(ii)			x	
9	Material losses recovered or written off.	s 125 (2)(d)			x	
1-	Particulars of non-compliance with the MFMA.	s 125 (2) (e)			x	

Oversight Committee

MFMA Circular No. 32 issued by National Treasury provides guidelines on the preparation of the oversight report in respect of a municipality's annual report and those of its entities. The processes recommended in the said circular, include the establishment of an Oversight Committee under Sections 33 and 79 of the Municipal Structures Act, 1998. The Oversight Committee should conduct a detailed analysis and review of the annual report and draft an oversight report to be considered by Council. The Committee should also receive and review representations made by the public and also seek input from other Councillors and Council portfolio committees. Upon finalisation, this oversight report is then taken to full Council for adoption.

The Oversight Committee should comprise of only non-executive Councillors and community representatives. Municipal officials cannot be members of the oversight committee as this would pose a conflict of interest. Assistance from the Municipality's audit committee is also recommended as a major source of independent specialist advice.

Umdoni Council appointed the following Councillors as members of the Oversight Committee for 2010/2011 Annual Report:

- Cllr MN Maphumulo (Chairman) (and SCOPA Member)
- Cllr DP Gambushe
- Cllr GN Mbambo (Chairperson of SCOPA).

The Council also appointed the following individuals as public representatives:

- Reverend Luthuli (senior citizens)
- Mrs SP Nyawo (Government representative).

In view of the Oversight Committee being comprised of all new Councillors, the Council elected Councillor EV Baptie and Councillor P Naidoo as ex-officio members of the Oversight Committee as they were Councillors for the year under review and had served on previous oversight committees.

Minutes from the Oversight Committee meetings follow over the page.



Minutes of an Oversight Committee meeting held at the Umdoni Municipality, Scottburgh offices, Council chambers on Thursday 6 October 2011 at 09h30

Present

Cllr MN Maphumulo	Committee member (Chairman) and member of SCOPA
Cllr GN Mbambo	Committee member (and Chairperson of SCOPA)
Cllr DP Gambushe	Committee member
Cllr EV Baptie	Ex-officio
Rev ZA Luthuli	Public representative
Mrs SP Nyawo	Government representative
Mr SC Nzuzo	Audit Committee member
Mr R Bowyer	CoGTA
Mrs NM Ngubane	Acting GM Corporate Services
Mr A Nunkumar	GM Financial Services
Mr X Luthuli	GM Community Services
Mrs C Douglas	Senior Committee Officer
Ms T Qwemesha	Internal Audit Clerk (representing Manager I.A.)
Mr K Subben	Acting Environmental Manager
Mr T Matlapeng	Representing Senior Manager Strategic P&D
Mr M Sathanand	Senior Superintendent: Representing GM Technical Services
Ms M Pillay	Town Planning Assistant
Ms S Dlamini	PA, Secretariat

Apologies

Mr DD Naidoo	Municipal Manager
Mrs L Harisingh	Manager Internal Audit
Mr S Chetty	GM Technical Services
Ms B Jaca	Senior Manager Strategic P&D

Notice of meeting

The Chairman welcomed all to the meeting and the Acting GM Corporate Services read the notice convening the meeting.

Attendance

As recorded above.

Background information

Acting GM Corporate Services advised that the Oversight Committee was established in accordance with Section 33 and 79 of the Municipal Structures Act, 1988 and that the Annual Report has been prepared in accordance with the provisions of Section 121 of the MFMA, 56 of 2003 and Section 46 of the L.G. Municipal Systems Act (MSA) 32 of 2000.

Mrs Ngubane then handed over to Mrs Douglas to present the first draft of the Annual Report.

Mrs Douglas advised the Committee that:

- The first draft of the Annual Report as being presented excluded the Annual Financial Statements which are deemed 'confidential' until tabled by the Mayor at the Council meeting together with the Annual Report.
- The performance reports were tabled at the meeting, these shall be incorporated into the Annual Report by the printers.
- The process of appointing service providers to print the Annual Report is currently underway, once the

- appointment is finalised, the photographs, front page, editing and all other processes in ensuring a professional final document is produced, shall commence.
- In response to a query regarding the format of the Annual Report, Mr Bowyer advised that the information as required by Chapter 12 of the MFMA must be included and that the guidelines as per National Treasury's Circular No. 32 and Circular No. 11 should be adhered to. Mrs Douglas confirmed that both Chapter 12 of the MFMA and the guidelines were adhered to in compiling the Annual Report.
 - Mr Bowyer queried whether the intention of Umdoni Municipality was to have the Oversight Committee as well as SCOPA. In response, Mrs Douglas advised that the Oversight Committee comprises two members of SCOPA (i.e. Cllr Mbambo – Chair of SCOPA and Cllr Maphumulo).

Cllr Mbambo confirmed that the matter had been discussed at SCOPA where it had been agreed that since there are two members of SCOPA on the Oversight Committee, this process should be continued for the 2010/2011 Annual Report and that the matter could be reviewed if necessary at a later stage.

Mrs Douglas advised that the purpose of the first meeting was to present the Annual Report to the Committee in order for Committee to conduct a detailed analysis and review of the Annual Report and to make comments and suggestions prior to finalising the document. Mrs Douglas took Committee through each chapter of the report and comments/analysis and submissions are summarised hereunder:

CHAPTER 1: INTRODUCTION AND OVERVIEW		
Item	Action required	To be actioned by/ timeframe
Report by Chairman of the Audit Committee	CoGTA stressed that this must be included prior to submission to A.G. on 15 October 2011	Manager – I.A. Deadline: 12 October 2011
In the absence of any updated statistics, it was reported that the same 2007 statistical data would be used for the 2010/2011 Annual Report	Statistics to be <i>included prior to submission to the A.G. on 15 October 2011</i>	Mrs Douglas Deadline: 12 October 2011
Traditional authorities	Remove the paragraph relating to wards and include geographic description of where the TA's are located	Mrs Douglas Deadline: 12 October 2011
Under overview (pertaining to voter registration and population)	Amend format of report to reflect total population and most recent voter registration figures per ward	Mrs Douglas Deadline: 12 October 2011
Attractions		
Water	Include major source of water: the Inanda Dam – through a pipeline	Environmental Manager Deadline: 12 October 2011 represe
Vernon Crookes Nature Reserve		
Crocworld	The status of Crocworld has changed and requires to be mentioned	
Aliwal Shoal	Falls within a marine protected area – include information	
Events	Include information on mardi-gras, Sani2C, and other large events	
	Include that the reserves are located in Vulamehlo	
	Also include information on ski-boat clubs	
CHAPTER 2: MAYORAL PROGRAMMES/HIGHLIGHTS		
No changes – include photographs		
CHAPTER 3: HUMAN RESOURCES/ORGANISATIONAL STRUCTURE		
Recruitment and selection	Amending wording to read 'Appointments'	Mrs Douglas
Training	Include submission on Employee Assistance Programme	Mrs Douglas

CHAPTER 4: AUDITED FINANCIAL STATEMENTS

(To be included as per legislation)

CHAPTER 5: FUNCTIONAL AREA: SERVICE DELIVERY

Item	Action required	To be actioned by/ timeframe
Office of the Municipal Manager	Include organogram as per other departments	Mrs Douglas
Internal Audit Section: Plan of Corrective Measures	The report refers to 2009-2010 Plan of Corrective Measures and GMTS advised that the table would be updated to 2010/2011. Noted that this must be corrected prior to tabling the Annual Report at Council in December	Manager I.A./GMFS
Technical Services MIG projects/funding	Amend the report to reflect the specific projects and project value – remove tables to make report more 'reader friendly'	
Four-page schedule reflecting each project and illustrating employment of local labour:	Remove table, reflect total figures only	
Active projects progress (disaster)	Change format of report to a summary	
Building Control	Change trend chart to bar graph	Printers
Community Services Beach Section	Name the 12 bathing beaches that are being referred to	
Special Programmes	Peruse report with GM Community Services in terms of Mayoral programmes – and place reports under correct sections (i.e. either special programmes or Mayoral programmes).	
Corporate Services Fleet and IT Sections	Reports to be included	Action: GM Corporate
Financial Services Revenue	Mr Bowyer of CoGTA stressed the importance of ensuring that a well-documented paragraph on revenue must be included in the Annual Report (strategies for improving revenue collection etc.) (Refer to Circular 32 and MFMA) to ensure report is in compliance	Action: GMFS

PERFORMANCE REPORTING

The performance reports were tabled at the oversight meeting. This document will be incorporated into the Annual Report by the printers

Performance reports	Mr Bowyer confirmed that it is only the 'previous financial year' and year of reporting that is required to be reported on.	Ms Jaca to remove column 2008/2009
	Mr Bowyer also advised that in terms of Section 46 of the Systems Act it requires that "measures taken to improve performance" should be reflected. Mrs Douglas advised that the format of the performance report is as required by CoGTA and as such does not allow for a column as indicated above	Action: Mrs Jaca in discussion with CoGTA to ensure that the performance report is submitted in the correct format
	Mr Bowyer undertook to obtain clarification in this regard and revert to the Municipality	

GENERAL AMENDMENTS

- Standardise format of all organograms in the report
- General grammatical amendments throughout.
- Noted that minutes of the oversight meetings, oversight report recommending adoption as well as the Annual Report checklist, will be included in the Annual Report.

The way forward

All comments and suggestions as listed above would be included in the report. Members of the Oversight Committee are welcome to contact Mrs Douglas with additional comments relating to the Annual Report.

The following way forward was discussed:

- The Draft Annual Report will be tabled at the December 2011 Council meeting.
- Invitations for public comments will be called for during the month of December 2011, the Annual Report will be placed in all Council libraries, reception areas and copies given to ward councillors to discuss at their ward committees.
- Any comments received from the public/Councillors will be considered prior to the oversight report being adopted by Council. It was suggested that one further Oversight Committee meeting be convened where the checklist will be dealt with and if all satisfactory, the oversight report prepared.
- The Committee discussed possible ways in which to create an 'executive summary' of the entire Annual Report which could also be translated into Zulu as a way of disseminating information to the entire community. It was suggested that this matter be discussed at MANCO and should form part of the Umdoni's communication strategy.

Date of next meeting

To be advised (late January).

Closure

The Chairperson thanked all for their attendance and closed the meeting at 11h00.

CONFIRMED THIS 10th DAY of February 2012.



**COUNCILLOR MN MAPHUMULO
CHAIRPERSON**



Minutes of an Oversight Committee meeting held at the Umdoni Municipality, Scottburgh offices, Council chambers on Friday 10 February 2012 at 09h30

Present

Cllr MN Maphumulo	Committee Member (Chairman) and Member of MPAC
Cllr GN Mbambo	Committee Member (Chairperson of MPAC)
Cllr EV Baptie	Ex-Officio Member
Cllr P Naidoo	Ex-Officio Member
Mr SC Nzuzo	Audit Committee Member
Ms V Parumaul	CoGTA
Mrs N Momoti	AG (SA)
Mr DD Naidoo	Municipal Manager
Mr A Nunkumar	GM Financial Services
Mr X Luthuli	GM Community Services
Mr S Dlodla	GM Corporate Services
Mrs B Ngubane	Snr Manager Development
Mrs L Harisingh	Manager Internal Audit
Mrs C Douglas	Snr Committee Officer
Mr K Subben	Acting Environmental Manager

Apologies

Cllr DP Gambushe	Committee Member
Rev ZA Luthuli	Public Representative
Mrs SP Nyawo	Government Representative
Mr S Chetty	GM Technical Services

1. Notice of meeting

The Chairman welcomed all to the meeting and Mrs Douglas read the notice convening the meeting.

2. Attendance

As recorded above.

3. Confirmation of minutes of the Oversight Committee meeting held on 6 October 2011

On the proposal of Councillor Baptie, seconded by Councillor Mbambo, the minutes of the meeting held on 6 October 2011 were confirmed after the following amendments:

Page 4 – Chapter 5 – GMTS to read GMFS.

Page 4 – Under Chapter 4 – correct spelling of 'legislation'.

4. Matters arising from minutes of the Oversight Committee minutes dated 6 October 2011

The items depicted in the table over the page were matters which the Oversight Committee had requested be given further attention. Mrs Douglas took the Committee through the items. (See comments section of the table)

CHAPTER 1: INTRODUCTION AND OVERVIEW		
Item	Action required	Comment
Report by Chairman of Audit Committee	CoGTA stressed that this must be included prior to submission to A.G. on 15/10/2011.	This was included prior to submission to A.G.
In the absence of any updated statistics, it was reported that the same 2007 statistical data would be used for the 2010/2011 Annual Report	Statistics to be <i>included prior to submission to the A.G. on 15 October 2011</i>	This was included prior to submission to A.G.
Traditional authorities	Remove the paragraph relating to 'wards' and include geographic description of where the TA's are located.	Corrected. On pg 15.
Under Overview (pertaining to voter registration and population:	Amend format of report to reflect total population and most recent voter registration figures per ward.	Amended as requested.
Attractions	Include major source of water is the Inanda Dam – through a pipeline.	All items hereunder have been included in the Annual Report (Pg 15-19).
Water		
Vernon Crookes Nature Reserve	Include that the reserve is located in 'Vulamehlo'.	
Crocworld	The status of Crocworld has changed and requires a mention.	
Aliwal Shoal	Falls within a Marine Protected Area – include information.	
Events	Include information on Mardi-gras; Sani to Sea; and other large events. Also include information on ski boat clubs.	
CHAPTER 3: HUMAN RESOURCES/ORGANISATIONAL STRUCTURE		
'Recruitment and Selection'	Amending wording to read 'Appointments'.	Corrected – Pg 38
Under Training	Include submission on 'Employee Assistance Programme'.	Included – Pg 40
CHAPTER 5: FUNCTIONAL AREA: SERVICE DELIVERY		
Office of the Municipal Manager	Include organogram as per other departments.	Included.
Internal Audit Section: Plan of Corrective Measures	The report refers to 2009-2010 Plan of Corrective Measures and GMTS advised that the table would be updated to 2010/2011. Noted that this must be corrected PRIOR to tabling the A.R. at Council in December.	MIA confirmed that the date as reflected is correct. No change necessary.
Technical Services MIG Projects/ Funding.	Amend the report to reflect the specific projects and project value – remove tables to make report more 'reader friendly'.	Entire report amended.
Four-page schedule reflecting each project and illustrating employment of local labour: Active projects progress (Disaster). Building Control.	Remove table, reflect total figures only. Change format of report to a summary. Change trend chart to 'bar graph'.	
Community Services Department Beach Section	Name the 12 bathing beaches that are being referred to.	Done – Pg 147
Special Programme	Peruse report with GM Community Services i.t.o. Mayoral Programmes – and place reports under correct sections (i.e. either special programmes or mayoral programmes).	S. Programmes on Pg 159. Mayoral Programmes on Pg 29-35
Corporate Services Department	Reports to be included	
Fleet & IT Sections	Reports included (Pg 168)	

Item	Action required	Comment
Financial Services Revenue:	Mr Bowyer of CoGTA stressed the importance of ensuring that a well-worded paragraph on revenue MUST be included in the Annual Report (strategies for improving revenue collection etc.) (Refer to Circular 32 and MFMA) to ensure report is in compliance.	Completed.
PERFORMANCE REPORTING		
Performance reporting	Mr Bowyer confirmed that it is only the 'previous Financial Year' and year of reporting that is required to be reported on. Mr Bowyer also advised that in terms of Section 46 of the Systems Act, it requires that 'measures taken to improve performance' should be reflected. Mrs Douglas advised that the format of the Performance Report is as required by CoGTA and as such does not allow for a column as indicated above. Mr Bowyer undertook to obtain clarification in this regard and revert to the Municipality. Mrs Ngubane confirmed that report had been amended wherever possible. (Discussions herein had taken place with CoGTA).	
GENERAL AMENDMENTS		
<ul style="list-style-type: none"> • Standardise format of all organograms in the report; • General grammatical amendments throughout; • Noted that minutes of the Oversight meetings, Oversight report recommending adoption as well as the Annual Report checklist, will be included in the Annual Report. 		

5. Advertising of draft 2010/2011 annual report

Mrs Douglas confirmed that the Annual Report was advertised for public comment and was available in all public libraries and Municipal offices from 20 December 2011 to 13 January 2012. No comments were received from the public.

Following the first Oversight Committee meeting, the Annual Report was forwarded to CoGTA and AG(SA) for comment. The comments received from CoGTA were appended to the Agenda as Annexure 2. The comments from CoGTA were forwarded to all HODs to address the issues raised.

Committee requested that Annexure 2 be dealt with in further detail and the following was noted:

Item 1: Mayoral foreword

CoGTA's comments had been taken into consideration and the Mayoral foreword was amended accordingly.

Item 2: Recommendations of audit committee

It was confirmed that the query raised had been attended to and the relevant information is contained in the Annual Report.

Item 3: Overview of Municipality

In view of the lack of updated statistics, Mrs Douglas advised that item (a) had been addressed and other issues were unable to be addressed at this stage.

Item 4: Governance

All matters raised are reflected in the Annual Report.

Item 5: Financial

GMFS confirmed that the majority of the items are contained in the Annual Financial Statements, however, an additional paragraph would be included to cover item 'H'.

Item 6: Performance Reporting

Senior Manager, Development advised that issues raised, where possible, had been dealt with. In respect of the projections not being clearly defined, the Manager advised that the report for the year of reporting cannot be corrected, however, the performance reporting for the new financial year will be corrected so as to enable the information to be available.

6. Consideration of 2010/2011 Annual Report

The 2010/2011 Annual Report was tabled at the meeting. The Committee was satisfied that all items previously raised, as well as the comments from CoGTA, had been adequately addressed and a thorough reportback given.

7. Completion and signing of Annual Report checklist

GMFS took Committee through the Annual Report checklist, a copy of which shall be contained in the Annual Report.

8. Way forward: oversight report to Council

Noted that the Annual Report was tabled at the December Council meeting held on 14 December 2011 for noting, whereafter it was advertised for public comment.

The first draft Annual Report was also presented to the Auditor-General and CoGTA in October 2011 and comments received have been dealt with.

On the proposal of Councillor Baptie, seconded by Councillor Mbambo, the Oversight Committee was satisfied that the Annual Report be recommended to Council for adoption.

Manager, Internal Audit requested that the Oversight Report to Council should indicate that some of the information in the performance reports cannot be amended or corrected due to the timing of the report, however, this aspect will be dealt with in the ensuing financial year.

UNANIMOUSLY RESOLVED

That the Oversight Committee accept the 2010/2011 Annual Report and recommends adoption to Council.

9. Closure

The Chairperson thanked all for their attendance and closed the meeting at 10h20 am.



**COUNCILLOR MN MAPHUMULO
CHAIRPERSON**

ACKNOWLEDGEMENTS



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ACRONYMS AND ABBREVIATIONS

ABET	Adult Basic Education and Training	ISRDP	Integrated Sustainable Rural Development Programme
ACDP	African Christian Democratic Party	IT	Information Technology
AIDS	Acquired Immune Deficiency Syndrome	JOC	Joint Operations Centre
ANC	African National Congress	KPI	Key Performance Indicator
BBBEE	Broad Based Black Economic Empowerment	KWANALOGA	KwaZulu-Natal Local Government Association
CBD	Central Business District	LED	Local Economic Development
CFO	Chief Financial Officer	LGSETA	Local Government Sector, Education Training Authority
CBO	Community Based Organisation	LM	Local Municipality
CLLR	Councillor	LUMS	Land Usage Management System
CMIP	Consolidated Municipal Infrastructure Programme	MEC	Member of the Executive Committee
DA	Democratic Alliance	MF	Minority Front
DAEA	Department of Agriculture and Environmental Affairs	MFMA	Municipal Finance Management Act (Act No. 56 of 2003)
DBSA	Development Bank of Southern Africa	MHC	Municipal Health Services
DFA	Development Facilitation Act	MIG	Municipal Infrastructure Grant
DLGTA	Department of Local, Government and Traditional Affairs	MM	Municipal Manager
DORA	Division of Revenue Act	MPCC	Multi-Purpose Community Centre
DM	District Municipality	NGO	Non-Governmental Organisation
DME	Department of Minerals and Energy	PDI	Previously Disadvantaged Individual
DPLG	Department of Provincial and Local Government	PHC	Primary Health Care
DWAF	Department of Water Affairs and Forestry	PMS	Performance Management System
EHO	Environmental Health Officer	PPP	Private Public Partnership
EIA	Environmental Impact Assessment	SALGA	South African Local Government Association
EMP	Environmental Management Plan	SCM	Supply Chain Management
EXCO	Executive Committee	SDBIP	Service Delivery and Budget Implementation Plan
FBE	Free Basic Electricity	SDF	Spatial Development Framework
FBS	Free Basic Service	SEA	Strategic Environmental Assessment
GAMAP	Generally Accepted Municipal Accounting Practices	SEDA	Small Enterprise Development Agency
GIS	Geographical Information System	SETA	Sector Education and Training Authority
GRAP	Generally Recognised Accounting Practice	SLA	Service Level Agreement
HOD	Head of Department	SMME	Small, Medium and Micro Enterprises
IDP	Integrated Development Plan(ning)	UBC	Umdoni Business Chamber
IFP	Inkatha Freedom Party	WSDP	Water Services Development Plan
IGR	Inter-Governmental Relations		



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