NKANDLA MUNICIPALITY ANNUAL REPORT

2015/2016

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1. LEGAL MANDATE FOR THE PREPARATION OF THE MUNICIPAL ANNUAL REPORTS:

Section 121 of the Local Government: Municipal Finance Management Act 56 of 2003 (MFMA) stipulates that:

1. Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this chapter. The council of the municipality must within nine months after the end of a financial year compile an annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.

2. The purpose of an annual report is-

a. To provide a record of activities of the municipality or municipal entity during the financial year to which the report relates
b. To provide a report on the performance against the budget of the municipality or municipal entity for that financial year
c. To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity

3. The annual report of a municipality must include-

a. The annual financial statements of the municipality, and in addition, if section 122 (2) applies, consolidated financial statements, as submitted to the Auditor General for audit in terms of section 126 (1)
b. The Auditor General's report in terms of section 126 (3) on those financial statements
c. The annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act
d. The Auditor General's audit report in terms of section 45 (b) of the Municipal Systems Act
e. An assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges
f. An assessment by the municipality's accounting officer of the municipality's performance against measurable performance objectives referred to in section 17 (3) (b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year
g. Particulars of any corrective measures taken or to be taken in response to the issues raised in the audit reports referred to in paragraphs (b) and (d)
h. Any explanation that maybe necessary to clarify issues in connection with the financial statements
i. Any information as determined by the municipality
j. Any recommendations of the municipality's audit committee
k. Any other information as may be prescribed.

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

MAYOR: CLLR AT NTULI

1. Foreword by the Mayor

A lot has been achieved by our Municipality during 2015/2016 financial year. This is perhaps best mirrored not only by visible infrastructure that has been developed around Nkandla town and around in 14 wards but also by changing lives of people by social cohesion, providing support to youth in education, providing skills development and upliftment of both cooperatives and small businesses (SMMES).

The Municipality has invest significant resources for delivery of range of services to the communities. The Municipal finance management act requires the Municipality to use resources effective and efficiently by implementing sound financial management and provide service in line with best value principle to meet the needs of the communities. The effective performance provides opportunity to demonstrate value for money, the achievements of objectives, and that equitable access is provided to appropriate, cost effective and good quality service. . With the supporting structures including the Audit committee ,internal Auditors and a support from COGTA we are convinced that we have applied a value for money and redress to our community and we are hopeful that by the next financial year, we will be able to once again receive clean audit opinion which is our key objective.

Performance management has played an important role in accountability because it has provided the bases for accessing whether levels of service have achieved, although the performance has been improved but we still need to put more support to Heads of Department and cascade the performance to lower level. The draft performance framework that will enable the management to conduct the performance assessment to all staff members has been concluded.

I consider that better performance information and reporting can help us understand and address our local municipality current and ongoing challenges. Providing relevant and understandable performance information will contribute towards building a relationship of trust and confidence between the Municipality and our community.

As a Municipality with the total population of 114416 and unemployment rate of 89% and 99% of those employed earn less than R1 600 a month in accordance with the Census 2011. This indicates that most of the community is indigent which attest to relatively minimal rates base and a huge strain on the Municipality's resources.

We have however taken advantage of the Government Progress to accelerate job creation, as a result 120 people have been able to get jobs through the Expanded Public Works and Community Works Programs, and this is a minimal way in which the municipality contributes to Job Creation as well as Human & Community Development as a Goal of the PDGS.1300 houses holds were electrified, beneficiaries who receive the free electricity as a basic service has increased from 800 to1235,electricity faults and outages has been dealt with through upgrade of electricity infrastructure. Land is our main resource, our key focus was to identify key land pockets and prospective catalytic projects to attract investors into the Municipality .and the land for Shopping Centre as well as an industrial park as means to create a revenue based collection and improve the local economy has been reserved and developed with a number of shops. Despite all the blatant challenges that the Municipality faces including poor sources of revenue which results in perpetuated infra-structural back-logs, minimal economic activities,and high poverty and illiteracy rates.

Staff costs is also an alarming issue in our budget and the Municipality has decided to review job description of all post in order to merge those that are interrelated.

we are confident that with minimal resources we are able to tackle these challenges, manage our finances appropriately and account to the community of Nkandla through vigorous public participation meetings and regular interaction with our Ward Committees which are the legal structure representing all interest groups within Nkandla.

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Councillor A.T NTULI

2. FOREWORD FROM THE MUNICIPAL MANAGER

The immense task of being in the wheel of a Local Government Institution is to successfully balance good governance, efficient administration and sound financial management and public accountability and ensuring the involvement of our communities in all the processes of the Municipality. In terms of the Constitution of the Republic of South Africa our developmental duties as local government are tostructure and manage the administration, and budgeting and planning processes and give priority to the basic needs of the community, and to promote the social and economic development of the community; as well as to participate in national and provincial development programmes. In planning for the five year term of Councils Office and during our annual reviews, we ensured that all our plans per each Key Performance Area of local government are informed by our developmental role.

Our planning and implementation processes involve an extensive engagement with the communities that we serve as well as the key stakeholders such as other government institutions and sector departments as well as private business to ensure holistic development, as with the minimal rates base and our grant dependency we could not advance significantly in meeting community needs while also minimizing the back-logs. Therefore we ensured that our Integrated Development Plan is truly inclusive of all stakeholders that contribute towards the development of the municipal area, hence the number of projects within our area are fund by Municipal infra-structure grant and other Government departments.

Nkandla Municipality has demonstrated that it practices good governance and prudent financial management in the year under review. The immense task at hand now therefore is to maintain the unqualified report that we received in the previous year and progress to a Clean Audit Opinion by putting more emphasis on implementing the Auditor General's recommendations and strengthening our internal controls as we were doing in the financial year of 2014/15.The fraud prevention strategy was developed and risk assessment was conducted by the risk committee that the council has successfully establish to mitigate all the risks that are facing the municipality particular at an IT section.

3. ASSESSMENT OF ANY ARREAS ON MUNICIPAL TAXES AND SERVICE CHARGES BY THE MUNICIPAL MANAGER

The high levels of unemployment in the municipality's jurisdiction have impacted negatively on our ability to collect outstanding debt. Consequently, an increased number of indigents characterize the municipality revenue base. As a result long outstanding debtors have been significantly been impaired.

Although the municipality is vast geographically, the size relative to population is very small. Therefore, this is reflected in the small equitable share allocation because the formula put significant weight on the population size. In light of the above the municipality is still exploring ways of funding indigents as the equitable share is not enough.

The aging municipal electricity infrastructure is also impacting negatively on revenue collection as electricity is lost in transmission, illegal connections and incomplete billings attributed to the old infrastructure.

The electricity supply in the Municipality is being supplied by the Municipality and Eskom.

Our municipal accounts consist of mainly electricity supply, rates, refuse removal and other revenue. Water supply and sanitation is the function of the District Municipality.

To illustrate our point in the slow collection rate our Municipality finds itself, see the billing sample of a month of June;

Table 1: Billing and Actual Collections as at 30 June 2016

Refuse collection billing for June 2016 (Unaudited figures)	
Billing	R 808 984.83
Collection	R 472 210.92
Net-effect	R 336 773.91
Overall	58%

Rates collection billing for June (Unaudited figures)	
Billing	R12 263 865.78
Collection	R 11 654 995.28
Net- effect	R 608 870.5
Overall	95 %

Conventional electricity billing for the month of June (Unaudited Figures)	
Billing	R6 861 929.13
Collection	R 6 867 166.79
Net – effect	(5 237.66)
Overall	100%

Receivables/Debtors (Unaudited figures)	
Electricity	R3 092 236.76
Property Rates	R12 286 198.75
Refuse Removal	R 3 242 347.92
Sundry Debtors	R488 122.15
Total debt	R 19 109 034.49

In a bid to alleviate the debt situation, the municipality has embarked on job creation initiatives, particularly EPWP and CWP. These initiatives are expected to create job opportunities and the spin off effects will result in the lowering of outstanding debt as income sources are created for the impoverished communities. The municipality has also tightened debt collection measures to improve debt recovery. The municipality has upgraded its infrastructure and is planning to the reintroduction of electricity disconnection for residents owing for any municipal services. Therefore, the Municipality expects these measures to improve debt collection going forward

In conclusion I would like to extend my gratitude to the committed and dedicated officials and councillors of Nkandla who strive every day to ensure that today is better than yesterday and tomorrow looks much better than today.

4. MUNICIPAL OVERVIEW

4.1 Municipal Council

SPEAKER: Cllr N.F .J NZUZA

Nkandla Municipality has 14 large wards and its council is made of 27 seats. There were three political parties in the council; African National Congress, Inkatha Freedom Party and National Freedom Party. Councillors were serving in different council portfolios. The schedule of councillors of Nkandla Local Municipality is as follows:

NAME & SURNAME	WARD	CREDENTIALS
Cllr. L. Ntombela	01	Ward council
Cllr. S.B. Manyathi	02	Ward council
Cllr.B.B Dlomo	03	Ward council
Cllr. T.F Nxumalo	04	Ward council
Cllr. P.R Dlamini	05	Ward council
Cllr. AT. Ntuli	06	Ward council and Mayor
Cllr. B.W Sibiya	07	EXCO Member
Cllr. S.A Majola	08	Ward council
Cllr. T.T Dlamini	09	Ward council
Cllr. S.E Mhlongo	10	Ward council
Cllr. B.Z Mncadi-Mpanza	11	Ward council and EXCO Member
Cllr. C.M Mthalane	12	Ward council
Cllr. V.S Lushozi	13	Ward council
Cllr. S.M Bhengu	14	Ward council
Cllr. T.O Ndlela	05	Deputy Mayor

Cllr. S.O Sibiya	02	Exco Member
Cllr. B.V Khanyile	11	Chairperson of MPAC
Cllr. B.N Buthelezi	10	PR
Cllr. M.B.E Ntombela	03	PR
Cllr. N.P.N Magubane	10	PR
Cllr. N.F.J Nzuza	06	Speaker
Cllr. S. Buthelezi	11	PR
Cllr. J.B Ntuli	06	PR
Cllr. B.B Ndima	09	PR
Cllr. N.R Xulu	11	Ward council
Cllr. F.K Magubane	06	PR
Cllr. H.R Ntombela	05	PR

4.2 EXECUTIVE COMMITTEE

4.2.1 Cllr. A.T Ntuli– Mayor

4.2.2 Cllr. T.O Ndlela- Deputy Mayor

4.2.3 Cllr. N.F.J Nzuza Speaker

4.2.3 Cllr. B.W Sibiya- EXCO Member

4.2.4 Cllr. S.O Sibiya- EXCO Member

4.2.5 Cllr B.Z Mncadi- Mpanza - EXCO Member

4.3 COUNCIL PORTFOLIOS

4.3.1 Budget and treasury portfolio

4.3.2 Technical service portfolio

4.3.3 Corporate service portfolio

4.3.4 Community service portfolio

4.3.5 Municipal Public Accounts Committee (MPAC)

5. VISION, MISSION AND OBJECTIVES

5.1 VISION

To be a high performing rural Municipality driven by continuous improvement of quality of lives for Nkandla citizens

5.2 MISSION

Nkandla Municipality renders effective service delivery encompassing nature and heritage to ensure poverty alleviation, sustainable economic growth and development

5.3 STRATEGIC OUTCOMES

NATIONAL KEY PERFOMANCE AREA	STRATEGIC OBJECTIVES
A. Good governance, community participation, and ward committee systems	1. Attain effective and efficient municipal administration 2. Enhance community participation in governance 3. Decrease municipal risks through risk management 4. To ensure efficient and effective internal and external communication 5. Advance and maintain the financial viability of the municipality 6. To ensure effective and efficient planning, implementation and maintenance of municipal infrastructure
B. Municipal Transformation and institutional development	1. To improve service delivery and the image of the municipality 2. Strengthen and improve employment equity in the municipality 3. Attain effective and efficient municipal administration 4. Organizational skills development and capacity building
C. Local economic development and social development	1. To improve the quality of life through social infrastructure development 2. To create a conducive environment for socio -economic growth 3. To promote a safe and healthy environment for the Nkandla community
D. Infrastructure development and basic service delivery	1. To improve quality of life through social infrastructure development 2. To promote safe and healthy environment for the Nkandla Community
E. Financial Viability and management	1. Advance and maintain the financial viability of the municipality 2. Improve the financial performance of the municipality 3. Optimize budget implementation in the municipality 4. To improve institutional efficiency through adequate systems and effective internal controls
F. Cross cutting measures	1. To promote a safe and healthy environment for Nkandla community

6. POWERS, FUNCTIONS AND DUTIES

In terms of section 84 of the Local Government: Municipal Structures Act No. 117 of 1998, the Nkandla Municipality has the following powers and functions:

- Integrated Development Planning
- Solid waste disposal
- Regulation of passenger transport services
- The establishment, conduct and control of fresh produce markets and abattoirs
- The establishment, conduct and control of cemeteries
- Promotion of local tourism for the area
- The imposition and collection of taxes, levies and duties as related to the above functions
- Municipal roads
- Municipal public works relating to any of the above functions

7. WHO ARE WE?

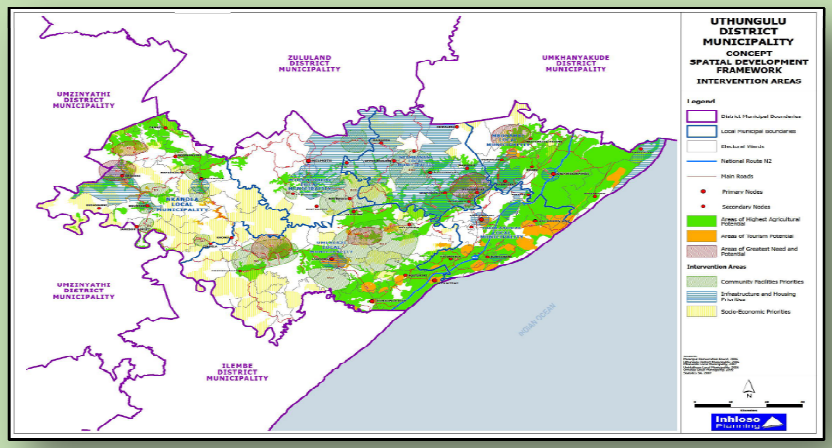


Figure: Nkandla Map

The municipalityis in western area of UThungulu District (DC28). It is situated close to the country's two largest ports, lying about 130 kilometres inland from Richards Bay and 250 km north of Durban. Nkandla Town is classified as a Rural Service Centre (RSC) and a Provincial Rural Administrative Centre (PRAC), is the only formalized urban area located within Nkandla situated approximately 50kilometres south-west of Melmoth and 65kilometres from Eshowe. It is isolated from the major economic development corridors: access is via a main tar road from Melmoth, and tar road from Eshowe, Kranskop and Nqutu.

The Municipality (KZ 286) consists of a vast rural area when compared to other Municipalities in the District but and low percentage of Economic Activity in the area.

Table 1 below is a table briefly summarizes the demographic profile for the Municipality as per the Statistics South Africa (Stats SA) 2011 census. Additional information in this regard will be highlighted under the Analysis Phase of the document

Table 1: Basic Facts

BASIC FACTS	FIGURES	
	2001	2011
Total Number of Population	32 277	34 442
Total Number of Households	6189	6252
Age Profile		
0 - 9	23%	24%
10 - 19	22%	22%
20 - 29	19%	17%
30 - 39	12%	12%
40 - 49	10%	8%
50+	14%	14%

Source: Stats SA 2011 Census

Table 2: Population by gender

Age Group	Male	Female	Grand Total
0 - 9	4262	4059	8321
10 - 19	4062	3682	7744
20 - 29	3160	2880	6040
30 - 39	2274	2077	4351
40 - 49	1375	1574	2949
50+	2354	2682	5036
Grand Total	**17486**	**16956**	**34442**

Source: Stats SA 2011 Census

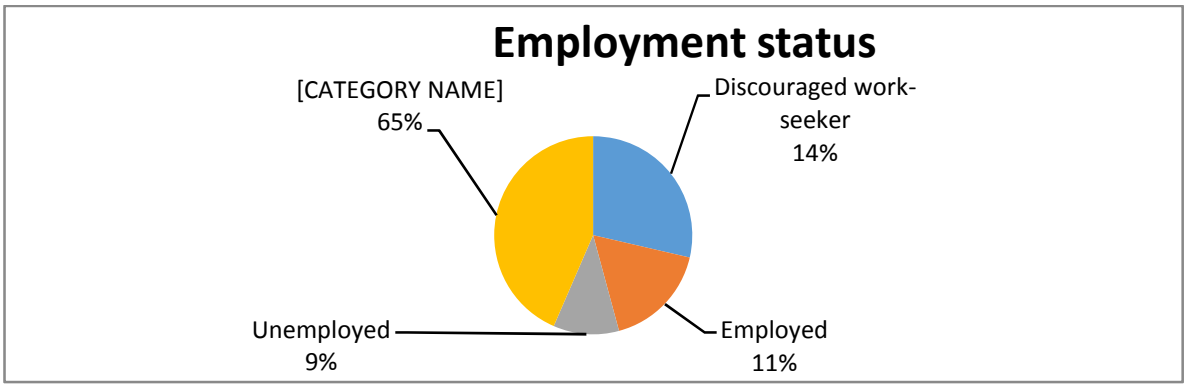
Table3: Nkandla Population by racial group

Table 3 : Nkandla PopulationBlack African	113923
Coloured	114
Indian or Asian	103
White	167

Other	108
Total	**114416**

Source: Stats SA 2011 Census

Table 4: Unemployment



Source: Stats SA 2011 Census

Employment has grown by 1.9% from 2001 to 2011. The growth is not significant enough to put a dent in the high rate of poverty experienced by the community. The municipality has embarked on the Community Work Programme and the Extended Public Works Programme to try and offset the high levels of unemployment and poverty. To date 120 of jobs have created using the two programmes

Table 5: Income Analysis

No income	2470
R 1 - R 4800	1292
R 4801 - R 9600	2430
R 9601 - R 19 600	5679
R 19 601 - R 38 200	6021
R 38 201 - R 76 400	2344
R 76 401 - R 153 800	1246
R 153 801 - R 307 600	601
R 307 601 - R 614 400	282
R 614 001 - R 1 228 800	38
R 1 228 801 - R 2 457 600	27
R 2 457 601 or more	30

Table 6: Employment Status

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Total

	6907	5398	8907	40115	61327
Working age population			61327		

According to the Stats SA census, over 99% of the population earns less than R1600. This puts a strain on the municipal resources because almost the entire population falls within the indigent bracket. Although people have jobs, the lack skills prevent them from getting decent wages or salaries.

8. Traditional Authorities

The municipality has five traditional authorities, namely:

Table 7: Traditional Authorities

TRADITIONAL AUTHORITY	INKOSI	WARDS
Chwezi TC	Nkosi Sibisi	1
Kwa- Zondi TC	Nkosi Zondi	2 and 3
Khabela TC	Nkosi Dlomo	3 and 2
Chunu TC	Nkosi Mchunu	2 and 3
Mpungose TC	Nkosi Mpungose	1 and 5
Ekukhanyeni T/A	Nkosi Khanyile	4
Kwa -Xulu TC	Nkosi Xulu	10
Godide TC	Nkosi Ntuli	12
Mahlayizeni TC	Inkosi Biyela	6
Chube TC	Nkosi Shezi	11
Nxamalala	Nkosi Zuma	14
Ezindlozi T/A	Nkosi Khanyile	11 and 14
Mangidini T/A	Nkosi Biyela	7
Magwaza T/A	Nkosi Magwaza	13
Izigqoza T/A	Nkosi Zulu	12
Amaphuthu T/A	Nkosi Mbhele	10
Ngono T/A	Nkosi Ntuli	9
Qhudeni Trust farm	Mdluli (Umholi)	8

There is a fairly good working relationship between the municipality and Amakhosi. Amakhosi are involved in the development of their areas of jurisdiction. Going forward, the participation of Amakhosi in Council affairs has been formalized. Section 81 of the Local Government: Municipal Structures Act was used as a guide in formalizing the process.

9. KEY CHALLENGES

Table 8: Key Challenges

KEY PERFORMANCE AREA	CHALLENGES
Institutional Transformation	• Gazzeting of the By-laws • Failure to implement the WSP • Outdated IT
Infrastructure and Services	• Aged infrastructure • Poor infrastructure maintenance • Poor access to infrastructure and services
Social and Economic Development	• High levels of unemployment • High levels of poverty
Good Governance and Democracy	• Vastness of most wards prevents Councilors from reaching all their constituency
Financial Viability	• Lack of revenue • Non-payment for services • Reliance on grants
Spatial and Environmental Management	• Lack of a Land Use System • Lack of a registered land-fill site

10. SUCCESSES

Although challenges have been sighted above, which are generally typical of smaller, rural municipality, there are successes which may be deemed minimal but a major leap in terms of municipal development, they can be summarized as follows:

- The Implementation of the Community Works Programme which created a number of jobs;
- The number of households electrified
- Number of indigent receiving free basic service
- The road rehabilitation projects to improve accessibility in previously inaccessible areas.

CHAPTER 2: GOVERNANCE

1. INTRODUCTION

In order to promote accountability to the local community for the decisions made throughout the year by the municipality as per Section 121 (2)(c) of the Municipal Finance management Act read in conjunction with the Section 18(1)(d) of the Municipal Systems Act, the Municipality has to ensure that the relevant governance structures exist and are functional. Both the political and administrative structures of Municipality need to be fully capacitated in terms of numbers and of skills. In drafting this Annual Report, the intention is not only to comply with relevant legislation but to promote accountability for the decisions that Council undertook in the financial year 2013/14. Critical to appropriate decision making are mandatory committees that each Council should establish to ensure that the nine characteristics of good governance are adhered to namely: Participation, Rule of Law, Transparency, Responsiveness, Consensus Oriented, Equity & Inclusiveness; Effectiveness and efficiency, Accountability as well as Sustainability. The focus of this Chapter is on Governance Structures, Intergovernmental Relations, Public Accountability & Participation as well as Corporate Governance.

2. GOVERNANCE STRUCTURES

2.1 Political Governance

As indicated above there are twenty seven councillors that constitute NkandlaLocal Municipal Council,

The Municipality is a plenary system with ward committees.

There are four portfolio committees appointed by Council. These committees are aligning to the functions of various departments of the Municipality;

- Budget & Treasury Portfolio Committee : Chief Financial Officer
- Corporate Services Portfolio Committee : Director: Corporate Services
- Technical Portfolio Committee : Director: Technical Services
- Community Services Portfolio Committee : Director Community Services

There are other forums and committees that are operational in the Municipality and those committees and forums are the following;

- Local Labour Forum;
- Integrated Development Plan Representative Forum;
- Oversight Committee (MPAC)
- Audit committee
- Operation Sukuma sakhe

2. ADMINISTRATIVE STRUCTURES

The Organisational Structure was reviewed and adopted by Council at the beginning of the financial year. A revised selection, recruitment and appointment policy that seeks to address the imbalances in the employment profile of the Municipality has been adopted by Council. There are ninety nine employees in the Municipality. Council approved five departments in the Municipality the departments are as follows:

- Office of the Municipal Manager;
- Corporate Services;
- Technical Services;
- Budget and Treasury Office; and
- Community Services

The functions of these Departments are as follows:

Table 8: Departmental Functions

Department	Functions
Office of the Municipal Manager	Municipal Management, Municipal Planning, compliances, Risk assessment and Performance Management, Municipal Finance Management.
Corporate Services	Administration: it is responsible for; billboards and display of advertisements in public places; municipal administration; security and cleaning services;human resource management; legal services; information technology communication and council support services.
Budget and Treasury Office.	Income: it is responsible for Revenue Management; debt management and internal controls. Expenditure: it is responsible for expenditure management; procurement; materials; insurance; internal controls and properties management.
Technical Services	Electricity: it is responsible for electricity and gas reticulation and street lighting. Civil services: it is responsible for air pollution; municipal public works; storm water management; cemeteries; funeral parlours, cleansing; fence and fences; burial of animals; local sports facilities; markets; municipal parks and recreation; planning and land use management, refuse removal; refuse dump site and solid waste management, municipal roads
Community Services	Community Services: it is responsible for building regulations, child care facilities, local tourism, and promotion of local economic development and facilitation of housing development; libraries Protection Services: it is responsible for firefighting services; noise pollution; public places; street trading; traffic and parking; disaster management; control of public nuisances; municipal public transport; public safety; motor licensing; roadworthy testing; and municipal policing.

3. STAFF COMPONENT

The Municipality had a compliment of ninety nine staff members inclusive of five Section 57 staff members as well as five financial intern staff members included in this statistics, excluding 3 casual workers. During the year three staff members resigned.

Table 20: Staff component per department

Department	No of staff
Office of the Municipal Manager	12
Budget and Treasury Office	25
Corporate Services	19
Community service	34
Technical Services	30
Total	**120**

Senior Management:

All Senior Managers are responsible for portfolio committees in their departments.

Table 8: Senior management

Directorate	Responsible	Committee
Municipal Manager	Vacant	Council and Oversight Committee
Chief Financial Officer	S. Ntombela	Budget and Treasury Committee and Budget Committee.
Director Corporate Services	N. P Xulu	Corporate Services Committee.
Director Technical Services	N.M Mnyandu	Technical Services Committee.
Director Community Service	L.S Jili	Community Service Committee

Employment Equity Development

The Municipality had developed and approved the employment equity plan in 2013/2014 and this plan is being reviewed from time to time. There has been no major improvement in this regard. (See the table below)

Table 9: Employment Equity Development

Employment Equity Implementation	Designation Group	Non-Designated Group	Women	Total
Senior Management	5	0	1	5
Middle Management	12	0	3	12

One hundred percent of the total top management is made up of the designated group while non-designated group is zero percent. The middle management is one hundred percent designated group. Seventy five percent of the professional staff is made up of the designated group and twenty five percent is the women. This is a slight change from the previous year which is in the right direction. See the table below to illustrate figures:

Table 10: Ethnic groups employed by the municipality

Occupational level	Male				Female				
	A	C	I	W	A	C	I	W	TOTAL
Senior	4	Nil	Nil	Nil	1	Nil	Nil	Nil	5
Middle	09	Nil	Nil	Nil	3	Nil	Nil	Nil	12

Other Staff	55	NIL	Nil	Nil	49	Nil	Nil	Nil	104
Total Staff	68	NIL	Nil	Nil	52	Nil	Nil	Nil	120

4. INTERGOVERNMENTAL RELATIONS

To ensure co-operative governance and to implement wall to wall development, this municipality participated in the following IGR Forum meetings that sat at District Level, wherein matters that were cross-boundary were discussed and relevant sector departments invited to give inputs on other technical matters:

- The Mayors Forum
- The Municipal Manager's Forum
- The Planning Forum
- The Infra-structure Development Forum
- The LED Forum
- The Co-operate Services Forum
- Financial Management Forum
- Performance management advisory committee

The Municipality also participates in other structures as the Forum of Municipalities and Members of the Executive Councils, the Speaker's Forum in Legislature and the Premier's Monitoring & Evaluation Committee. Participation in these committees ensures that planning if undertaken in line with National, Provincial & District Priorities and key strategic documents.

5. CORPORATE GOVERNANCE

5.1 Risk Management

In the year 2015/16 the top five risks as per the risk register are:

1. None existence of Municipal By laws
2. Failure to attract investors
3. Inadequate registry and records management.
4. Failure to collect debt
5. Reliance on consultancy

In trying to mitigating these risks, the following actions were undertaken:

1. Cogta was requested to support the review of the Municipal By-laws, once completed they would be public engagements in the following financial and gazetting;
2. The LED & Tourism Plan will be reviewed,
3. Policies were reviewed in order to suit changing environments.

4. Action plan on records management and establishment of records management system has been developed
5. The municipality is currently developing revenue enhancement strategy
6. The policy in use of consultancy will be developed in 2015/2016

5.2 Anti-fraud &Corruption Strategy

This Anti-Fraud and Corruption Strategy and Fraud Prevention Plan has been developed and adopted by council. The plan complement the National Anti-Corruption Strategy of the country and supplements both the Public Service Anti-Corruption Strategy and the Local Government Anti-Corruption Strategy.

The draft policy also give effect to the various legislative instruments relating to fraud and corruption.

In addition, the Policy provides guidelines as to how to respond should instances of fraud and corruption be identified.

A. ACTIONS CONSTITUTING FRAUD AND CORRUPTION

FRAUD AND CORRUPTION MANIFESTS ITSELF IN A NUMBER OF WAYS AND VARYING DEGREES OF INTENSITY.

These include, but are not limited to:

- unauthorised private use of municipal assets, including vehicles;
- falsifying travel and subsistence claims;
- conspiring unfairly with others to obtain a tender;
- disclosing proprietary information relating to a tender to outside parties;
- accepting inappropriate gifts from suppliers;
- employing family members or close friends;
- operating a private business in working hours;
- stealing equipment or supplies from work;
- accepting bribes or favours to process requests;
- accepting bribes or favours for turning a blind eye to a service provider who does not provide an appropriate service;
- submitting or processing false invoices from contractors or other service providers;
- misappropriating fees received from customers, and avoiding detection by not issuing receipts to those customers;
- misappropriation of Municipal funds;
- falsifying accounting records or documents
- falsifying consumer debtors accounts or amending such accounts without authority;
- Theft.

B. STATEMENT OF ATTITUDE TO FRAUD

Fraud represents a significant potential risk to the Municipality's assets and reputation.

The Municipality is committed to protecting its funds and other assets

It is in the draft policy of the Municipality that fraud, corruption, maladministration or any other dishonest activities of a similar nature will not be tolerated. Such activities will be investigated, where required, and actions instituted

against those found responsible. Such actions may include the laying of criminal charges, civil and administrative actions and the institution of recoveries where applicable.

This draft Policy includes prevention, detection, response and investigative strategies.

5.3 Supply Chain Management

Council adopted a Supply Chain Management Policy which covers all procurement processes and the various committees that have to be established to ensure transparency in supply chain. The following bid committees were established in 2013/14 with members as follows:

A. Bid Adjudication Committee
B. Bid Specification Committee
C. Bid Evaluation Committee

A. ADJUDICATION COMMITTEE MEMBERS:

Mr S Ntombela	(Chairperson)
Mr N.M Mnyandu	(Vice Chairperson)
Mr L.S Jili	(Member)
Mr B.H Bhengu	Member
Mrs N.P Xulu	Secretary

B. SPECIFICATION COMMITTEE MEMBERS:

Ms N.C Ngema	Chairperson
Mr M Shezi	Vice Chairperson
Ms L. Mthombeni	Secretary

C. EVALUATION COMMITTEE MEMBERS:

Mr J.M Nkosi	Chairperson
Mr N. Sikhakhane	Vice Chairperson
Ms L.S Buthelezi	Member
Mr J.M Sibiya	Member and secretaries

5.4 Public Satisfaction with Municipal Services

Although no customer satisfaction survey was undertaken to determine the level of satisfaction with Municipal Services, there is a suggestion box that was provided at the rates to enable the community to comment on issues of service and service delivery. Also during the public participation meetings a record is taken on matters that require urgent attention. Key matters that were raised included:

- Rehabilitation of Road Infra-structure and storm water drainage system;
- Electricity outages
- New access roads;
- Adequate Billing.

All the raised matters then became the basis of the Performance Score-card for the following financial year within the respective Key Performance Areas.

5.5 Municipal Oversight Committees

A. The Audit Committee

Nkandla Local Municipality has an Audit Committee as prescribed Section (166) of the Municipal Finance Management Act 56 of 2003. The Audit Committee serves the purpose of being an independent advisory body to the Council, the Political Office Bearers and the Accounting Officer thereby assisting Council in its oversight role.

Membership of the Audit Committee

There are three (3) members of the Audit Committee and one member resigned, namely:-

- Mr G.S. Majola (Chairperson)
- Ms N. Mchunu Member
- Dr B.V Thabede Member
- Mr S Kunene Member

The Committee sat 4 times during the financial year and the report is attached to this report on the observations of the Audit Committee.

B. Municipal Public Accounts Committee (MPAC)

Functions and terms of reference of the committee

The main purpose of the MPAC is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality. This will include oversight over municipal entities. In order for the MPAC to fulfil this oversight role, it needs to be provided with the necessary information and documentation to interrogate the actions of the executive.

Members of MPAC are:

Cllr B.V Khanyile	(Chairperson)	IFP
Cllr N.P.N Magubane	Vice Chairperson	NFP
Cllr N.R XULU	Member	ANC
Cllr B.B Dlomo	Member	IFP
Cllr T.F Nxumalo	Member	IFP

Cllr B.B Ndima Member ANC

All political parties within Council are represented in the MPAC. 8 meetings were held and an overall oversight report is attached to this report as an annexure.

CHAPTER 3: SERVICE DELIVERY AND ANNUAL PERFORMANCE REPORT

Introduction and Overview

1. SUMMARY

The annual performance report for 2015/2016 Municipality financial year for the period starting from 01 June 2015 to 31 June 2016 including an assessment results emanating from the targets set on the 2015/2016 Integrated Development Plan (IDP), 2015/2016 Service Delivery Budget and Implementation plan (SDBIP). The municipal has been measured and evaluated based on the following six key performance areas:

- Institutional development, capacity and transformation,
- Financial management and viability,
- Socio economic development,
- Infrastructural Development, and
- Democracy and good governance.
- Cross cutting interventions

2. BACKGROUND

Section 41 (1) (a) of the Municipal Systems Act 32 of 2000 states that:

a) The Municipality must set appropriate key performance indicator as a yardstick for measuring performance including outcomes and impact, with regard to the Municipality development priorities and objectives set out in its Integrated Development Plan.

b) Takes steps to improve performance with regards to those development priorities and objectives where performance target are not met. A comparison of the performance with the targets set and performance for the last previous financial year

c) Report to council, other Political structures, Municipality staff and public

Section 45(1) the results of the performance must be measured and audited as part of Municipality

Internal Auditing Processes and annually by the Auditor general.

Section 72(1) (a) of the Municipal Finance Management Act (MFMA) act 56 of 2003 states that the accounting officer of a Municipality must by 25 January of each year assess performance of the Municipality during the first half of the financial year, taking in to account the Municipality Service Delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the delivery and budget implementation plan.

3. Performance Management Processes and Compliances

The Municipality has considered the above legislations to determine the level of compliance to the prescripts indicated and sighted the following

4.1 Organizational Performance Management

- The targets that were set on the Municipal IDP and SDBIP has been taken in to consideration, weighted and evaluated
- The key performance areas that were used were in accordance with the legislation and six National KPA has taken in to consideration as per (organizational Performance Management starter pack Model September 2004) and National treasury circular no 13.
- Steps to be taken to the targets not met were taken in to consideration and the action plan as a monitoring tool has been develop to monitor the implementation of those targets.

4.2 Individual Performance Management

- The Generic Performance Plans in the form of the SDBIP have been reviewed in quarter three and the Personal Development Plans, which spells out areas of personal development as per the guidelines for section 54/56 employees have been taken in to consideration, and the individual competencies as per the performance Regulations in the Notice no 805 published on 01 August 2006 and local Governance regulations on appointment and conditions of employment of senior Managers ,Reg 21 of 17 January 2015 were considered.
- The Individual performance has been conducted during the mid-year and quarter three, the informal one on one will be conducted.

4.3 PERFOMANCE REPORTING PROCESS

The municipal performance and individual performance is monitored and reports are submitted on a regular bases.

- The individual and organizational monthly operational reports are submitted to MANCO within 1 week after the end of each calendar month.
- Quarterly Departmental and organizational performance reports are submitted for evaluation and verification to MANCO, Internal Auditors, and Audit Committee and submitted to council for approval.
- This report includes highlights from the key performance measures included in the IDP 2015/2016. These priority measures constitute the Municipal Scorecard for 2015/2016.

- At the end of December 2014, 70% of priority performance measures have met. Areas for improvement are attached on a targets not met action plan and Accountable officers have provided commentary to put performance into context and identified actions that they are taking to address performance.
- In 2015/2016 mid -year performance has major improvement when compared with 2014/2015 annual report. It is worth noting the impact of factors such as budget.
- Performance Monitoring underpins the Municipality's IDP in terms of reviewing progress regularly in achieving our priorities and delivering value for money. Early investigation of variances enables remedial action to be taken where appropriate.

5 KEY PERFOMANCE REVIEWS

5.1 Good Governance and Public Participation

The Municipality has been able to develop the following:

- The standard operating procedures and delegations.
- Operational Ward committees, public participation and transparency.

5.2 DISABILITY

The Disability awareness campaign was held in ward 3 in conjunction with the HIV/AIDS awareness. The establishment of the Nkandla Disability Forum is still impossible as one has stated in previous quarter that the terms of reference for them clearly state that the term for forum will change with the existing council.

5.3 GENDER EMPOWERMENT

The programme that is outlined on the SDBIP for training 10 men/women has been done through the training of the ECD practitioners therefore is Target met. There's is the list of beneficiaries:

5.4 ECD Practitioners trained in ECD Level 4 – 2015/16

Name of Practitioner	Ward	Name of crèche	ID	Contact no.	Grade/ Std
1.Nothando Mnculwane	10	Senzokuhle	790423 0793 081	0780415508	12
2. Sibisi Thandiwe	6	Gedlembana		072 4798179	10
3.Nokulunga Phungula	9	Kwa Nduli	890104 7270 084	0715169002	10
4.Nonhlanhla Ntombela	6	Dumezweni	780309 0323 080	0715530906	10
5.Ntombenhle Masondo	4	Doni	770706 0603 084	0742908159	10
6. Sylvia Xolisile Madlala	10/11	Ntokozo	781002 0608 084	0727673206	12
7. SenzeniMaphanga	12	Vumbu		0769092028	12
8.Phumlile Ximba	08	Mathengeni		0795135466	12
9.Nonkululeko Gasa	11	Buhlebophindo	861226 1703 080	0764953754	12
10. Silondiwe Rose Mchunu	5	Zamukuthula	831006 1019 084	0796166694	12
11.Rachael K Skhakhane	9	Thandanani 1	720113 0493 080	0720536427	12

12.Nokwanda Mthimkhulu	5	Qalakabusha	901120 1172 085	0793098637	12
13.Nomthandazo Mdunge	04	Sibomvu	701010 1502 088	0763079995	12
14.Nomfundo Nokuphiwa Dlamo	03	Mbewenhle		0820768440	12
15. Samukelisiwe N. Sikhakhane	01	Manzimnyama	861124 0632 089	0761466462	12

5.5 SENIOR CITIZEN

Since our SDBIP was reflecting 6 alleviation program. This programme was done on the 14 February 2016 together with the senior citizen valentine event that was supposed to be held on the 2rd quarter.

5.6 YOUTH

30 Youth members benefited for the Study Assistance Bursaries programme as stipulated on the SDBIP 2015/16. Below is a list of beneficiaries:

NO	NAME AND SURNAME	INSTITUTION	AMOUNT	
1	XIMBA KUHLEKONKE P	DUT	R 3630,00	11902
2	BIYELA SZ	DUT	R 2100,00	11904
3	KHANYILE ST	DUT	R 2100,00	11903
4	NDLOVU NP	DUT	R 2 100,00	11900
5	MPUNGOSE ML	DUT	R 2 500,00	11901
6	MHLONGO B	UNISA	R 5725,00	11913
7	MKHIZE NP	UNISA	R 3820,00	11914
8	MHLONGO N	UNISA	R 3395,00	11915
9	NTSHANGASE ZP	UNISA	R 3795,00	11917
10	NGCOBO NN	UNISA	R 3600,00	11919
11	DLADLA SS	UNISA	R 3505,00	11916
12	MNCUBE NN	MANGOSUTHU	R 3113,99	11908
13	NTOMBELA S	MANGOSUTHU	R 5977,00	11909
14	PAID TO NTOMBELA S INSTEAD OF SITHOLE BZ	MANGOSUTHU	R 5977,00	11910
15	NGONYAMA SN	MANGOSUTHU	R 6807,00	11911
16	MKHIZE SE	UKZN	R 3750,00	11930
17	NTOMBELA PL	UKZN	R 3750,00	11931
18	SIBISI NP	UKZN	R 3750,00	11932
19	ZULU NL	UKZN	R 6500,00	11933

20	KHUMALO SP	UKZN	R 3750,00	11934
21	SIKAKANE BO	UKZN	R 3750,00	11935
22	KHANYILE NS	UKZN	R 3750,00	11936
23	MCHUNU NF	UNIVERSITY OF JOHANNESBURG	R 4000,00	11929
24	MCHUNU M	UNIVERSITY OF JOHANNESBURG	R 3870,00	11928
25	KHANYILE BS	UNIVERSITY OF JOHANNESBURG	R 6470,00	11927
26	NGEMA H	UNIVERSITY OF JOHANNESBURG	R 6470,00	11926
27	NTSHANGASE NC	UNIVERSITY OF ZULULAND	R 4000,00	11937
28	SIKHAKHANE SV	UNIVERSITY OF ZULULAND	R 4000,00	11920
29	NTANZI A	UNIVERSITY OF ZULULAND	R 4000,00	11938
30	SIKHAKHANE L	UNIVERSITY OF ZULULAND	R 4000,00	11939
31		UNIVERSITY OF ZULULAND	R 3000,00	
32	NGOBESE NL	UNIVERSITY OF ZULULAND	R 3850,00	11941
33	BUTHELEZI N	UNIVERSITY OF FREE STATE	R 6870,00	11918
34	MNGOMA N	MAJUBA COLLEGE	R 4500,00	11907
35	ZUMA TC	UMBILO SKILLS TRAINING	R 4100,00	11912
36	THUSI SICELO SANDILE	GATEWAY CITY COLLEGE	R 5000,00	11906
37	MPUNGOSE MH	ELANGENI COLLEGE	R 4500,00	11905
38	MAZIBUKO NS	SANTS PRIVATE EFT	R 1250,00	11923
39	ZWANE ATA	RICHFIELD GRADUATE	R 4000,00	11922
40	KUNENE SMW	UNIVERSITY OF WITWATERSRAND	R 9340,00	11924
41	MKHUMA SM	UNIVERSITY OF WITWATERSRAND	R 9340,00	11925
42	NTULI SBK	NELSON MANDELA	R 6200,00	11921

5.7 **ECD**

- The ECD unit has distributed the equipment for all wards in Nkandla. The beneficiaries are as listed below
- **BENEFICIARIES FOR ECD EQUIPMENT**

ECD SITE	SUPPORT NEEDED	WARD	DATE OF Delivery
1.Tshelwayo	Toys, sponges & blanket	3	February 2016
2.Mazondi	Toys, sponges, blanket & fence	2	
3. Nhloshane		9	
4.Silindelokuhle		3	02 February 2016

5.Snethemba		9	
6. Gedlembana	Chairs and table, carpet	6	04 February 2016
7.Indatshe	Chairs and table	1	09 February 2016
8.Okwethu	ECD equipment	9	
9.Masakhane	ECD equipment	11	
10Lungelani	ECD equipment	9	
11Qalanathi	ECD equipment	4	28 January 2016
12 Injabulo	ECD equipment	11	17 February 2016
13 Saluphumule	ECD equipment	2	
14.Mbewenhle	ECD equipment	3	February 2016
15.Sizanani	ECD equipment	3	
17.Ekufundeni	ECD equipment	11	
18.Thembalihle	ECD equipment	12	
19.Siyamthanda	ECD equipment	11	
20.Intokozenhle	ECD equipment	3	
21.Ntshamanzi	ECD equipment	7	February 2016
22.Qalakabusha	ECD equipment	5	
23Little flower	ECD equipment	7	
24.Amatholamge	ECD equipment	10	18 February 2016
25.Khulangemfundo	ECD equipment	10	18 February 2016

5.8 OPERATIONAL WARD COMMITTEES.

The ward committees are fully effective in 13 wards. Ward 13 did not submit any documents to prove their functionality for this quarter and an intervention by the Speaker has been planned and will be implemented in the next financial year. Ward Committees are required to submit attendance registers and minutes of the meeting for each sitting held. Only 13 Wards submitted these documents. The Speaker is due to sit and have a meeting with the committee members and the ward councilor of Ward 13 to discuss challenges as they never hold any meetings.

5.9 A COMMUNITY CONSULTATION AND PARTICIPATION

A community consultation and participation framework has been developed and being implemented. This framework incorporates the aspects of a community communication strategy and adherence to the Batho Pele Principle. The SDBIP, Performance Measurement results are reported to community.

The municipality held its public participation session/ IDP road show at Ward 09 on the 27th of February 2016.

Ward Committee Policy and Community Participation Plan will be submitted to the next management committee and the council meeting for adoption.

The LTT, LAC & IDPSC meeting sat jointly on the 22nd of March 2016 as these forums are formed by the same stakeholders. The attendance register and minutes of the meeting are attached.

- The overall score for the KPA is 80% for 2015/2016 annual, up by 1% from 2014/2015 annual report which was 79%.

6. INSTITUTIONAL TRANSFORMATION

6.1 GOVERNANCE

In order to promote accountability to the local community for the decisions made throughout the year by the municipality as per Section 121 (2)(c) of the Municipal Finance management Act read in conjunction with the Section 18(1)(d) of the Municipal Systems Act, the department has to ensure that the relevant governance structures exist and are functional.

6.2 CORPORATE SERVICE MENDATE

The departments responsible for; municipal administration; security and cleaning services; human resource management; legal services; information technology communication , council support services, and Governance which is to make sure that portfolio committee are effective effectiveness

6.3 CORPORATE PORFOLIO COMMITTEE MEMBERS:

NO	NAME	POSITION	POLITICAL PARTY	NUMBER OF PORTFOLIO MEETINGS	NUMBER MEETINGS ATTENDED
1	Cllr BW Sibiya		ANC	3	3
2	Cllr S Buthelezi		NFP	3	2
3	Cllr Ndima		ANC	3	3
4	Cllr TT Dlamini		IFP	3	2
5	Cllr L Ntombela		IFP	3	3
6	Cllr Mhlongo		IFP	3	2

6.4 OTHER COMMITTEES WITHIN DEPARTMENT – LOCAL LABOUR FORUM (LLF)

NO	NAME	POSITION	NUMBER OF MEETINGS HELD	NUMBER MEETINGS ATTENDED
1	Cllr BB Dlomo	Chairperson	4	4
2	Cllr S Buthelezi	Employer Rep	4	4
3	Mr NM Mnyandu	Employer Rep	4	4
4	Mr SBS Sibisi	Employer Rep	4	3
5	Mrs NP Xulu	Employer Rep	4	4

6	Mr NG Ndlela	Union Rep	4	4
7	Mr SE Mbuyisa	Union Rep	4	4
8	Mr Z Ntombela	Union Rep	4	4
9	Ms ZP Mnguni	Union Rep	4	**4**
10	Ms LSZ Mthombeni	Union Rep	4	**4**

6.5 HIGHLIGHT ON PERFOMANCE BY SECTIONS WITHIN DEPARTMENTS

2015/2016 Recruitment,Terminations and other labour matters:

DEPARTMENTS	NUMBER OF RECRUITED EMPLOYEES	NUMBER OF TERMINATIONS	SUSPENSIONS	UPLIFTED CASES	PENDING CASES	REINSTATED AT SALGA BARGAINING COUNCIL	TOTAL
OMM	1	1	1		1		4
Corporate Services	0	2					2
Community service	6	1	1			1	9
Technical service	2	0	1	1			4
Budget & Treasury	5	4					9
TOTAL	14	8	3	1	1	1	28

The IT and HR under the institutional transformation and capacity enhancement has been identified as the lacking sections by the Auditor General and in 2014/15 financial year. The department is still lacking the capacity to develop the key policies, gazzetting of by-laws, plans and procedures to guide transformation and ensure that HR and IT issues are resolved

- The overall score for the KPA is 78% for 2015/2016 annual report, up by 2% from 2014/2015 Annual report which was 76%

7. FINANCIAL MANAGEMENT AND VIABILITY

Commentary on the financial statements and financial viability awaits the audited financial statements

The overall score for the KPA is 100% for 2015/2016 Annual report, up by 4% from 2014/2015 annual report which was 96%.

8. LOCAL ECONOMIC DEVELOPMENT

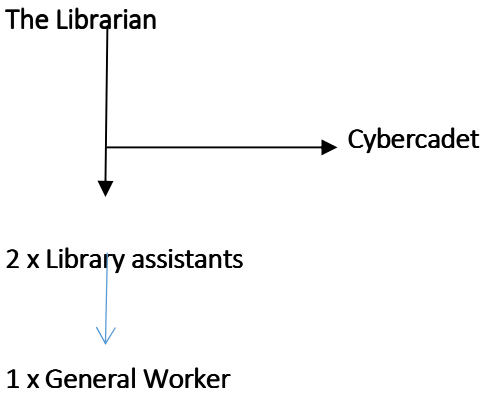
- The Municipality has been able to focus on three spheres of LED, which are poverty alleviation, economic growth and economic empowerment.
- More than 200 cooperatives have been registered and supported.
- The 30 cooperatives have been provided with skills and supported with material
- Special programs on gender, senior citizen, youth and HIV and AIDS has been introduced and implemented effectively.
- Disaster management plan has been drafted but not yet adopted by council.

8.1 LIBRARY SERVICES

The Nkandla Public Library is the central library located in the buildings of Nkandla Municipality. Nkungumathe and Qhudeni Public libraries are other libraries that are of services to the community of Nkandla that cannot reach Nkandla town. The library has been initiating different programmes and activities which are aimed at enhancing the development of the Nkandla community and to provide much information to the community by developing education habits and to make educational awareness. By this, it has been noted that there has been a great increase on numbers of users and members who visits the library to request various library information resources and assistance regarding information.

8.1.1 PERSONNEL

Currently, the library has the following personnel



8.1.2 STATISTICS

MEMBERSHIP – END USERS 2015/ 2016

Month	Adult	Young Adult	Juvenile	New Members
APRIL	29	05	07	**41**
MAY	25	04	02	**31**
JUNE	22	09	01	**32**

8.1.3 BLOCKED – END USERS FROM APRIL TO JUNE 2016

Month	Adult	Young Adult	Juvenile	Total
APRIL	165	30	19	**214**
MAY	03	03	00	**06**
JUNE	13	02	01	**16**

8.1.4 LIBRARY MATERIALS – CIRCULATION STATISTICS FROM APRIL TO JUNE 2016

Month	Adult	Young Adult	Juvenile	Total
APRIL	100	00	15	**115**
MAY	73	03	06	**82**
JUNE	129	00	08	**137**

8.1.5 SUMMARY OF MONTHLY INCOME FROM APRIL TO JUNE 2016

APRIL	Description	Total	Remarks
	Copies	R1100.00	Copies
	Over-dues	R300.00	Fines and lost items
	Cyber café	R800.00	Printing and scanning

MAY			
	Copies	R1580.00	Copies
	Over-dues	R160.00	Fines and lost items
	Cyber café	R4600.00	Printing and scanning
JUNE			
	Copies	R2400.00	Copies
	Over-dues	R100.00	Fines and lost items
	Cyber café	R2220.00	Printing and scanning

8.1.6 LIBRARY ORIENTATIONS AND TRAININGS

As from April to June 2016 the library team conducted an outreach programmes and visited different schools of which were S.J. Baloyi High School, Ngwekazi High School, Senzakahle High School, Ithala High School and Mbizwe High School to encourage both educators and learners about the importance of using Library.

The library provided various kinds of library orientations which includes in-house orientations and also conducted the library tours where patrons (library users) are taken from section to section be it individuals, groups and schools and thorough explanations on Library usage are clearly defined.

The library staff conducted outreach services and indoors orientations where they randomly select schools or communities to come and visit the library with an intention of orientating them about the library.

Computer LAB trainings went well as more groups have been trained, from different areas in Nkandla. People attended training were awarded certificates for participating in the Basic Computer Training Programme. Computer LAB also function effectively as patrons are happy and being comfortable about to use it.

8.1.7 TRAINING, MEETING AND WORKSHOPS

TRAINING

In the month of April 2016, The Librarian Siyabonga Mbatha attended Advanced Slims Training held from the Department of Arts and Culture (head office) in Pietermaritzburg which was about on how to do defaulters and briefing on how cataloguing of books is being done in the SLIMS system.

NTEREST GROUP FORUM MEETING

In the month of June, the librarian has been at eDumbe Library to host librarian's meeting called Interest Group Forum Meeting (IGF). The meeting went well as librarians were discussing about issues pertaining in libraries and came out with solutions needed, to make sure that information needed by community members is being provided. The library was also visited by staff members from the Dundee Depot, whom did a survey of how the library it operates and they were so happy about of how the service is being provided to the community members of Nkandla.

WORKSHOP

In the month of June, The Librarian Siyabonga Mbatha attended SLIMS user workshop and Cyber Cadet Thabani Masondo attended CYBER user workshop where there was discussions about issues pertaining in the library and the possible solutions to be taken in the issues pertaining in the library.

ACHIEVEMENTS

Library books requested delivered in the library, more especially tertiary books which was being in short and in demand in the library. Computer LAB trainings went well as more groups have been trained, from different areas in Nkandla. People attended training were awarded certificates for participating in the Basic Computer Training Programme.

9. LOCAL ECONOMIC DEVELOPMENT

Office of the LED has an obligation to be the backbone of uplifting the economic conditions of the local people through it programs that are aimed at assisting entrepreneurs and cooperatives to source basic information and assistance that can make them better traders and entrepreneurs in the area. Therefore the LED embark in a program of assisting cooperatives with different capital assets to start their businesses through cooperatives which is one of the programs that is aimed at enforcing local people to gather and do something in the communities which may keep them busy to help them bright social ills and creates communities that do not rely on only social grants for living but also utilize the available natural resources to make profit in their areas.

It is also our initiative as LED to incubate and nature the assisted cooperatives so to make an assurance that such material given to cooperative is used optimally and is sustainable and also to provide direction to those projects.

Cooperatives benefited year 2015

Cooperative name	Ward
Poultry projects (layers)	
Vukuzame poultry cooperative	1
Ezindumeni Poultry project	2
Siyaphambili poultry project	3
Qalakancane poultry project	4
Nsika agric cooperative	5
Sukuma mama poultry project	5
Ukuhlafuna akunavila	6
Masisizane Project	7
Mthombo agricultural cooperative	8
Vukamame Agricultural cooperative	9
Kusezandleni cooperative	10

Godide cooperative	12
Hlanganani cooperative	11
Mnotho agric cooperative	13
Zamimpilo poultry project	14

Agricultural Project beneficiaries (seeds)

Golozeleni garden	1
Isimunye Agric cooperative	1
Izandla zethu agricultural project	1
Zamukwenza Agric cooperative	2
Langazelela cooperative	2
Fisokuhle agric cooperative	2
Wozawoza agric cooperative	3
Woazawoza upper cooperative	3
Ubumbano agric cooperative	4
Qedindlala cooperative	4
Khulani cooperative	4
Nkosinezigi cooperative	5
Sinomusa cooperative	5
Zungeni cooperative	5
Zimele cooperative	5
Insika agric project	5
Nqundu agric cooperative	5
Madiyane agric cooperative	5
Sizanani makhendle cooperative	6
Skhonasone cooperative	6
Mthente cooperative	7
Thuthukani garden	7
Jamson drift youth	8
Seluleko garden	10

Siyaza agricultural cooperative	10
Khulani cooperative	10
Zizamele cooperative	10
Kusezandlen cooperative	10
Thulasizwe cooperative	11
Phakamaini cooperaitive	11
Amantungwa cooperative	12
Vukuzenzele cooperative	14
Ithunga agric cooperative	14

Backing cooperatives

Senzakonke cooperative	1
Kleza cooperative	2
Ukukhanya society	3
Zithulele backing cooperative	4
Zungeni backing cooperative	5
Sikhonasonke cooperative	6
Umbele cooking cooperative	6
Vukuzenzele cooperative	7
Thulubone cooperative	8
Kusezandlenizakho cooperative	10
Silindokuhle cuphuchuku cooperative	11
Pholela cooperative	12
	13
Zamokuhle cooperative	14

Sewing cooperative

Isondo sewing group	1

Amathuba empilo sewing cooperative	2
Sukuma sewing	3
Impumelelo yethu cooperative	4
Kwanqundu cooperative	5
Silunda sewing cooperative	6
Masuphe cooperative	7
Izifiso sewing cooperative	8
Uthando sewing	10
Ithemba sewing	11
Siyazama sewing	12
Siceluthando sewing cooperative	13
Zizamele sewing cooperative	14

Societies (one pole tents gas stoves and pots)

Isondo society	1
Ozayo funeral	2
Ukukhanya society	3
Zimisele catering	4
Sigcalaben society	5
Umbele society	6
Masenzokuhle society	7
Zimelen society	8
	9
Gugula society	10
Qala kancane society	11
Bamabisanani society	12
Uncedo catering	13
Siyazama society	14

DISCUSSION

Ward 1 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Vukuzame poultry project	layer	Functional	Layer feed ,production declines
Golozeleni agric coop	Agric	Functional	They have harvested and sell their output
Simunye cooperative	Agric	Functional	They have harvested and sell their output
Senzakonke backing	Backing	Occasional functional	They gather two days a week and rely on orders made
Isando sewing cooperative	Sewing	Occasional functional	They only do aprons and requested to be trained
Isando society	Society	Occasional functional	Functional only on weekend during funerals

Summary

Cooperatives in one ward one though they have challenges but they are doing well, those that work occasionally they don't have consistent reliable customers which makes them to work in that nature, and agricultural cooperatives the major effect is drought which hampered their production specially potatoes that they were given by the municipality, hence on the side of those who were given layer birds the challenge of feed is temporally stable because I purchase them the feed at Empangeni and deliver it on site because it is hard to find here at Nkandla.

Golozeleni garden

vukuzame poultry project

Simunye Garden

3.2 Ward 2 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Ezindumeni poultry cooperative	layer	Functional	Layer feed , cooperative members dismantled, production declines
Langazelela cooperative	Agric	Functional	They have harvested and sell their output
Zamukwenza agric coop	Agric	Functional	They have harvested and sell their output
Kleza backing cooperative	Backing	Non functional	They don't have electricity in their area
Amathuba empilo sewing coop	Sewing	Occasional functional	They only do aprons and work once on the weekend
Ozayo funeral	Society	Occasional	Functional only on weekend during

		functional	funerals

Summary

The major challenge I identify is feed for layers because they buy it at Nqutu which cost them a lot of money for transportation and the fact that members have dismantled due to financial issues the two remaining suffer feed costs and birds are not producing well due to poor feed given to them and the variety of feed changes monthly also hampers production.

Ezindumene poultry project

3.3 Ward 3 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Siyaphambili poultry cooperative	layer	Functional	Layer feed , cooperative members dismantled, production declines
Woza woza cooperative	Agric	Functional	They have harvested and sell their output
Woza waoza upper agric coop	Agric	Functional	They have harvested and sell their output
ukukhanya backing cooperative	Backing	Occasional functional	They work only if there is an order in place
Sukuma empilo sewing coop	Sewing	Occasional functional	They only do aprons and work once or twice on the weekend
ukukhanya funeral	Society	Occasional functional	Functional only on weekend during funerals

Siyaphambili poultry project

Summary

Again the major challenge is feed for layers they buy and transport it in Vryheid which is financial intensive and the fact that other members had moved to Johannesburg to search for better opportunities and the few remaining the project is hard to maintain.

3.4 Ward 4 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
qalakancane poultry cooperative	layer	Very active	Layer feed , they have more customers
Ubumbano cooperative	Agric	Functional	They have harvested and sell their output
qedindlala upper agric coop	Agric	Functional	They have harvested and sell their output
zithulele backing cooperative	Backing	Occasional functional	They work only if they are requests received
Impumelelo yethu sewing coop	Sewing	Occasional functional	They only do aprons and work once or twice on the weekend
Zimisele catering	catering	Occasional functional	Occasional functional

Summary

Cooperative that were assisted with layers in ward 4 is currently doing very well and they have request to get more chickens because they have more customers than what birds can produce thou they have feed challenge but I purchase it at Empangeni than deliver it on site, their birds are healthy and well kept.

Qalakancane poultry project

3.5 Ward 5 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Nsika poultry cooperative	layer	Non functional	High mortality rate only 4 remaining
nkosinezigi cooperative	Agric	Functional	They have harvested and sell their output
sinomusa agric coop	Agric	Functional	They have harvested and sell their output
zungenibacking cooperative	Backing	Occasional functional	They work only if there are customers who place an order of a bucket
Kwanqundu sewing coop	Sewing	Occasional functional	They only do aprons and school uniforms
Sigcalabeni society	society	Occasional functional	Occasional functional

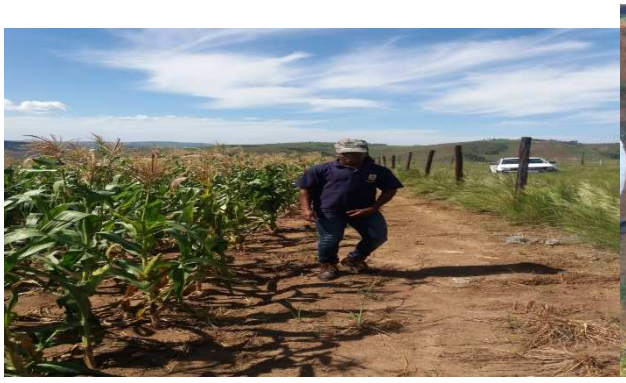
Summary

When I visited ward 5 I discover that bird's l numbers dropped drastically due what they believed was avian influenza, but looking to the four remaining birds I concluded that it was due to poor housing used and the fact that layers stay in the same house with indigenous birds which is totally wrong.

3.6 Ward 6 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Ukuhlafuna akunavila poultry cooperative	layer	functional	Feed, birds laying ability declines, mortality rate and shelter
Skhonasonke cooperative	Agric	Functional	They have harvested and sell their output
mthente agric coop	Agric	Functional	They have harvested and sell their output
Sikhonasonke youth cooperative	Backing	Non functional	They waiting for the venue
Silunda sewing project	Sewing	Occasional functional	They only do aprons and school uniforms
Umbele society	society	Occasional functional	Occasional functional
Umbele backing cooperative	backing	functional	Less market during school holidays

Sikhonasonke garden



ukuhlafuna akunavila

Summary

As much as there could be challenges of different category in each and every cooperative the major challenge is common to all poultry cooperatives they even thinking of selling the stock to buy broilers due to feed challenge because birds are no longer productive and they consumer broiler feed instead of layer mash and also baking cooperatives though the one at Mahlayizen area does have better environment for business because they sell their cakes to Velangaye school kids and educators they don't rely on ceremonies around to get customers.

3.7 Ward 7 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Masisizane poultry cooperative	layer	Non functional	Feed, birds laying ability declines, they decided to sell the birds for new stock
Mthente cooperative	Agric	Functional	They have harvested and sell their output
Thuthukani agric coop	Agric	Functional	They have harvested and sell their output
Vukuzenzele cooperative	Backing	Not yet visited	Not yet visited
Masuphe sewin coop	Sewing	Occasional functional	Not yet visited
Masenzokuhle society	society	Occasional functional	Occasional functional

Summary

Poultry cooperative due to challenges they encounter like feed, poor shelter and decline in production were major effect which made them to take a resolution of selling the birds. they are in the process of purchasing the new stock.

3.8 Ward 8 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Umthombo poultry cooperative	layer	Non functional	Feed then they decided to sell the birds to change layers to broilers because they don't get layer feed either Nqutu nor Nkandla town
Kwamjonseni youth cooperative	Agric	Functional	They have harvested and sell their output
Thulubone cooperative	Backing	Not working	They were waiting for cooperative certificate which they have received it
izifiso sewing coop	Sewing	Occasional functional	Occasional functional
zimeleni society	society	Occasional functional	Occasional functional

Summary

Due to the feed crisis which they struggled to get from both Nkandla and Nqutu nearest towns they then decided to sell all the stock to buy broilers which they preferred to be better than layers because they can get feed from Nqutu which is their nearest town

3.9 Ward 9 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Vukamawulele poultry cooperative	layer	functional	Feed, decline in production and birds numbers declines
Nomlindi/mfongosi agric cooperative	Agric	Functional	They have harvested and sell their output

Summary

The reason why there are few cooperatives on the block they didn't come during the event to collect their staff then it was then given to other needy cooperatives

3.10 Ward 10 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Kusezandleni poultry cooperative	layer	Very active	This one of the layer project that is doing exceptionally well
siyazama cooperative	Agric	Functional	They have harvested and sell their output
Khulani agric cooperative	Agric	funtional	They have harvested and sell their produce
Kusezandleni zakho cooperative	Backing	Not working	Occasional functional
uthando sewing coop	Sewing	Occasional functional	Occasional functional
Gugula society	society	Occasional functional	Occasional functional
Kusezandleni poultry project			

Summary

Ward ten poultry project is one of the best performing layer projects which have less challenges because they do have access of feed which they buy it in grey town and they have customers around. Backing cooperative is also doing very well because they sell their product in the nearest schools and through orders they receive if they are certain events locally.

3.11 Ward 11 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Ngomankulu poultry cooperative	layer	No longer	A prominent member passed away then remaining members decided to sell the stock
silindokuhle cooperative	Backing	Not working	They never get started and they have promised to start working immediately
ithemba sewing coop	Sewing	Occasional functional	Occasional functional
qalakancane society	society	Occasional functional	Occasional functional

Summary

Poultry cooperative dismantled due to the death of a prominent member and the one who assisted with the venue for birds. Backing cooperative hasn't started and they were trained.

3.12 Ward 12 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
godide poultry cooperative	layer	functional	Feed expenses and transport cost are very high
Pholela backing cooperative	Backing	Occasional functional	Occasional functional
siyazama sewing coop	Sewing	Occasional functional	Occasional functional
Umphakathi society	society	Occasional functional	Occasional functional

Summary

Same challenges are commonly the same as other wards

3.13 Ward 13 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Mnoth poultry cooperative	layer	No longer	A prominent member passed away then remaining members decided to sell the stock
Jamison drift backing	Backing	Very functional	They were assisted in year 2014
siceluthando sewing coop	Sewing	Occasional functional	Occasional functional
qalakancane society	society	Occasional functional	Occasional functional

Mnotho poultry cooperative

Siceluthando sewing cooperative

Summary

Challenges are commonly the same to most of the areas and differs with the nature of the cooperative.

3.12 Ward 14 cooperatives assisted status

Co-op name	Co-op type	Status	challenges
Zamimpilo poultry cooperative	layer	active	Feed and sudden drop in egg production
Zamokuhle cooperative	Backing	Not working	Occasional functional
Zizamele sewing coop	Sewing	Occasional functional	Occasional functional
Gugula society	society	Occasional functional	Occasional functional

Summary

They are similar challenges that affect these cooperatives and others are hard to be monitored because they are active over the weekends

4 RECOMANDATIONS

According to my personal observation on the assisted cooperatives I recommend that for the sake of sustaining our initiative of helping cooperatives, we should move now from the current method where we focus on helping all wards with limited budget we better focus on the existing cooperatives that are doing well from the list that they were assisted with and also consider other new requests that have a potential to grow and be sustainable.

Developing the existing and potential cooperatives will then assist the municipality to have projects that are the benchmark for the future, and a provision of proper trainings that are in line with their activities will then assist our cooperative to be sustainable. It is also important that on the next cooperatives to be assisted we should focus on the few and focus on aspects like reasonable building for poultry cooperatives and equipment and other relevant needs and invest on those few cooperatives and then we nature and incubate them.

This must apply across different kinds of cooperatives due to the fact that we have been assisting cooperative on the same level we then need to grow and move to the second stage where we can build reasonable structures for our projects and focus on those few and monitor how possible they can be sustainable and change the lives of people locally.

Bellow method can assist in increasing output mostly to those few cooperatives that identified to be the best on what they received last year.

Engwegwen poultry project not funded by the municipality

This is a batter system it can accommodate 200 layers in a very small space and it one of the methods that can help our cooperatives to produce enough eggs so we can have a strong supply to force our supermarkets to avoid buying eggs from outside because we will be having reliable market locally which will be those cooperatives.

- The overall score for the KPA is 79% for 2015/2016 Annual report, Up by 12% from 2014/2015 Annualreport which was 67%.

10. BASIC SERVICE DELIVERY

Background:

The Technical Services Department comprises of four units: Electrical, Civil, Waste and Town Planning. These units are headed by Assistant Directors who ensures the smooth and effective operation on a day-to-day basis.

ADMINISTRATION AND FINANCIAL MANAGEMENT

A. FINANCIAL REPORTING (CAPITAL TRANSFERS)

Capital Transfers include both Electricity Grant and Municipal Infrastructure Grant, the allocation for each, is as follows; for Electricity there is an allocation of R35 million and for MIG there is an allocation of R22, 188 million for 2015/16 Financial Year.

On our Departmental SDBIP we set a target of spending 25% of an allocation each quarter. Of which is R5, 547 000.00 for MIG and R8, 750 000.00 for Electricity which gives us a total of R14, 297 000.00 to spend quarterly.

MUNICIPAL INFRASTRUCTURE GRANT (MIG)

For each quarter we set to spend R5, 547, 000.00 and thus far in this quarter we have spent R8, 719, 740.15 which is way above 100%. The total balance on allocation is -R3, 849 011.37 and the total expenditure to date is R26, 037 011.37

Quarter	Contractors Expenditure	Consultants Expenditure	Total Expenditure Per Quarter
Quarter 1	R5, 233 490.24	R1, 479 416.69	R6, 712 906.93
Quarter 2	R5, 753 361.64	R417 183.10	R6, 170 544.74
Quarter 3	R3, 691 075.35	R742 744.20	R4, 433 819.55
Quarter 4	R7, 879 026.12	R840 714.03	R8, 719 740.15
Total	**R22, 556 953.35**	**R3, 480 058.02**	
R26, 037 011.37			

ELECTRICITY GRANT

An allocation of R35, 000, 000.00 was set for 2015/16 financial year with an expenditure of R8, 750, 000.00 per quarter. Up to now we have spent R36, 293, 676.31 which is above 100% of the annual allocation, however, we way above 100% in terms of actual expenditure as we had other roll-over projects from the previous year which were paid this financial year's allocation. This makes us to be way above 100% of the set target and the total expenditure to date is above R36, 293 676.31.

Quarter	Total Expenditure Per Quarter
Quarter 1	R3, 549, 730.93
Quarter 2	R6, 565, 071.72
Quarter 3	R13, 442, 701.52
Quarter 4	R12, 736, 172.14
Total	R36, 293, 676.31

CONCLUSION

In conclusion the total expenditure for both these grants is R62, 330 687.68 out of R57, 188 000.00 which makes us to have an expenditure of above 100% in total, Therefore target is met.

B. Electricity

Infrastructure maintenance

Nkandla Town electrical infrastructure has aged and the majority of the current electrical infrastructure has surpassed its expected lifespan, the existing infrastructure is required to be refurbished in order to create a firm supply and avoid ongoing maintenance issues within the town. The above statement is limited to budgetary requirements, hence the following report has been generated to identify critical items which will/can affect the quality of supply and are deemed as a hazard to people and property as well.

Urgent attention is required to address the critical defects listed as part of the report. These defects need to be repaired urgent and to make it safe.

Items have been separated in order of priority with item 1 indicated as highest priority.

DEFECT 1

Transformer (NK3) located behind Nkandla Prison has a major oil leak and is a critical safety hazard. Possibility of explosion, electrical infrastructure damage, risk to animals and human life. Failure will lead to non-compliance of NRS047 and NRS048, the only solution in this is to replace the damaged transformer with a new transformer. This is the most viable solution as the oil tank has severe leaks which will eventually attribute considerably to the failure of the transformer windings.

DEFECT 2

Single pole planted to the left of the H-Pole structure located on the main MV feeder past the hospital has experienced sinking of the pole causing the transformer (TR18) to lean making it unsafe.Currently the transformer oil is not level which results in an imbalance in oil and will eventually lead to the failure of the transformer. This is potentially hazardous to life and network. The structure needs to be replaced with an

out-of-line transformer structure (1866B). This will re-align the structure with Eskom standards. Move the transformer out of line, making it safer.

DEFECT 3

The MV bundle located opposite the main Municipal offices in Nkandla, was found to require urgent attention as it is, potentially harmful it has numerous joints and could cause major damage to supply if the bundle should break as well as cause electrical flash over on rainy conditions and when high levels of humidity or pollution and dust is prevalent. Unorthodox methods used for splicing of cable can result in tracking along line joint and splice which will result in failure to the system supply.

DEFECT 4

The existing MV pole located within the vicinity of the Nkandla Engen Garage which is on the main road into Nkandla Town, is leaning which is required to be straightened. Existing LV bundle crossing the road has reduced height as it is supported by the leaning MV pole.

The current clearance is now less then specification (5.5m above ground) but will decrease even more as the pole leans more. This will eventually be non-compliant and dangerous when vehicles that exceed 5m in height require to pass. The probability of the cause of the leaning pole can be due to larger vehicles (Construction Truck or Truck with tipper extended), having caught the LV Bundle Crossing the Main Road and pulling on the pole supporting it.

Power Enquiries

All power enquiries are attended to when they come and they are done immediately. In the month of May there we recorded 01 power interruption on Nkandla North that is supplied by section breaker 347; this interruption was caused by our aging power lines next to the Municipality and the other.

Street lights

Most of the Street lights are working only 11 that are not working, the assessment has been made to repair them.

SELF BUILT ELECTRICAL PROJECTS

VUMANHLAMVU: The project is at 98% complete and it has been energized, there are few households that are still having issues but the contractor is attending them, and the contractor still busy with registering the customers.

MVUTSHINI/MALUNGA: the project is on the tender stage and will be awarded

MASOLOSOLO/DOLWANE: the contractor is busy with construction

Sixhokolo/Mpondo: the contractor is busy with construction

Nhloshane: the contractor is busy with construction

Thaleni/Vimbimbobo the contractor is busy with construction

Ntshiza: the contractor is busy with construction

Ezijibeni: the contractor is busy with construction

Makhanyezi: the contractor is busy with construction

C. Capital Projects and Operations & Maintenance

- Capital Projects monthly progress report
- Operations and Maintenance report
(This includes maintenance and RRUP)

4. PROJECT PROGRESS REPORT

4.1 Construction of Bangamanzi –Mfongosi Link Road Rehabilitation

4.1.2 Contract Details

Consultant: S.P Sandu Projects

Contractor: Pure Magic

4.1.3 Progress

Project construction commenced on 20 October 2013 and was scheduled to finish on 30 June 2014.To-date the project is not complete. The project is currently incomplete and there are a number of factors that affected the contractual completion date. Work on site has been very slow and the work quality is poor. The contractor has occasionally deserted the site some times for long periods which led to deterioration of the quality of work.

The current site progress is as following;

- Site establishment is 100% complete
- Clear and grabbing is 80% complete
- Bulk earthworks is 80% complete
- Sub-base construction is 75% complete
- Base or G5 layer is 70% complete
- Stormwater pipes is 70%

The project is currently 78% complete,

4.1.4 Challenges and possible solutions

- This project was left incomplete we were told by the engineer that the project funds were exhausted as a results the contactor deserted the site without completing the original scope of work that was agreed upon.
- So many attempts were made in trying to resolve the matter with no success, meetings were called either the contractor or consultant was not availed.
- The contract between Nkandla Municipality and Pure Magic cc (contractor) has been terminated.

Fig 4.1.2.1

4.2 CONSTRUCTION OF ESIBHUDENI CSC

4.2.1 Contract Details:

Done in house

Contractor: PA Yamela

4.2.2 Progress

This project is practical complete and it can be now handed over to the beneficiaries.

Fig.2.2.1.1 Back Elevation

Fig2.2.1.2 Front elevation for Creche structure

4.3 CONSTRACTION OF EZIMPISINI/KWAGUGU

4.3.1 Contract Details

Consultant: Internal Monitored (Municipality)

Contractor: Mpandla Trading

4.3.1.1 Progress

The project is complete and it can now be handed over to the beneficiaries.

4.3.1.3 Pictures

Fig 4.3.2.1

4.5. CONSTRUCTION OF EMATHENGENI ACCESS ROAD

4.5.1Contract Details

Consultant: Impumele Consulting Engineers

Contractor: MBS JV Yimpie Projects

4.5.1.1 Progress

This project is almost complete. The contractor is done with layer works and storm water crossings only about 500m that is not complete due to hard rocks that need to be blasted so as to get access to the remaining section. Outstanding work includes; Earthworks and layer works on the last section.

4.5.1.2 Challenges and Possible Solutions

- The project is being delayed by number of large boulders that are experienced on site even blasting is required on some boulders.
- Some portion of the road is already blasted, second blasting is required to obtain allowable levels.
- The terrain is very steep on some portions of the road concrete slaps are even required.

4.5.6 Photos

Formation on progress

Blasted section.

Last road section.

4.6. Construction of Ngomankulu-Nsuze Bridge

4.6.1 Contractor Details

Turn-key system by SDM Consulting Engineers

4.6.1.1 Progress

The contractor is progressing on site. The overall progress percentage still stands at 80%

Setting Out	100%	Complete
River Diversion	100%	Complete
Provision of bypass	100%	Complete
Excavation for Foundations	100%	Complete

Blinding	100%	Complete
Drilling for piles	100%	Completed.
Steel Fixing for foundations; Abutments and center piers.	100%	Steel fixing on the footing for both abutments and piers has been done. Steel for deck has been erected.
Pouring of Concrete on foundations; Abutments and center piers.	90%	The concrete for Abutments foundations has been completed; concrete for both abutments and center piers has been poured,
Pouring of Concrete on spans	65%	Pouring of concrete in first spans has been done only 300mm of concrete for ridding surface left above voids.
Construction of abutment retaining walls.	45%	
Construction wing walls	0%	
Construction of two center piers retaining walls	0%	
Scaffolding for the preparation of Deck	65%	Ongoing to last the span
Bridge Approaches	0%	
Installation of signage	0%	

4.6.1.1 Challenges and Possible Solutions

- The project is experiencing some challenges when it comes to the supply of material due to the long distance and bad condition of the route coming to site. Some suppliers only schedule weekends for the deliveries on some important material including concrete.
- Western Abutment is inaccessible therefore road approaches need to be constructed to gain access to this end.
- Road has been aligned to gain access to the last span. (See pictures below).

4.6.1.2 Photos

Scaffolding in preparation for desk

Concrete pouring

Road alignment

4.7 CONSTRUCTION OF MDLELANGA CSC

4.7.1Contract Details

Consultant: Internal Monitored (Municipality)

Contractor: Mlangatshe trading and Projects Pty Ltd

4.7.1.1Progress

The old contractor abandoned the site as a result his contract was terminated, however new contractor has been appointed. He is busy with fencing and painting.

4.7.1.2 Challenges and Possible Solutions

No challenges experienced so far.

Side elevation

4.9 CONSTRUCTION OF SAKHILE ACCESS ROAD

4.9.1Contract Details

Consultant: BI Infrastructure

Contractor: MBS JV YIMPIE PROJECTS.

4.9.1.1Progress

The progress on this project is rapidly slow. Contractor is behind schedule for most of work activities. The progress is as follows;

- Site establishment 100%
- Box-out 300mm deep 100%
- In-situ sub grade 60%
- Overlaying of selected roads 100%
- Stormwater drainage 90%
- Kerbs and channels 70%
- Stabilisation,surfacing and walkways 0
- C4 Sub-base 60%
- G2 Sub-base 50%
- Asphalt Surfacing 40%

Overall progress percentage still stands at 70%

4.9.1.2 Challenges and Possible Solutions

- The contractor does not commence his daily activities on time, some other days he do not even start his daily activities at all.
- The contractor's capacity in terms of resources is insufficient for this project, when we look at available plant and workmanship on site is not sufficient.
- So many attempts has been made in trying to pave the way forward in completing the said project, the contractor fails to achieve his commitments agreed upon in our meetings.
- The Engineer does not play his role in monitoring work on site so as to ensure project is complete within the timeframes.

4.9.1.3 Pictures

4.10 COMPLETION OF EMATSHENEZIMPISI PHASE II

4.11.1Contract Details

Consultant: ISIVIVANE CONSULTING ENGINEERS

Contractor: NEBOS JV WAVELEWAYIDEDELA TRADING

4.11.1.1Progress

The original scope of work has been completed on the project.

4.11.1.2 Challenges and Possible Solutions

The initial design did not cater for two layers however we have identify the need for the second layer, engineers are still working on it.

4.11.1.3 Pictures

4.12 CONSTRUCTION OF KWANTSHIZA ACCESS ROAD

4.12.1Contract Details

Consultant: ISIVIVANE CONSULTING ENGINEERS

Contractor: FAKUMOYA COMMUNICATIONS JV QV BIYELA CONSTRUCTION

4.12.1.1Progress

This project is almost complete; the contractor is busy with snags.

4.12.1.3 Pictures

4.11 CONSTRUCTION OF NKETHABAWELI ACCESS ROAD

4.11.1Contract Details

Consultant: MAFAHLENI CONSULTING ENGINEERS

Contractor: MBALI INVESTMENTS

4.11.1.1Progress

The progress is very slow in this project; the contractor has completed all layer works and he is currently constructing causeway

4.11.1.2 Challenges and Possible Solutions

- The contractor occasional deserting the site as a result of non-payments by the Municipality.
- There is a need for the installation of guardrails on the sharp bends.

4.11.3 Photos

4.12 Construction of Nkomeziphansi Access Road

4.11.1Contract Details

Consultant: Impumele Consulting

Contractor: Proz. Consulting

4.11.1.1Progress

The Contractor is progressing with works on site, currently busy with clearing and grabbing at the last section of the road. The contractor also commenced tipping G7 material.

4.11.1.2 Challenges and Possible Solutions

The terrain of this road is very mountainous so there are so many earthworks required.

4.11.1.3 Pictures

5. MAINTEANANCE OF CBD AND TOWNSHIP ROADS

All CBD and Township roads are maintained internal and on daily basis, the resources we have so far are sufficient to perform the said task.

The Service provider (Impumele Consulting Engineers) for the White City and Urban Roads rehabilitation has been appointed.

5.1 CHALLENGES AND POSSIBLE SOLUTIONS

The challenge is that Nkandla population is increasing day by day so there is a need to upgrade our ageing infrastructure such as road classes and its width. It is very true that Nkandla Town is developing as we are expecting a Shopping Centre and TVET of which are under construction, a proper business plan need to be developed for the upgrade of all CBD's road network, thus this can contribute even on traffic accommodation within the town.

5.2 PICTURES

Street swiping on progress

Patching of potholes on progress

Patching of potholes on progress.

2. RRUP

Service Provider: L&R Business Services and Plant Hire.

The contractor is progressing on site.

Challenges and Possible Solutions

1. Looking at the demand for one grader, it is difficult to have a proper working program, so there is a need to add second grader for the emergency operations.
2. Number of breakdowns is experienced.
3. Political tensions within the community do affect the progress.

WASTE MANAGEMENT SECTION

1. GRASS CUTTING

Grass cutting is done every Monday to Friday in Municipal Areas, but on the fourth quarter it was done only on the specific areas. The grass cutting is done on the edges of the roads, municipal facilities and in the nodal municipal sport fields. Currently, we only have 4 brush cutters and 2 mowers available. There is also a tractor that mounts slasher for grass cutting. We also use herbicides to kill the grass at the edges of the roads and cemetery. There are five workers who operate brush cutters.

1.1 CHALLENGES

Brush cutters are not adequate to service all areas. There is no chainsaw to cut the trees. There is no service provider to service the brush cutters. There is no budget for grass cutting, planting of flowers and trees. The workers are not enough.

1.2 RECOMMENDATION

To add brush cutters and buy other equipment for trellising trees and cutting big trees. To open an account with the Service Provider/s for repairs and servicing of the tractor, brush cutter and slasher to avoid the delays. More workers must be employed to make grass cutting more effective.

2. STREET CLEANING

Street cleaning is done every Monday to Friday in residential areas and 7 days a week in town. There are refuse bins in town and each house has 1 refuse bin. The waste from the stores is placed in store refuse area and in temporary refuse structures. There are three groups that clean the CBD. First group starts working at 07h00 to 16h00 second group start at 07h30 till 16h30 and last group start from 10h00 till 18h30. Each group has 8 workers. There is also a group that works over the weekends; this group takes days off on Thursday and Friday.

2.1 CHALLENGES

These temporally waste structures are illegal because waste contaminates soil. There is no cleaning of town during late hours and early on Sunday due to non permanent workers. People litter garbage everywhere. They also remove refuse bags on the bins. There is no refuse removal on weekends. There is no cleaning in the municipality facilities and in nodal areas (ranks). Most of the business areas have no refuse area.

2.2 RECOMMENDATION

Remove temporally waste structure and place skips bins. To employ workers that can work after the closure of business hours, mostly at night. Team leaders must be added in all working areas (2 in rank, 1 in Sinqobile, 1 in white city and 1 in Sakhile). The stores must at least have refuse bins to make sure that there is no waste in open environment as stipulated by NEMA. The waste must be removed every day.

3. WASTE VEHICLES MANAGEMENT

There are 4 bush trucks, 1 skip truck and 1 compact truck to remove waste in town, nodal areas and residential areas. Waste removal is done 5 days a week in town and every Friday in residential areas. Waste removal is done every Wednesday at Lindela, Lindela rank, Dolwane Rank, Jameson's Drift Rank, Qhudeni Rank, Ekhombe hospital, Ekhombe police station, Ekhombe rank and KwaBadala old age. On Thursdays waste is collected at Fort Louis and Chwezi.

Fig 1. Compact truck.

3.1 CHALLENGES

There are three drivers for five trucks. Currently the skipper truck is not working and skips do not match with the trucks.

3.2 RECOMMENDATION

All trucks must have a driver. The process of orders to service and repair our trucks must be speed up. The skips or skipper truck must be changed to match each other. Trucks need internal mechanic to speed up the process of breakdown which courses delays.

4. CAMPAIGNS

For each Quarter we targeted at hosting one campaign per quarter, and this quarter we targeted Lindela Taxi Rank. The campaign was done and was a success through the help/ assistance from the Youth job in waste and some EPWP workers. Maintenance unit assisted in constructing temporally waste site.

Fig 2: fencing of temporally waste site during campaign

Fig 3: finished temporally waste site during campaign

Fig 4 : loading waste in the trailer during campaign

fig 5 : workers cleaning the rank during campaign

4.1 CHALLENGES

There is no budget and Supervisor for conducting campaigns and education on Waste.

4.2 RECCOMMANDATION

Campaigns should be budgeted for. Employment of a campaign champion or supervisor is also recommended.

5. RECYCLING PROGRAMME

There is one recycler in town that collects bottles. This recycler uses consol to sell bottles. There are also two co-operatives in land fill site that deal recycle papers and plastics.

List of Nkandla recyclers

NAMES	AREA	CONTACT DETAILS
DELIWE	SAKHILE	0826952445
MCHUNU	DOLWANE	0763346627
NCENGIMPILO MAJOLA	MAHLAYIZENI	0784992874

NONTOBEKO NTULI	MAHLAYIZENI	
DUDUZILE NTOMBELA	MAHLAYIZENI	0606379272
ELLINAH MABASO	MAHLAYIZENI	
ZANDILE KHANYILE	MAHLAYIZENI	0721340314
VELISIWE MAGWAZA	MAHLAYIZENI	0824270828

5.1 CHALLENGES

Buy back centre and transfer station is not available in the landfill site. The recyclers are not trained and they don't have the transport to take recyclables. Recyclers have no transport to collect waste from nodal areas and Nkandla circuit schools. They don't have machines like bailer and weighbridge.

5.2 RECOMANDATION

To recruit more recyclers so that we can reduce waste that goes to the site and this will also improve the life span of the site and give them job opportunities. It's vital that we Support the recyclers with transport to make it easy for them to meet the minimum requirements of the waste buyers (MPAT). Supposedly, Support them with bailer and weighbridge.

6. DISTRIBUTION OF REFUCE BAGS

We distribute refuse bags on a last Friday of the month end. Each household gets 4 units (black bags) per month and two clear refuse bags for recyclables.

6.1 CHALLENGES

We do not find residents in their homes.

6.2 RECOMMENDATION

To allow residents to come and fetch the refuse bags once for the year.

7. LANDFILL SITE

We have licensed landfill site. There are four workers from Khabokhedi youth in waste working there to register trucks and pick up scattered papers. The recyclers work in the site from Monday to Friday. There is only TLB available on site to cover waste on a daily basis to meet the requirements of the licence and to avoid the inspectors to withdraw the landfill licence.

7.1 CHALLENGES

There is no Roller to compact the waste after covering with TLB. There is still a shortage of two boreholes for groundwater testing.

8.2 RECOMMENDATION

Procure or hire the roller to work on site daily. Buy back centre and transfer station must be constructed on site. Landfill site needs its separate budget for operation and for Landfill Management.

4. DEVELOPMENT PLANNING

WALL TO WALL SCHEME

All applications were assessed in terms of the Wall to Wall Scheme. Land was identified and subdivided for disposal purposes. Zones were located in terms of the scheme. Lease agreements on Ingonyama Trust Land were also assessed in terms of the scheme.

There was continued implementation of SPLUMA in line with the JMPT. SPLUMA items were submitted i.e. By Laws act. The first JMPT meeting was held in UMlalazi Municipality. A report was made on the implementation of SPLUMA By-Laws.

GEOGRAPHIC INFORMATION SYSTEMS

Follow ups were made on Arc GIS software procured, awaiting confirmation of delivery from ESRI South Africa. Liaison with UThungulu District on provision of GIS data.

BUILDING INSPECTORATE

A number of building plans were approved and are currently being monitored, approval is done through submission of circulation registers to a number of units within the municipality. There is a challenge on the illegal structures and containers in town.

IDENTIFICATION OF TOWN BOUNDARY

ExCo resolved that an urgent meeting be held with COGTA, to discuss the realignment of the town Boundary. This was communicated with Mr V Dube of COGTA and we are awaiting a date from CoGTA.

IDENTIFICATION AND SUBDIVISION OF LAND

Due to no revenue various sites had to be identified for disposal, which were residential properties. More land was identified and will require funds to subdivide and register at the deeds.

The overall score for the KPA is 55% for 2015/2016 Annual report, down by 13% from 2014/2015 Annual report which was 68%.

Capital Projects Monthly Progress Report as at 31 May 2016

Project Name	Project Status	Budget	Possible Savings on project	Construction Cost	Expenditure to Date for Constr.	Balance on Contractor	Professional Fees	Expenditure to Date for Professional fees	Balance on Fees	Total Expenditure to Date	Budget Balance	% Progress to Date	Comments	Consultant	Contractor
MDLELANGA CSC	The contractor deserted the site which led to the contract between the Municipality and the contractor to be terminated due to non-perfomance on site. The newly appointed contractor is on site to complete the outsanding works which includes fancing and minor snags.	R 200 000.00	R 17 580.00	R 182 420.00	R 0.00	R 182 420.00	N/A	R 0.00		R 0.00	R 182 420.00	95%	The Newly apointed is on site	Done in-house	Mangatsha Trading and Projects
EZIMPISINI/KWAGUGU CSC	This project is practical completed	R 3 361 150.00	R 681 507.22	R 2 642 645.74	R 2 523 093.28	R 119 552.46	R 36 997.04	R 364 314.65	-R 327 317.61	R 2 887 407.93	-R 207 765.15	100%	The project is completed and it can now be handed over to the public.	Done in-house	Mpandla Construction
ESIBHUDENI COMMUNITY SERVICE CENTRE	The contractor abandoned the site and the contract was terminated. The Municipality has appointed the New contractor to complete the outstanding works wich includes tubing and minor snags.	R 200 000.00	R 14 000.00	R 186 000.00	R 0.00	R 186 000.00	R 0.00	R 0.00	R 0.00	R 0.00	R 186 000.00	92%	The Newly apointed is on site	Bi Infrastrustructure	PA Yamela Construction and Projects
NGOMANKULU/NSUZE PEDESTRIAN BRIDGE	The contractor has sumited the revised program of works. Currently the contractor is busy with the last span of the bridge which is on the Western abutment, they are busy with steel fixing. The contractor has also diverted the river and boxed out the spoil material from Eastern abutment so and to start prepering the bridge approach.	R 6 197 863.97	R 0.00	R 6 197 863.97	R 4 397 299.02	R 1 800 564.95	R 0.00	R 0.00	R 0.00	R 4 397 299.02	R 1 800 564.95	80%	The contractor is progressing on site.	SDM Consulting Engineers	SDM Consulting Engineers
BANGAMANZI-MFONGOSI LINK ROAD REHABILITATION	The original scopeof work is not complete the contrator has abandod the site.The contractor between the municipality and the contractor was terminated.	R 12 496 580.64	R 0.03	R 10 961 912.82	R 10 562 744.90	R 399 167.92	R 1 534 667.79	R 1 534 667.77	R 0.02	R 12 097 412.67	R 399 167.94	82%	The contractor is not on site.	S.P. Sandu Projects	Pure Magic Trading 22cc
ESAKHILE ACCESS ROAD	The progress is very slow on this project and the Contractor is behind the program. The contractor is on site busy with carbs, laying of G2 material, inlet catch pits, priming and surfacing of asphalt.	R 16 645 508.00	R 742 446.41	R 13 950 054.03	R 11 989 159.31	R 1 960 894.72	R 1 953 007.56	R 2 393 311.77	-R 440 304.21	R 14 382 471.08	R 1 520 590.51	68%	The progress is slow.	Bi Infrastructure Consultants (PTY) Ltd	MBS Yimpie JV
KWANTSHIZA ACCESS ROAD	The is very slow, The contractor is on site busy with headwalls.	R 10 442 935.80	R 0.00	R 9 160 470.00	R 1 176 988.95	R 7 983 481.05	R 1 282 465.80	R 802 856.43	R 479 609.37	R 1 979 845.38	R 8 463 090.42	85%	The contractor is on site	Isivivane Consulting Engineers (PTY)Ltd	Fakumoya Alphan JV QV Biyela Constraction
EMATHENGENI ACCESS ROAD	The Contractor is approximately 98% complete with earthworks, layerworks and stormwater drainage from km 0.0 to km 2.8 and approximately 90% complete with earthworks and layer works from km 2.8 to km 5.0. Continues encountering of hard rock wich was blasted has resulted in long dalay on site.	R 17 100 000.00	R 7 382 468.69	R 8 524 150.27	R 7 574 779.21	R 949 371.06	R 1 193 381.04	R 1 312 500.00	-R 119 118.96	R 8 887 279.21	R 830 252.10	93%	The contractor is on site	Impumele Consulting Engineers (PTY)Ltd	MBS Yimpie JV
NKETHABAWELI TO MANZAWAYO ROAD	The contracor has competed bulk earthworks and road-bad preparation and laying of wearing course material. They are now busy with couseway foundation and reinforcement.	R 3 000 000.00	R 0.00	R 2 631 578.95	R 1 811 110.67	R 820 468.28	R 368 421.05	R 344 105.30	R 24 315.75	R 2 155 215.97	R 844 784.03	74%	The contractor progressing on site.	Mafahleni Engineers & Project Managers cc	Mbali Investments cc
COMPLETION OF EMATSHENEZIMPISI PHASE 2	This project is practical completed.	R 3 500 000.00	R 0.00	R 3 070 175.44	R 1 511 707.82	R 1 558 467.62	R 429 824.56	R 161 059.96	R 268 764.60	R 1 672 767.78	R 1 827 232.22	100%	The contracor is not on site	Isivivane Consulting Engineers (PTY)Ltd	Nebo Solution JV Wavele Wayidedela
NKOMEZIPHANSI ACCESS ROAD	The Contractor is progressing with work on site, currently busy with clearing and grabbing and road bad preparation. They have also comernce dumping of the wearing course from the first channage.	R 3 688 000.00	R 0.00	R 3 235 087.72	R 965 721.93	R 2 269 365.79	R 452 912.28	R 354 340.09	R 98 572.19	R 1 320 062.02	R 2 367 937.98	60%	The contractor is progressing on site	Impumele Consulting Engineers (PTY)Ltd	PROZ Consulting
BHACANE TO MALUNGA ACCESS ROAD	This project is practical completed.	R 3 000 000.00	R 0.00	R 2 631 578.95	R 2 324 591.62	R 306 987.33	R 368 421.05	R 288 237.60	R 80 183.45	R 2 612 829.22	R 387 170.78	100%	The contractor is on site	Impumele Consulting Engineers (PTY)Ltd	Mdu Shandu Constraction
VUMANHLAMVU COMMUNITY SERVICE CENTRE	Tendering stage	R 3 500 000.00	R 0.00	R 3 070 175.44	R 0.00	R 3 070 175.44	R 429 824.56	R 128 947.37	R 300 877.19	R 128 947.37	R 3 371 052.63	10%	Tender stage	Mafahleni Engineers & Project Managers cc	N/A

Electrification Projects Progress Report

	Budget	Savings on project	Construction Cost	Expenditure to Date for Constr.	Balance on Contractor	Professional Fees	Expenditure to Date for Professional fees	Balance on Fees	Total Expenditure to Date	Budget Balance	% Progress to Date	Comments	Consultant	Contractor
MAKHANYEZI	R 2 093 000.00	-R 1 855 249.15	R 3 463 376.45	R 2 470 738.54	R 992 637.91	R 484 872.70	R 405 090.29	R 79 782.41	R 2 875 828.83	R 1 072 420.32	80%	The project is at 80% in contruction, the completed zones will be emegized.	Hamsa Consulting	A1 Electrical
EKHOMBE	R 15 144 133.92	R 0.00	R 13 284 328.00	R 12 189 500.79	R 1 094 827.21	R 1 859 805.92	R 1 420 844.78	R 438 961.14	R 13 610 345.57	R 1 533 788.35	100%	The project is complete.	Infinity Alliance	A1 Electrical
VUMANHLAMVU/MANDABA/ NTININI	R 23 356 684.42	R 0.00	R 20 488 319.67	R 16 506 160.73	R 3 982 158.94	R 2 868 364.75	R 2 607 271.22	R 261 093.53	R 19 113 431.95	R 4 243 252.47	100%	The project is complete. There are some households that are still having problems and the contractor is attending those issues	Hamsa Consulting	Omphile
MVUTSHINI/ MNDUNDUZELI/ QUTHU/ BHACANE/ MALUNGA	R 7 619 000.00	R 0.00	R 6 683 333.33	R 0.00	R 6 683 333.33	R 935 666.67	R 274 853.80	R 660 812.87	R 274 853.80	R 7 344 146.20	10%	The project has been advertised and waiting for SCM processes.	Worleyparsons resources energy (PTY)LTD	N/A
EZIJIBENI	R 1 978 000.00	-R 2 141 597.26	R 3 613 681.81	R 2 838 541.58	R 775 140.23	R 505 915.45	R 384 411.13	R 121 504.32	R 3 222 952.71	R 896 644.55	60%	The contractor is busy with construction.	Hamsa Consulting	Veeze Micro Enterprises
DLOLWANE	R 1 817 000.00	-R 2 585 157.71	R 4 147 777.71	R 2 716 183.17	R 1 431 594.54	R 254 380.00	R 190 816.70	R 63 563.30	R 2 906 999.87	R 1 495 157.84	65%	The contractor is busy with construction.	Igoda Projects	Goldrod Trading
MASOLOSOLO	R 1 610 000.00	-R 2 753 180.82				R 215 403.11	R 231 847.57	-R 16 444.46	R 231 847.57	R 4 131 333.25	65%	The contractor is busy with construction.	Igoda Projects	Goldrod Trading
SIXHOKOLO/ MPONDO	R 1 633 000.00	-R 155 742.08	R 1 569 072.00	R 1 070 745.73	R 498 326.27	R 219 670.08	R 156 376.08	R 63 294.00	R 1 227 121.81	R 561 620.27	80%	The contractor is busy with construction, there was a delay as one of the area was not appearing on the project drawings	Sibgem	Zakhele Electrical
NHLOSHANE	R 8 000 000.00	R 0.00	R 0.00	R 0.00	R 0.00	R 8 000 000.00	R 6 452 706.87	R 1 547 293.13	R 6 452 706.87	R 1 547 293.13	50%	The contractor is busy with construction.	Sibgem	Turnkey
THALENI/ VIMBIMBOBO	R 8 500 000.00	-R 4 169 000.00	R 0.00	R 0.00	R 0.00	R 12 669 000.00	R 5 707 489.80	R 6 961 510.20	R 5 707 489.80	R 6 961 510.20	65%	The contractor is busy with construction.	BTMN Consulting Engineers	Turnkey
Ntshiza Electrification	R 2 750 000.00	-R 8 390 927.66	R 9 772 743.56	R 3 408 406.04	R 6 364 337.52	R 1 368 184.10	R 384 701.46	R 983 482.64	R 3 793 107.50	R 7 347 820.16	50%	The contractor is busy with construction.	EMC	Goldrod Trading
TOTAL	**74 500 818.34**	**-R 18 863 855.38**	**R 65 351 595.04**	**R 41 200 276.58**	**R 21 822 355.95**	**R 28 013 078.69**	**R 18 216 409.70**	**R 11 164 853.09**	**R 59 416 686.28**	**R 37 134 986.75**				

9. ASSESSMENT OF THE PERFOMANCE OF EXTERNAL SERVICE PROVIDER OFFICE OF THE MUNICIPAL MANAGER

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done by user department levels. The end user department is providing monthly reports to the SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order.

Assessment Key	
Good (G)	*The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract*
Satisfactory (S)	*The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract*
Poor (P)	*The service has been provided below acceptable standards*

Bid Number	*Name of external Service Provider*	*Date Contract Awarded*	*Date of expire ring of contract*	*Service provided in terms of the SLA*	*Value of project*	*Comparison with previous quarter*		*Quarter three*		*Assessment of Service Providers Performance*		
						Target	*Actual*	*Target*	*Actual*	*G*	*S*	*P*
	Nxumalo Billboards and maintenance	*08/11/2013*		*Yes*	*R328'320.00*	*Billboards*	*100%*	*Billboards*	*100%*	*x*		
	Lisulesazi trading enterprise	*20/12/2013*		*Yes*	*R402'630.00*	*News letter*	*100%*	*News letter*	*80%*		*x*	
	MFS consulting PTY LTD	*14/03/2014*	*30/11/2016*	*Yes*	*R1'187'062.00*	*Quarterly internal audit report reports and risk assessment*	*100%*	*Quarterly internal audit report reports and risk assessment*	*100%*	*x*		

6. ASSESSMENT OF THE PERFOMANCE OF EXTERNAL SERVICE PROVIDER CORPORATE SERVICE

Assessment Key	
Good (G)	The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract
Satisfactory (S)	The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract
Poor (P)	The service has been provided below acceptable standards

Bid Number	Name of external Service Provider	Date Contract Awarded	Date of expire ring of contract	Service provided in terms of the SLA	Value of project	Comparison with previous Quarter		Quarter three		Assessment of Service Providers Performance		
						Target	Actual	Target	Actual	G	S	P
	RIS VEHICLE HIRE	12/04/2012		Yes	Depends on km travelled	VEHICLE HIRE	100%	VEHICLE HIRE	100%	x		
	Pay Day	01/04/2013		Yes	R214974.36	PAYDAY SYSTEM SOFTWARE	100%	PAYDAY SYSTEM SOFTWARE	100%	x		
	Bidvest Bank	01/03/2013		Yes	Depends on km travelled	VEHICLE HIRE	100%	VEHICLE HIRE	90%	x		
	Bytes Solution	01/10/2012	30/09/215	No	R773,742.92 Excl. VAT	IT SUPPORT	100%	IT SUPPORT	80%		x	
	Inqolobane Technologies	01/05/2015	30/04/2016	Yes	R18 000,00	WEBSITE HOSTING		WEBSITE HOSTING	100%	x		
	Red Spike cc	01/04/2013	31/03/2015	Yes	R2'691'333.00	SECURITY SERVICE	100%	SECURITY SERVICE	100%	x		
	Gumede & Jona Incorporated	14/11/2014		Yes	Depends on work done	LEGAL ADVISOR	80%	LEGAL ADVISOR	100%	x		
	Botha & Olivier incorporated	14/11/2014		Yes	Depends on work done	LEGAL ADVISOR			100%	x		
	Capital Office Automation	01/06/2011	28/02/2016	Yes	Depends on copies done	PRINTING SERVICE	80%	PRINTING SERVICE	90%	x		

7. ASSESSMENT OF THE PERFOMANCE OF EXTERNAL SERVICE PROVIDER BUDGET AND TREASURY

Assessment Key	
Good (G)	*The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract*
Satisfactory (S)	*The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract*
Poor (P)	*The service has been provided below acceptable standards*

Bid Number	*Name of external Service Provider*	*Date Contract Awarded*	*Date of expire ring of contract*	*Service provided in terms of the SLA*	*Value of project*	*Comparison with previous year*		*Current Financial Year*		*Assessment of Service Providers Performance*		
						Target	*Actual*	*Target*	*Actual*	*G*	*S*	*P*
	CAMELSA CCG SYSTEMS	*29/04/2014*	*Not stated*	*Yes*	*R1 100 000*	*N/A*	*N/A*	*Implementation and maintenance of financial system.*	*100%*	*x*		
	CAMELSA CCG SYSTEMS	*01/02/2016*	*30/11/2016*	*Yes*	*R800 000*	*N/A*	*N/A*	*Preparation of fixed asset register for 2015/2016 financial year.*	*Preparation of fixed asset register in progress*	*x*		
	NTSIDI and Associates	*01/03/2016*	*30/11/2018*	*Yes*	*R1 486 300*	*N/A*	*N/A*	*Preparation of annual financial statements for 2015/2016 to 2017/2018 financial years*	*Preparation of annual financial statements in progress.*	*x*		
	NTSIDI and Associates	*12/07/2014*	*30/06/2017*	*Yes*	*15% for vat refunded*	*Preparation of vat returns and*	*All VAT returns submitted to SARS, VAT*	*Preparation of vat returns and submission to SARS and VAT*	*Submission of vat returns and preparation of vat*	*x*		

						submissio n to SARS and VAT reconciliat ions.	*reconciliation prepared and vat refunds received by municipality*	*reconciliations.*	*reconciliations in progress.*			
	ABSA Cash focus	*08/04/2012*	*08/04/2015*	*Yes*	*Dependant on services rendered to the municipality*	*Banking service*	*100%*	*Banking service*	*100%*	*x*		
	BPG Mass Appraisal	*30/09/2012*	*30/09/2015*	*Yes*	*R1'589'099.0 0*	*valuation roll*	*100%*	*valuation roll*	*100%*	*x*		
	G4S	*25/03/2014*	*24/03/2018*	*Yes*	*Dependant on the service rendered to the municipality.*	*Cash managem ent*	*100%*	*Cash management*	*100%*	*x*		
	CONLOG solution for utilities	*27/03/2014*	*26/03/2017*	*Yes*	*Dependant on the service rendered to the municipality.*	*Electricity revenue collection*	*100%*	*Prepayment revenue management*	*100%*	*x*		
	Payday	*01/04/2013*	*28/02/2016*	*Yes*	*R214 974.36*	*Payroll Software*	*100%*	*Payroll software*	*100%*	*x*		

8. ASSESSMENT OF THE PERFOMANCE OF EXTERNAL SERVICE PROVIDER TECHNICAL SERVICE

Assessment Key	
Good (G)	*The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract*

Satisfactory (S)	*The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract*
Poor (P)	*The service has been provided below acceptable standards*

Bid Number	*Name of external Service Provider*	*Date Contract Awarded*	*Date of expire ring*	*Service provided in terms of the SLA*	*Value of project*	*Comparison with previous Quarter*	*Quarter three*	*Assessment of Service Providers Performance*

						Target	*Actual*	*Target*	*Actual*	*G*	*S*	*P*
NKA/GRADER /2015/16	*L & R*	*30-09-2015*		*Provision and operating of a Gradder (RRUP)*	*R2, 000, 000.00*	*Nil*	*0*	*Provision and operating Grader*	*100 %*	*x*		
	Bi Infrastructure			*Esakhile Access Road – 0km*	*R13, 348, 736.81*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAMC/PN/01/2013-14	Pure Magic	*19-05-2015*		*Esakhile Access Road – 0km*		*Project Construction*	*Services Terminated*	*Nil*	*0%*			*x*
	MBS Yimpie Projects	*16-11-2015*		*Esakhile Access Road*	*R*	*Nil*	*0%*	*Project Construction*	*100 %*	*x*		
	Sandu Projects	*20-08-2012*		*Bangamanzi-Mfongosi – 0km*		*Project Management*	*100%*	*Project Management*			*x*	
NKAMC/DN/12-13/07	Pure Magic	*06-09-2013*		*Bangamanzi-Mfongosi – 0km*	*R12,496, 580.64*	*Project Construction*	*Services Terminated*	*Nil*	*0%*			*x*
	Isaluleko Project Management			*Project Management*	*R1, 118, 300.00*	*PMU Support*	*100%*	*PMU Support*	*100 %*	*x*		
	SDM			*Nsuze-Ngomankulu Bridge – 0km*	*R*	*Project Management*	*100%*		*100 %*		*x*	
	Shikani	*06-09-2013*		*Nsuze-Ngomankulu Bridge – 0km*		*Project Construction*	*Services Terminated*	*Turn-Key*	*Nil*			*x*
	Bi Infrastructure	*28/01/2014*		*Esibhudeni CSC*	*R*	*Project Management*	*100%*	*Project Management*			*x*	
NKAMC/DN/12-13/04	TinaSobabili Trading Enterprise	*03/05/2013*		*Esibhudeni CSC*	*R*	*Project Construction*	*Services Terminated*	*Nil*	*0%*			*x*

NKAMP/13-14/01	Isivivane	*03-12-2013*		*Completion of Ematshenezimpisi Phase II*	*R3, 500, 000.00*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAMC/DN/ 1516/01	Nebo Solutions	*12-10-2015*		*Completion of Ematshenezimpisi Phase II*		*Nil*	*Nil*	*Project Construction*	*100 %*	*x*		
NKAMP/13-14/01	Impumele Consulting Engineers	*03-12-2013*		*Emathengeni Access Road – 0km*	*R17, 100, 000.00*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
Regulation 36	MBS Yimpie	*20-05-2015*		*Emathengeni Access Road – 0km*	*2015-16 budget* *R6, 600, 000.00*	*Project Construction*	*100%*	*Project Construction*	*100 %*	*x*		
NKAMP/13-14/01	Bi Infrastructure	*03-12-2013*		*Ezimvubu Gravel Road – 0KM*	*R4, 703, 252.40*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
Regulation 36	Mdu Shandu Construction Services	*20-05-2015*		*Ezimvubu Gravel Road – 0KM*		*Project Construction*	*100%*	*Project Construction*	*100 %*	*x*		
NKAMP/13-14/01	Isivivane	*03-12-2013*		*KwaNtshiza Access Road -0KM*		*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAMC/DN/ 1516/02	QV Biyela JV Fakumoya	*15-07-2015*		*KwaNtshiza Access Road -0KM*	*R10, 442, 935.80*	*Nil*	*0%*	*Project Construction*	*100 %*		*x*	
NKAMP/13-14/01	Impumele Consulting Engineers	*03-12-2013*		*Bhacane to Malunga Access Rd.-OKM*	*R16, 387, 956.00* *2015-16 Budget* *R3, 000, 000.00*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAMC/DN/ 1516/03	MduShandu Construction Services	*08-02-2016*		*Bhacane to Malunga Access Rd.-OKM*		*Nil*	*0%*	*Project Construction*	*100 %*	*x*		
NKAMP/13-	Mafahleni Engineers And Project	*03-12-2013*			*R12, 036, 504.57*	*Project*		*Project*	*100*	*x*		

14/01	Managers			*Nkethabaweli to Manzawayo – 0km*		*Management*		*Management*	*%*			
NKAMC/DN/ 1516/05	Mbali Investment cc				*2015-16 Budget* *R3, 000,000.00*	*Nil*	*0%*	*Project Construction*	*100 %*		*x*	
NKAMP/13-14/01	Impumele Consulting Engineers	*03-12-2013*		*Nkomeziphansi Access RD. – 0km*	*R9, 772 992.00*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAMC/DN/ 1516/04	Proz Consulting				*2015-16 Budget* *R3, 688, 000.00*	*Nil*	*0%*	*Project Construction*	*100 %*	*x*		
	ECA (Ernst Cloete& Associates)			*Conversion of Disaster Cntr to Traffic Unit*	*R3, 400, 000.00*	*Nil*	*0%*	*Turn-Key*	*100 %*	*x*		
	HAMSA			*Town Electricity Infrastructure*	*R*	*Turn-Key*	*100%*	*Turn-Key*	*100 %*	*x*		
NKAREP/13-14/02	Igoda Projects	*13/04/2013*		*Masolosolo/Dolwane*	*R3, 427,000.00*	*Project Management*	*100%*	*VEHICLE HIRE*	*100 %*	*x*		
	Goldrod Trading	*00/00/2012*				*Nil*	*0%*	*Project Construction*	*100 %*	*x*		
	Hamsa	*15/08/2012*		*Vumanhlamvu Electrification*	*R23, 356, 684.42*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAREP/13-14/01	Omphile Electrical and Construction cc	*08/08/2013*				*Project Construction*	*100%*	*Project Construction*	*100 %*	*x*		
NKAREP/13-14/02	HAMSA	*13/04/2013*		*Ezijibeni Electrification*	*R1, 978, 000.00*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAEL/DN/1516/04	Veeze Micro Enterprise	*05/11/2015*				*Nil*	*0%*	*Project Construction*	*100 %*	*x*		

NKAREP/13-14/02	HAMSA	*13/04/2013*		*Makhanyezi Electrification*	*R2, 093, 000.00*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAEL/DN/1516/03	A One Elect cc t/a A1 Electrical	*05/11/2015*				*Nil*	*0%*	*Project Construction*	*100 %*	*x*		
NKAREP/13-14/02	EMC	*13/04/2013*		*Ntshiza Electrification*	*R2, 750, 000.00*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAEL/DN/1516/07	Goldrod Trading	*05/11/2015*				*Nil*	*0%*	*Project Construction*	*100 %*	*x*		
NKAREP/13-14/02	BTMN	*20/11/2015*		*Thaleni/Vimbimbobo Electrification*	*R12, 699, 000.00*	*Turn-Key*	*100%*	*Project Management & Construction*	*100 %*	*x*		
NKAREP/13-14/02	Sibgem Management	*13/04/2013*		*Esixhokolo Electrification*	*R1, 633, 000.00*	*Project Management*	*100%*	*Project Management*	*100 %*	*x*		
NKAEL/DN/1516/01	Zakhele Electrical	*05/11/2015*				*Nil*	*0%*	*Project Construction*	*100 %*	*x*		
	Sibgem			*Nhloshana Electrification*	*R8, 000, 000.00*	*Turn-Key*	*100%*	*Turn-Key*	*100 %*	*x*		
	HAMSA consulting engineer	*29/04/2014*		*Yes*	*R9'000'000.00*	*Turn-key*	*100%*	*Electrical infrastructure*	*100 %*	*x*		

4. DEPARTMENTAL PERFOMANCE

COMPARISON OF FINANCIAL YEARS	2014/2015 FINANCIAL YEAR PERFOMANCE REPORT	2015/2016 FINANCIAL YEAR PERFOMANCE

DEPARTMENTS	TOTAL TARGETS	TOTALTARGETS MET	TARGET MET %	TARGETS NOT MET	TOTAL TARGETS	TOTALTARGETS MET	TARGET MET %	TARGETS NOT MET
CORPORATE SERVICE	15	11	73%	4	16	10	62%	6
COMMUNITY SERVICE	20	14	70%	6	29	23	79.3%	6
BUDGET AND TREASURY DEPARTMENT	33	31	94%	2	33	32	97 %	0
TECHNICAL SERVICE DEPARTMENT	29	17	59%	12	38	24	63.1%	14
OFFICE OF THE MUNICIPAL MANAGER	40	31	78%	9	11	11	100%	0
EXECUTIVE MANAGER					39	29	74.3%	10
TOTAL	137	104	76%	33	166	130	78.3%	36

5. OVERALL MUNICIPAL PERFOMANCE AND COMPARISON OF 2014/2015 WITH 2015/2016 FINANCIAL YEAR

COMPARISON OF FINANCIAL YEARS	2014/2015 FINANCIAL YEAR PERFOMANCE REPORT	2015/2016 FINANCIAL YEAR PERFOMANCE

NKPA	TOTAL PLANNED TARGETS	TOTAL ACHIEVED	PERCENTAGE ACHIEVED	TOTAL PLANNED TARGETS	ACHIEVED TARGETS	PERCENTAGE ACHIEVED
DEMOCRACY AND GOOD GOVERNANCE	42	33	79%	56	45	80.3%
INSTITUTIONAL TRANSFOMATION	17	13	76%	18	14	78%
BASIC SERVICE DELIVERY	25	17	68%	31	17	55%
LOCAL ECONOMIC DEVELOPMENT	18	12	67%	24	19	79%
FINANCIAL MANAGEMENT AND VIABILITY	28	27	96%	26	26	100%
CROSS CUTTING MEASURES	5	1	20%	11	9	82%
TOTAL	135	103	76.2%	166	130	78.3%

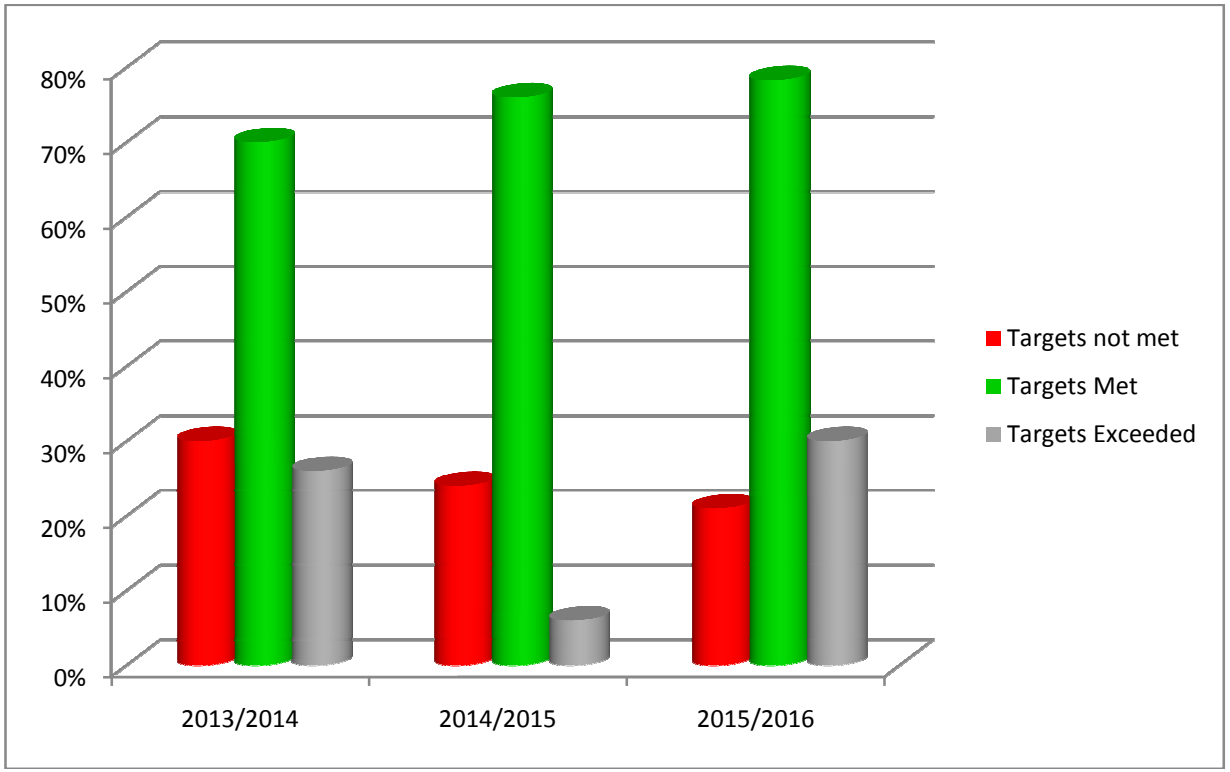
6. SUMMERY OF 2015/16 TARGETS AND PERFOMANCE RESULTS

TOTAL TARGETS : 166

TOTAL TARGETS MET : 130= 78.3%

TOTAL TARGETS NOT MET : 36

7. COMPARISON OF 2014/2015 FINANCIAL YEAR WITH 2015/2016 FINANCIAL YEAR (Section 46 Municipal systems act)



Graph: Comparative Target Achievement Information

8. Background to municipal scorecard

- The Municipal Scorecard approach reflects the 6 National KPA's and local priorities and enables a wider assessment of how the Municipality is performing.
- The performance report is based on measures included within the Municipal Scorecard.
- The criteria used reflect factors such as previous performance levels, comparative performance and budget implications. These were Agreed by Council on 26 June 2015.

11. Key Areas to Note

Improving Performance

- Overall satisfaction with Municipality's services has improved significantly.
- The issues raised by the auditor general in the year 2014/2015 has been resolved and the portfolio of evidence has been created.

12. Lessons Learnt and Way Forward

The targets that were set and adopted by the council need to be achieved at all cost and reasons for variances and action to correct need to be provided as part public accountability. The recruitment strategy and staff retention policy can play a major role in mitigating the high staff turnover. The SMART principle need to be taken in to cognizance during planning in order to improve municipal performance.

1. Conclusion

The Internal Audit Activity has verified the performance measurements in terms of its Annual Audit Plan on a quarterly basis and provided assurance to management.

As part of advancing service delivery and also instilling a culture of performance within the municipality, we have provided corrective actions to remedy the areas where performance targets were not achieved. Where performance targets have not been achieved as a result of lack of capacity by responsible Manager, areas that they need to be capacitated on will be incorporated into their Performance Development Plans (PDP) in the 2016/17 financial year. Furthermore those performance targets that have not been

achieved will be prioritised on the 2016/17 financial year, and the implementation will be monitored on a regular basis by the management and also independently by the Internal Audit.

The management uphold performance management system which was adopted by the Municipal Council and will ensure that it serve as a catalyst to improving service delivery.

The organization has achieved **78.3%** of the total annual performance score and it shows great effort to improve the overall situation during this financial year as compared to 2014/2015 financial year which was **76%**

NKANDLA MUNICIPALITY 2015/2016 ANNUAL ORGANISATIONAL PERFOMANCE REPORT

IDP Alignment	National KPA	Strategic Objective	Strategy	Key Performance Indicator	Unit of measure	Demand	Baseline 2013/2014 Actuals	Backlogs	Vote Number	2015/2016 PLANNED TARGETS		PERFORMANCE COMPARISONS				Ward	Responsible Person	POE Required
										Annual Target	Total Annual Budget	2015/2016 ANNUAL REPORT		2014/15 ANNUAL REPORT				
												ACTUAL	CORRECTIVE MEASURES	ACTUAL	CORRECTIVE MEASURES			
		CORPORATE SERVICE																
Page 76 ref 10.6	Municipal Transformation and institutional development	To improve service delivery and the image of the municipality	To fill all identified critical post	Number of critical posts filled	Number	1	5	1	3000/3040/0507/EQSR/NONE/WMUN	1 section 56 position to be filled by 30 September 2015	R 569 600.00	The two section 56 Managers were appointed.The Chief finance officer and director community service.	N/A	the director corporate service were appointed	N/a	N/A	Department of corporate service	Newspaper adverts & Copy of Appointment letters
Page 76 ref 10.6	Municipal Transformation and institutional development	Strengthen and improve employment equity in the municipality	To implement employment equity plan	Number of women appointed in management	Number	1	1	1	3000/3040/0507/EQSR/NONE/WMUN	1 female prioritise for an appointmented in management by 30 September 2015 as per approved employment equity plan		The Chief finance officer and director community service was appointed both are males.	The females who applied for these posts did not qualify.	The female director corporate service appointed.	N/a	N/A	Department of corporate service	Appointment letter, ID Copy and EE Plan
Pg.77ref.10.8	Municipal Good governance	Attain effective and efficient municipal administration	To review municipal policies annually	Number of policies reviewed	Number	4	6	7	NONE	review of 4 HR polices. cellphone policy, subsistance allowance policy,car allowance		The cellphone policy, ,car and allowance policy was approved by council	N/A	4 out of 5 HR policies developed and aproved by council , attraction and retention strategy , leave policy , cellphone policy and travelling allowance policy	Equiy Plan and customer care policy not developed		Department of corporate service	Council Resolutions, Copy of approved policies
Pg.69ref.10.4	Municipal Transformation and institutional development	To improve service delivery and the image of the municipality	To review municipal organogram	Date	Date	1	1	0	NONE	Approval of Organogram by 30 March 2016	n/a	The organogram for 2016/2017 was adopted by council on the 24 March 2016	N/A	The organogram reviewed and adopted by council on 25 June 2015	N/a		Department of corporate service	Council Resolutions, and Copy of approved organogram
Pg.76ref.10.6	Financial Management and viability	Organizational skills development and capacity building	% spent on implementing Workplace Skills Plan (WSP)	Percentage spent on implementation of WSP per quarter	Percentage	100%	100%	0	4400/4475/0205/EQSR/NONE/ADMN	100% of budgeted spent on implementing Workplace Skills Plan by 30 April 2016	R 283 102.92	R600 000 budget and R194 000 spent on WSP which is 32%	N/A	50% of budget spent on implementing Workplace Skills Plan	N/a		Department of corporate service	Expenditure report on training vote
Pg.76ref.10.6	Municipal Transformation and institutional development	Organizational skills development and capacity building	Number of beneficiaries trained as per Workplace Skills Plan	Number of beneficiaries trained	Number	40	5	0	4400/4475/0205/EQSR/NONE/ADMN	40 beneficiaries trained as per workplace skills plan	R 610 000.00	21 beneficiaries trained as per workplace skills plan	N/A	11 beneficiaries trained as per workplace skills plan-office administartion	Budget for the WSP will be increased in next financial year		Department of corporate service	Training report, proof of payment and attendance registers
Pg.76ref.10.7	Municipal Transformation and institutional development	Organizational skills development and capacity building	To implement Employee Assistance Programme (EAP)	Number of programs implemented	Number	2	1	0	4400/4420/0205/EQSR/NONE/ADMN	Two EAP programs implemented	R 190 000	Two EAP (wellness program) programs implemented	N/A	1 Employee assistance program held on the 09 June 2015	The budget will be made available in the next financial year		Department of corporate service	EAP Report
Pg.63ref.10.1.1	Municipal Good governance	Attain effective and efficient municipal administration	To submit the Councillors agenda within the required timeframe.	5 Days prior to Council Meeting	Number	4	4	0	4400/4421/0101/EQSR/NONE/ADMN	4 Council meetings for the Council	R 40 000.00	4 Council meeting with agenda distributed 5 Days prior to Council Meeting	N/A	4 Council meetings held with document submitted 5days prio to council meeting(28 May 2015 and 25 June 2015)	N/a		Department of corporate service	proof of submission of agenda Council Minutes and Resolutions

Pg.64.ref 10.1.2	Municipal Good governance	Attain effective and efficient municipal administration	To submit the EXCO agenda within the required timeframe.	5 Days prior to EXCO Meeting	Number	12	12	0	NONE	12 EXCO meetings	R 0.00	12 EXCO meeting held with agenda distributed 5 Days prior to Council Meeting	N/A	12 EXCO meetings held with document submitted 5days prio to meeting(April 2015,25 May 2015; 12 June 2015	N/a		Department of corporate service	proof of submission of agenda EXCO Minutes and Resolutions
Pg.63ref.10.1.1	Municipal Good governance	Attain effective and efficient municipal administration	To Develop and implement Council resolution register	Number of resolution registers submitted to Council	Number	4	4	0	NONE	4 resolution registers submitted to Council	R 0.00	2 resolution registers submitted to Council	N/A	4 quarterly resolution registers submitted to Council	N/a		Department of corporate service	Resolution Register and Signed Council minutes
	Municipal Good governance	Attain effective and efficient municipal administration	To ensure registry and records management system	establish registry that is complient to achives by 31 June 2016	Date	1	0	1	3800/3810/0302/EQSR/NONE/ADMN	To develop records management infrastructure that is complient to achives by 31 June 2016	R 0.00	The records management action plan to develop records management infrastructure was developed but not implemented and monitored	To be prioritised on the 2016/17 budget	N/A	N/a		Department of corporate service	Records management plan and manco resolution.
Pg.94	Municipal Transformation and institutional development	Attain effective and efficient municipal administration	To ensure perfomance of contracted service provider	Quorterly perfomance report	Number	1	0	1	NONE	To implement effective contract management throuh monitoring and evaluation of service providers	R 0.00	The perfomance of the service provider were evaluated and monitored	N/A	The perfomance of the service provider were evaluated and monitored	N/A		Department of corporate service	quarterly perfomance report of contracted service provider to council
Page 14 ref 1.7.2	Municipal Transformation and institutional development	Attain effective and efficient municipal administration	To maintain server room by June 2016	maintained of server room, fire suppression system, airconditioning and UPS	Date	March	February	0	4200/4220/0205/EQSR/NONE/WMUN	To maintain server room, fire suppression system, airconditioning and UPS	R 230 000.00	The server room, fire suppression system and airconditioning were maintained and UPS not procured due to insufficient budget	N/A	The server room, fire suppression system and airconditioning were not maintained and UPS not procured due to insufficient budget	Procument is planned in 2015/2016 budget		Department of corporate service	Invoices, Maintainance report
	Financial Management and viability	Attain effective and efficient municipal administration	To Decrease municipal IT risks through risk management	Date of Sitting of steering committee	Date	1	0	0	4200/4220/0205/EQSR/NONE/WMUN	Establish IT steering committee and 3 Sitting of IT steering Committee by 31 June 2016	N/a	IT steering committee and terms of reference has been established and two steering committee meetings were held on 25 February and June	N/A	IT steering committee and terms of reference not established	Planned to be held in the next financial year 2015/2016		Department of corporate service	Attendance register and udated risk register
	Municipal Transformation and institutional development	Attain effective and efficient municipal administration	To review IT policies-1. Back-up Procedure 2. Disaster Recovery Plan 3. IT Governance Framework 4. Change management control.	Date of review of IT policies-1. Back-up Procedure 2. Disaster Recovery Plan 3. IT Governance Framework 4. Change management control.	date	4 IT polices	8 IT Polices	Nil	4200/4220/0205/EQSR/NONE/WMUN	Review of IT policies-1. Back-up Procedure 2. Disaster Recovery Plan 3. IT Governance Framework 4. Change management control.	N/a	The IT policies-1. Back-up Procedure 2. Disaster Recovery Plan 3. IT Governance Framework 4. Change management control.were reviewed and adopted by council	N/A	6 IT polices adopted by council. intenet policy and security policy ,user access,Change control,security policy ,back up procedure and disaster recovery plan.	The IT governance framework not done to be done in 2015/2016		Department of corporate service	Council resolution and copies of IT policies
	Municipal Transformation and institutional development	Attain effective and efficient municipal administration	To purchase the microsoft volume licences	microsoft volume licences	%	55 users	0	55 users	4200/4220/0205/EQSR/NONE/WMUN	To purchase the microsoft volume licences (Microsoft office and windows operating licence	R 450 000	The purchase of the microsoft volume licences (Microsoft office and windows operating licence not done due to insuffitient budget	To be proritised on the 2016/17 budget	Microsoft office licence volume 50-70 user and Microsoft windows 7 license 50-70 users not upgraded	The target is planned for the next finacial year		Department of corporate service	Report on the upgrade of Software and licences and invoice
						PERFOMANCE MANAGEMENT												

Page 14 ref 1.7.7	Municipal transfomation and institutional development	Attain effective and efficient municipal administration	To adopt and implement a Performance Management Framework	Date adopted	Date	30-Jun-16	29 May 2014	nil	NONE	Reviewed Performance Management Framework adopted by council by 30 June 2016	R 0.00	The Perfomance management framework reviewed and adopted by council by 30 June 2016	N/A	Perfomance management framework adopted by council on 26 June 2015	N/a		OFFICE OF MM	Council Resolution and copy of PMS Framwework
Pg.215-219	Municipal transfomation and institutional development	Attain effective and efficient municipal administration	To have quarterly performance reports submitted to Council	Number	Number	4	4	0	NONE	4 quarterly Performance reports submitted to Council	R 0.00	4 quarterly Performance reports submitted to Council	N/A	4quarterly Performance reports submitted to Council	N/a		OFFICE OF MM	Council resolution, quarterly reports signed by MM
Pg.215-219	Municipal transfomation and institutional development	Attain effective and efficient municipal administration	To adopt and implement a Performance Management Systems annually	Number of performance agreements for senior managers signed and submitted to CoGTA	Number	5	5	0	NONE	5 performance agreements for senior managers signed by 31 July 2015 and submitted to CoGTA	R 0.00	Four performance agreements for senior managers (Two agreements for Director Corporate service and Technical Service signed by 31 July 2015 and Two agreements for Director Community service and CFO signed in February 2016) and submitted to CoGTA	N/A	5 performance agreements for senior managers signed and submitted to CoGTA	N/a		OFFICE OF MM	Copies of signed performance agreements
Pg.215-219	Municipal transfomation and institutional development	Attain effective and efficient municipal administration	To Review of AUDIT Plan	Audit plan adopted by council	Date	2015/2016 Audit plan	2014/2015 Audit plan	0	4400/4405/0102/EQSR/NONE/ADMN	To Review of AUDIT Plan by 31December 2015	R 700 000	The Audit plan was reviewed in october 2015 And audit committee terms of reference reviewed on the 24 March 2016	N/A	annual report adopted by council on 26 March 2015	N/a		OFFICE OF MM	Copy of Audit plan and Council resolution
Pg.215-219	Good governance and Public participation	Attain effective and efficient municipal administration	To prepare Mid-year perfomance report as per section 46 of MSA	Number of reports submitted on performance in terms of section 46 and section 47 of the MSA	Number	2	2013/14	0	NONE	1 reports submitted on performance in terms of section 46 and section 47 of the MSA	R 0.00	Midyear perfomance report submitted to council on the 25 Janauary 2015	N/A	Mid- year perfomance report adopted by council on 23 January 2015 and submitted to national treasury.	N/a		OFFICE OF MM	Council resolution, Mid-Year performance Report
Pg.144.Ref.14.4	Municipal transfomation and institutional development	Attain effective and efficient municipal administration	To hold quortely Audit committee meetings	Number of audit committee meetings	Number	4	3	0	4400/4405/0102/EQSR/NONE/ADMN	To hold 4 audit committee meetings by the 31 June 2016	R 700 000.00	4 audit committee meeting was held on the following dates(21 August ,10 November 2015 , 08 March 2016 and 24 May 2016)	N/A	5 Audit committee meeting held on the 24 August 2014,04 November 2014, 05 March 2015,02 June and	N/a		OFFICE OF MM	Minutes and Attendance register
	Good governance and Public participation	Attain effective and efficient municipal administration	To ensure administrative oversight	Number of MPAC meetings	Number	4	4	0	NONE	4 MPAC meetings held by end of each quarter	R 0.00	3 MPAC meetings was held	N/A	5 MPAC meetings held on 02 July 2014 and 03 September 2014,11February2015,04 March 2015 and 10 June 2015	N/a		OFFICE OF MM	Minutes and Attendance register
Pg.145 Ref14.6	Financial Management and viability	To Decrease municipal risks through risk management	Tto Updated risk register and Mitigation reports	Number of risk management commitee meetings	Number	4	2	4	NONE	4 risk management commitee meetings by end of 4th quarter	R 0.00	The three risk management committee was held	N/A	3 risk management commitee meetings held	N/a		OFFICE OF MM	Minutes, Attendance register and updated risk register
Pg.215-219	Good governance and Public participation	Attain effective and efficient municipal administration	To Submission of Annual report to Cogta,Treasury and AG by 30 August 2014	Date of submission of annual report to AG	Date	1	30-Aug-13	0	4400/4451/0191/EQSR/NONE/WMUN	Annual Report submitted to Council and treasury by 31 March 2016	R 0.00	The Draft Annual Report submitted to AG by 30 August 2015 and final annual report submitted to council on 24 March 2016	N/A	The draft Annual report submitted to AG on the 29 August 2014	N/a		OFFICE OF MM	Copy of final report and MPAC oversight report

Pg.145 Ref14.6	Financiial Management and viability	Attain effective and efficient municipal administration	To implement Effective risk management by updated risk register	Date of adoption of the risk register	Date	1	2013/14	0	NONE	1 adopted risk register by 31 December 2015	R 0.00	The risk register was reviewed by on 07 December 2015	N/A	adopted risk 1 register adopted by council by 26 March 2015	N/a		OFFICE OF MM	Council resolution and Risk register
Pg.145 Ref14.6	Financiial Management and viability	Attain effective and efficient municipal administration	To prevent internal fraudulent activities	Date of adoption of fraud and prevention strategy	Date	1	non	0	NONE	Review fraud and prevention strategy by 30 September 2015	R 0.00	The fraud and prevention strategy reviewed by council on 31 June 2016 and fraud awareness compaigns conducted on quartely bases	N/A	fraud and prevention strategy adopted by council on 23 January 2015	N/a		OFFICE OF MM	Council resolution and fraud and prevention strategy
						INTEGRATED DEVELOPMENT PLAN AND PUBLIC PARTICIPATION												
Page 146 ref 14.8	Good gorvernance, community participation, and ward committee systems	Enhance community participation in governance	To Prepare 2016/2017 Municipal IDP	2016/2017 IDP Adopted by council	Date	2016/2017 IDP	2015/2016 IDP	0	NONE	To Adopt 2016/2017 IDP by 30 June 2016 and process plan		The Final 2016/2017 IDP adopted by council on the 28 June 2016 IDP, Budget and PMS process plan compiled and adopted by MANCO	N/A	The 2015/2016 IDP adopted by council on the 25 June 2015 and The IDP, Budget and PMS process plan adopted by council by 31 August 2014	N/a		OFFICE OF MM	Council resolution and IDP Document and process plan
Pg.142 Ref.14.2.3	Good gorvernance, community participation, and ward committee systems	Enhance community participation in governance	To promote effective public participation	Number of Public Participation sittings	Number	4	3	0	4400/4486/0102/EQSR/NONE/ADMN	4 Public Participation sittings by 30 June 2016	R 500 000	11Public Participation sittings held	N/A	4 Public Participation sittings held by 30 June 2015	N/a		OFFICE OF MM	Minutes and Attendance register, Procurement documents
Pg.142 Ref.14.2.3	Good gorvernance, community participation, and ward committee systems	Enhance community participation in governance	To promote effective public participation	Number of regulated public participation road shows	Number	2	10	0	4400/4486/0102/EQSR/NONE/ADMN	2 regulated public participation road shows by 30 June 2016	R 1000000	Two regulated public participation road shows held (The first road show was held on the 27 February 2016 and second road show was held on June 2016	N/A	3 regulated public participation road shows held by 30 June 2015	N/a		OFFICE OF MM	Photos, expenditure report and attendance register
Pg.144.	Good gorvernance, community participation, and ward committee systems	Enhance community participation in governance	To establish functional ward committees	Number of functional ward committees	Number	14	14	0	4400/4446/MSIG/NONE/ADMN	To hold quartely ward committee meetings in 14 wards	R840 000	13 Ward Committees Functional functional in Nkandla Municipality	To be corrected by the New council in 2016/2017	14 ward committees are Functional	N/a		OFFICE OF MM	Attendance Registers, Minutes of meetings and Proof of payment
Pg.144.	Good gorvernance, community participation, and ward committee	Enhance community participation in governance	To establish functional ward committees	Adoption of Ward Committee Functionality policy	Date	31 June 2016	04 December 2013	0	4400/4446/MSIG/NONE/ADMN	Ward Committee Policy adopted by Council by 31 June 2016	N/a	The Ward Committee Policy finaly revied not done by Council by 31 June 2016	To be finalised by the New council in 2016/2017	Ward Committee Policy was adopted by Council by 31 December 2014	N/a		OFFICE OF MM	Council Resolution, and Copy Policy document
Pg.144.	Good gorvernance, community participation, and ward committee systems	Enhance community participation in governance	IDP Forum Meeting	Number of IDP Forum meetings	Number	2	1	0	NONE	4 IDP Forum meeting conducted in third quarter and fourth quarter		Four IDP Forum Meeting were held	N/A	2 IDP Forum Meeting	N/a		OFFICE OF MM	Minutes and Attendance register
Pg.144.	Good gorvernance, community participation, and ward committee systems	Enhance community participation in governance	To hold reguler IDPSC meetings	Number of IDPSC meetings held	Number	2	2	0	NONE	4 IDPSC meetings held		4 IDPSC meetings were held	N/A	3 IDPSC held	N/a		OFFICE OF MM	Minutes and Attendance register
Page 14 ref 1.7.7	Good gorvernance, community participation, and ward committee systems	To ensure efficicient and effective internal and external communication	To review, adopt and implement community participation strategy	Date of adoption of the community participation strategy	date	2015/16 Public participation strategy	2014/15 Public participation strategy	0	NONE	Date of adoption of the community participation strategy by 31 June 2016		The community participation strategy not adopted by council by 31 June 2016	To be finalised by the New council in 2016/2017	Adoption of communication strategy and policy not achieved	The communication strategy and policy to be reviewed on the next financial year		OFFICE OF MM	Council Resolution & copy of community participation strategy

						COMMUNICATIONS												
Pg.140-141	Good governance and community participation and ward committee systems	To ensure efficicient and effective internal and external communication	To hold quartely IGR forums	Number of Sukumasakhe Local task team held	number	4 IGR meeting	0	0	4400/4433/0102/EQSR/NONE/ADMN	To hold quartely LTT Meetings	R 200 000.00	Four regulated Quartely LTT Meetings were held and oss interventions provided	N/A	4 Local Aids Council (LACI) held	N/A		OFFICE OF MM	Official Order
Pg.140-141	Municipal Good governance	To improve service delivery and the image of the municipality	To improve customer care by conforming to Batho Pele Principles	Development of the Complaints handling procedure manual	date	1	0	1	NONE	To development complaints handling procedure manual by 2nd quarter	R 0.00	The Complaints handling procedure manual not developed	The customer care employee will be appointed in the next financial year	complaints handling procedure manual not developed	complaints handling procedure manual target planned for the next financial year		OFFICE OF MM	Council Resolution
Pg.140-142	Good governance and community participation and ward committee systems	To ensure efficicient and effective internal and external communication	To have mayoral media slots held	Number of mayoral media slots held	Number	2	2	0	4400/4412/0102EQSR/NONE/ADMN	seven (7) mayoral media slots held by 30 June 2016	1 000 000.00	Seven Local radio station media slots were held	N/A	3 mayoral media slots held by 30 June 2015	N/A		OFFICE OF MM	Official Order
Pg.140-142	Good governance and community participation and ward committee systems	To ensure efficicient and effective internal and external communication	To promote effective public participation		Number	1	0	0	4400/4412/0102EQSR/NONE/ADMN	To publisise municipal programes with 12 press media		12 Editorial page and out door advertising	N/A	N/A	N/A		OFFICE OF MM	invoice and copy of article
Pg.140-142	Good governance and community participation and ward committee systems	To ensure efficicient and effective internal and external communication	To have municipal newsletters published	Number of issues of municipal newsletters published	Number	4	bimonthly	0	4400/4412/0102EQSR/NONE/ADMN	four (4) issues of municipal newsletters published by 30 June 2016		Two issues on a municipal newsletters published was published	N/A	2 Municipal newsletters delivered by 30 June 2015	N/a		OFFICE OF MM	Copy of the newsletter and GRN
Pg.140-142	Good governance and community participation and ward committee systems	To ensure efficicient and effective internal and external communication	To have adopted events calender	Date of adoption of events calender	Date	2015/2016 Calender of events	2014/2015 Calender of events	0	NONE	Adoption of events calendar by EXCO by 30 September 2015		Events calendar adopted by EXCO by 30 July 2015	N/A	Events calendar adopted by EXCO by 30 July 2015	N/A		OFFICE OF MM	EXCO resolution and Calendar of events
Pg.140-142	Good governance and Public participation	To create a conducive environment for socio economic growth	To hold the Municipal excellence awards	Municipal excellence awards	Date	1	0	0	4400/4412/0102EQSR/NONE/ADMN	To hold the Municipal excellence awards	R 3 000 000	The Municipal excellence awards was conducted together with horse riding event in quarter 4	N/A	N/A	N/A		OFFICE OF MM	Attendance register,photos and list of awarded people
Pg.140-142	Good governance and Public participation	To create a conducive environment for socio economic growth	To hold the Municipal state of the Municipal address	Municipal state of adress	Date	1	1	0	4400/4412/0102EQSR/NONE/ADMN	To hold the Municipal state of the Municipal address		The Municipal state of the Municipal address not held	The state of the Municipal adress not held due to financial constraints	N/A	N/A		OFFICE OF MM	Attendance register and copy of the adress
Pg.140-142	Good governance and Public participation	To create a conducive environment for socio economic growth	To implement Youth Empowerment Programme	No. of Youth Events	Number	1	1 Nkandla Youth Motivation Event	0	4400/4412/0102EQSR/NONE/ADMN	1 Nkandla Youth Motivation Event held		1 Nkandla Youth Motivation Event was held through nyusivolume	N/A	1 Nkandla Youth Motivation Event was held through nyusivolume	N/A		OFFICE OF MM	Procurement documents, photos
Pg.140-142	Good governance and community participation and ward committee systems	To ensure efficicient and effective internal and external communication	To Review of Communiation Strategy and Policy	Date of review of communication strategy and policy	Date	31-Mar-16	30 June 2014	0	4400/4412/0102EQSR/NONE/ADMN	Review of Communication Strategy and Policy by 31 March 2016		The Communication Strategy and Policy not reviewed by 31 March 2016	The Communication Strategy and Policy will be reviewed in the next financial year 2016/2017	N/A	N/A		OFFICE OF MM	Council Resolution and copy of Communicicati on Strategy and Policy

SPECIAL PROGRAMMES																		
Pg110-114	Good governance and Public participation	To create a conducive environment for socio economic growth	To develop comprehensive response to HIV/AIDS	No. of Local AIDS Council (LAC) meetings	Number	4	2 Local AIDS Coucil meetings	2	4400/4433/0102/EQSR/NONE/ADMN	4 Local Aids Council (LACI)	R 235 750	Four Local Aids Coucil (LAC) were held		4 Local Aids Council (LACI) held	N/a		OFFICE OF MM	Procurement documents, Attendance registers
Pg110-114	Good governance and Public participation	To create a conducive environment for socio economic growth	To develop comprehensive response to HIV/AIDS	2 HIV/ AIDS campaigns	Number	2	2	2	4400/4433/0102/EQSR/NONE/ADMN	2 HIV & AIDS Awareness Campaigns	R 298 000	One HIV/AIDS Awareness campaigns	N/A	1 HIV and AIDS awareness campaign held on the 13 November 2014 and Nkandla HIV/AIDS Strategy adopted on 25 June 2015	N/a		OFFICE OF MM	Procurement documents and Attendance register
Pg110-114	Good governance and Public participation	To create a conducive environment for socio economic growth	To monitor service delivery by engaging relevant stakeholders	No. of Local Task Team (LTT) meetings	Number	12	12 Local Task Team(LTT) meeting held	0	4400/4433/0102/EQSR/NONE/ADMN	12 Local Task Team (LTT) meetings	R 48 000	Nine Local Task Team (LTT) meetings	N/A	3 Local Task Team(LTT) interventions held on ----	N/a		OFFICE OF MM	Attendance registers & procument documets
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To have a functional Disability Forum	No. of disability awareness campaigns	Number	4	1	2	4400/4418/0102/EQSR/NONE/ADMN	4 Disability Awareness Campaigns		four Disability Awareness Campaign by 30 September 2015	N/A	disabilty awareness campaign not held due to insufficient budget	The compaign not held and will be held in the next financial year		OFFICE OF MM	Procurement documents Attendance register
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To have a functional Disability Forum	Establish Nkandla disability Forum	Date	1	0	1	4400/4418/0102/EQSR/NONE/ADMN	Established Nkandla disability Forum by 31 March 2015		Nkandla disability Forum not established	The Municipality has a standing forum that is inline with council and will be re established after a new council	disabilty awareness campaign not held due to insufficient budget	The compaign not held and will be held in the next financial year		OFFICE OF MM	Procurement documents Attendance register
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To Establish Nkandla Functional Wheelchair Repair Centre by 30 June 2015	Establish Nkandla Functional Wheelchair Repair Centre by 30 June 2015	Date	1	0	1	4400/4418/0102/EQSR/NONE/ADMN	Establish Nkandla Functional Wheelchair Repair Centre by 30 June 2016	R 200 000.00	N/a	N/A				OFFICE OF MM	Copy of invoice
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To prepare Local Plan of Action for disabled adopted by Council	Local Plan of Action for disabled adopted by Council	Date	1	0	1	4400/4418/0102/EQSR/NONE/ADMN	1 Local Plan of action for disabled by 31 December	0.00	1 Local Plan of action for disabled held by 31 Dec 2015	N/A	1 Local Plan of action for disabled not held due toinsufficient budget	The Local Plan for disbled will be held in the next financial year		OFFICE OF MM	Procurement documents, Council Resolution,Copy of the Plan of Action
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To prepare Local Plan of Action for children adopted by Council	Local Plan of Action for children adopted by Council	Date	1	0	1	4400/4418/0102/EQSR/NONE/ADMN	1 Local Plan of action for children by 31 December	0.00	1 Local Plan of action for children held by 31 Dec 2015	N/A	Local Plan of action for children developed on 25 June 2015	N/a		OFFICE OF MM	Procurement documents, Council Resolution,Copy of the Plan of Action
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To have a functional Senior Citizens Forum	Establish Nkandla senior citizen forum	Date	1	0	1	4400/4458/0102/EQSR/NONE/ADMN	Established Nkandla senior citizen forum by 31 September 2015	R 250 000.00	The Nkandla Senior citizen forum was established on 31 September 2015	N/A	Nkandla senior citizen forum established on 30 September 2014	N/a		OFFICE OF MM	Attendance register,List of Forum members
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To have a functional Senior Citizens Forum	No. of Izimbizo for Senior Citizens	Number	1	none	1	4400/4458/0102/EQSR/NONE/ADMN	1 Imbizo for Senior Citizens (Christmas)	R 0.00	1 Imbizo for Senior Citizens (Christmas) held	N/A	Imbizo for Senior Citizens not held due to financial constraints	Imbizo for Senior Citizens planned for the next financial year		OFFICE OF MM	Attendance Registers and procurement documents
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To have a functional Senior Citizens Forum	No. of Senior citizen support programmes	Number	6	4 poverty alleviation programmes in four wards	6	4400/4458/0102/EQSR/NONE/ADMN	6 poverty alleviation programmes in 6 different wards (Food Relief and Uniform for child headed families)	R 0.00	The Municipality conducted 8 poverty alleviation programmes (Food Relief and Uniform)	N/A	N/A	N/A		OFFICE OF MM	Attendance registers and procurement documents
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To provide gender empowerment	Local Plan of Action for Gender Empowerment	Date	31-Dec-15	31-Dec-14	1	4400/4429/0102/EQSR/NONE/ADMN	1 Local Plan of action for gender empowerment by 31 December	R 250 000.00	1 Local Plan of action for gender empowerment was held 31 Dec 2015	N/A	1 Local Plan of action for gender empowerment not yet finalised	The local plan will be done in the next financial year		OFFICE OF MM	copy of local plan of action

Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To provide gender empowerment	Number of Gender	Number	1	1	0	4400/4429/0102/EQSR/NONE/ADMN	1 Women`s Day Event held	R 150 000.00	1 Womens Day Event held	N/A	1 Gender Imbizo held on 29 August 2014	N/A		OFFICE OF MM	Procurement documents Attendance register
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To provide gender empowerment	Number of men and women trained	Number	20	None	20	4400/4429/0102/EQSR/NONE/ADMN	20 Men and women trained in skills development	R 100 000.00	25 men/women trained on skills for self help and capacity development programs	N/A	20 Men and women not trained in skills development due to insufftient budget	Men and women will be trained in skills development in the next financial year		OFFICE OF MM	Procurement documents Attendance register and copy of training manual
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To provide gender empowerment	Date - Established Womens forum	Date	31 September 2015	None	0	4400/4429/0102/EQSR/NONE/ADMN	Established women forum by 30 September 2015	R 0.00	Women forum was established by 30 September 2015	N/A	women forum established on 29 September 2014	N/a		OFFICE OF MM	Attendance Registers
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	Youth Empowerment Programme	1 Youth Development Policy adopted by council	Date	31-Dec-15	31-Dec-14	0	4400/4482/0102/EQSR/NONE/ADMN	1 Youth Developmet Policy adopted by Council	R 1 350 000.00	1 Youth Development Policy adopted by Councill by 31 December 2015	N/a	Youth Development Policy not finalised	The youth development policy will be finalised during youth summit to be held in the next financial year		OFFICE OF MM	Copy of Youth Development Policy and Council Resolution
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	Youth Empowerment Programme	1 UNkulunkulu nomuntu omusha event held	Date	31 June 2016	31 September 2014	0	4400/4482/0102/EQSR/NONE/ADMN	1 UNkulunkulu nomuntu omusha event held	R 0.00	UNkulunkulu nomuntu omusha event was held	N/A	N/A	N/A		OFFICE OF MM	Procurement documents,Attendance Register,Report,Photos
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	Youth Empowerment Programme	1 Nkandla Youth Summit held	Date	31-Dec-15	31-Dec-14	0	4400/4482/0102/EQSR/NONE/ADMN	1 Nkandla Youth Summit held	R 0.00	1 Nkandla Youth Summit was held by 31 December 2015	N/A	Nkandla Youth Summit not held due to insufficient budget	Nkandla youth summit will be held in next financial yea		OFFICE OF MM	Procurement documents,Attendance Register,Report,Photos
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To implement Youth Empowerment Programme	No. of students supported through Mayoral tertiary registration program	Number	30	27 students	0	4400/4482/0102/EQSR/NONE/ADMN	30 Nkandla students provided with tertiary education study assistance / registration support	R 0.00	42 Nkandla students provided with tertiary education study assistance / registration support	N/a	30 Nkandla students provided with tertiary education study assistance / registration support	N/A		OFFICE OF MM	List of beneficiaries, proof of payment
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To implement Youth Empowerment Programme	No. of youth development programmes	Date	1 Miss & Mr Nkandla 2015/2016 contest	1 Miss & Mr. Nkandla 2013/2014 contest	0	4400/4482/0102/EQSR/NONE/ADMN	1 Mr & Miss Nkandla beauty contest 2014/2015	R 0.00	1 Miss & Mr Nkandla contest not held	Budgeted for the next financial year	N/A	N/A		OFFICE OF MM	Procurement documents, photos
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To provide Youth skills development	140 youth provided with skills	Number	140	28	112	4400/4482/0102/EQSR/NONE/ADMN	140 youth provided with skills	R 0.00	70 youth selected to do drivers licence	70 youth with catered with skills(drivers licence) in the next financial year 2016/2017	28 youth provided with driving skills completed their learners licence and eleven youth have obtained their drivers licence	N/A	14 wards	OFFICE OF MM	List of beneficiaries, proof of payment
Pg.119 Ref12.6.5	Good governance and Public participation	To create a conducive environment for socio economic growth	To review Nkandla Youth Forum	Reviewed Nkandla Youth Forum	Date	1	1	0	4400/4482/0102/EQSR/NONE/ADMN	Reviewed Nkandla Youth Forum by 31 December 2014	R 0.00	Nkandla Youth Forum reviewed by 31 December 2014	N/A	Re-establishment Nkandla Youth Forum not held due to insuffient budget	Nkandla youth forum will be held in next financial yea		OFFICE OF MM	List of Youth Forum and attendance register
							LIBRARY SERVICE											
Pg.117-118	Local economic development and social development	To create a conducive environment for socio - economic growth	To implement Children Holiday Programme	Children event held	Date	1	1	0	4400/4442/0507/EQSR/NONE/ADMN	1 Children holiday event by 31 Dec 2015	R 450 000	1 Children Holiday Event held on the 8th December 2015	N/A	1Children holiday programe held in december 2014	N/A		AD,Social Services	Reports with photos and attendance register
Pg.117-118			To improve library stock that relates to the user needs	Additional Library stock	Number	0	0	0	4400/4442/0507/EQSR/NONE/ADMN	30 Library Books purchase		100 Library books purchased	N/A	N/A	N/A		AD,Social Services	User survey forms,list of books to be purchased,procurement documents
Pg.117-118	Local economic development and social development		To implement Reading and Writing Club	Functional Reading and Writing Club	Date	1	1	0	4400/4442/0507/EQSR/NONE/ADMN	Two trainings for Reading and Writing Club by 30 June 2016		One Publishing Skills Training was hekd on the 14th November 2015	N/A	N/A	N/A		AD,Social Services	Procurement documents and Pictures attendance register

		PUBLIC FACILITIES MANAGEMENT																
Pg.90 Ref.11.5	Local economic development and social development	To improve the quality of life through social infrastructure development	To develop public facility operational plan	To develop public facility operational plan	Date	1	0	0	3800/3850/0507/EQSR/NONE/ADMN	Developed Public facility operational plan adopted by Council by 31 March 2016	R 500 000.00	Facilities operational plan drafted but not adopted by council	N/A	N/A	N/A		AD,Social Services	Draft Operational Plan for Facilities, Council Resolution on the Operational Plan for Facilities
Pg.90 Ref.11.5	Local economic development and social development		To capacitate the members of Facilities management Committees through trainings	To train facilities management committees	Number	27	0	27	3800/3850/0507/EQSR/NONE/ADMN	27 Facilities Management Commitees trained		27 Facilities Management Committees on the role of the committees in facilities management not done	To be done in the next financial year	6 facility management committees were established	N/A	14	AD,Social Services	Attendance Register of the facilities management Committte Members trained
Pg.90 Ref.11.5	Local economic development and social development		To compile quarterly report on the status of Public Facilities	To monitor the functionality of public facilities by compiling quarterly report	Number	4	0	4	3800/3850/0507/EQSR/NONE/ADMN	4 Facilities Quarterly Reports	R 0.00	3 Reports on the Status of Facilities was compiled	N/A	No Reports on the Status of Facilities was compiled	Waiting for the appointment of public facilities manager	N/A		Copy of the Report on the Status of Facilities
Pg.90 Ref.11.5	Local economic development and social development	To improve the quality of life through social infrastructure development	To establish public facilities committees	To establish public facilities committees	Number	10	14	9	3800/3850/0507/EQSR/NONE/ADMN	To establish 10 public facilities committees		5 public facilities committees	N/A	6 facility management committees were established	N/A	N/A	Department of Community Service	Requitions for furniture, Pictures of furniture ON-SITE
		SPORTS AND RECREATION																
Pg.109	Local economic development and social development	To improve the quality of life through social infrastructure development	To participate in District SALGA games	District SALGA games event	Date	1	1	0	4400/4468/0507/EQSR/NONE/ADMN	To Participate in District SALGA games 31 September 2015	R 430 000.00	Provincial SALGA games were attended on the 9th to the 14th December 2015 in Ilembe District	N/A	Participated in District SALGA games 31 September 2014	N/A		Department of Community Service	List of peole who attended. Proof of items procured and Pictures
Pg.109	Local economic development and social development	To improve the quality of life through social infrastructure development	To improve sports through Nkandla Mayoral Cup	Mayoral Cup tournament held	Number	1	1	0	4400/4468/0507/EQSR/NONE/ADMN	To have 1 Mayoral Cup tournament held	R 500 000.00	The Mayoral Cup was hosted on the	N/A	Nkandla mayoral cup was held on the 06 June 2015	N/A		Department of Community Service	Mayoral Cup Plan, Minutes and Agendas of meetings as well as Pictures
Pg.109	Local economic development and social development	To improve the quality of life through social infrastructure development	To improve sports through Nkandla Schools Sports	Support to Nkandla Sports Federation	Number	10	0	0	4400/4468/0507/EQSR/NONE/ADMN	Ten sporting codes supported with sports material	R 40 000.00	The Soccer,Netball,Dance,Boxing,athletics,chess,Indigeneous games,karate,rugby,volleyball supported with material	N/A	Sports confederation not established	To be done in the next financial year			Copy of invoice and photos
Pg.109	Local economic development and social development	To improve the quality of life through social infrastructure development	To improve sports through Nkandla Horse Riding event	2 Schools Tournaments	Number	2	0	2	4400/4468/0507/EQSR/NONE/ADMN	To have 2 School Sports Tournaments	R 30 000.00	The two School Tournaments were held on the 15-16 April 2016	N/A	Sports Plan adopted by council by 31 Dec 2014	N/A		AD,Social Services	Attendance Register,Procurement documents,Pictures
Pg.109	Local economic development and social development	To improve the quality of life through social infrastructure development	To host the Nkandla May Horse Riding event	1 Nkandla May horse riding event	Number	1	1	0	4400/4468/0507/EQSR/NONE/ADMN	To have 1 Nkandla May horse riding event	N	Nkandla Municipality Hosted Nkandla May horse riding Event on the	N/A	Nkandla horse riding Event event was held on 16 May 2015	N/A		AD,Social Services	Agenda and Minutes of Plenary meetings. Proof of procurement of the required material and Pictures.

		LOCAL ECONOMIC DEVELOPMENT																
Pg.152Ref.15.4	Local economic development and social development	To create a conducive environment for socio - economic growth	To improve and sustain culture through cultural events	Number of cultural events held to promote pride and cultural dignity amongst youth of Nkandla	Number	2	1 Cultural events held	0	4400/4444/0507/EQSR/NONE/ADMIN	4 Cultural events held within Nkandla	1 450 000	Four cultural events held (uMhlanga Reed Dance event was held on the 3rd to the 6th September 2015,Indlamu was held on the 26th December 2015 ,Umkhosi Womviliyelo (Operation Siyaya Emhlangeni) was held on the 28th and 29th August 2015 Maskandi Festival was held on the 31st October 2015	N/A	3 Cultural events held within Nkandla	N/A		Department of Community Service	Copy of attendance register and photos
Pg.152Ref.15.4			To support Nkandla co-operatives	Number of programmes/projects implemented through CWP	Number	14	10	4	NONE	3 CWP projects/programmes implemented	R 0.00	3 CWP projects/programmes implemented	N/A	N/A	N/A			CWP Report with photos
Pg.93-104		To create a conducive environment for socio - economic growth			Number	1000	935	0	NONE	100 of jobs created through EPWP and CWP	R 0	415 local labores employed through capital projects	N/A	120 local labourers to be employed through EPWP not achieved due to insuffient funds. The Municipal apply for additional funding on	N/A			CWP Report with photos
Pg.93-104	Local economic development and social development	To create a conducive environment for socio - economic growth	To support Nkandla co-operatives	Number of Cooperatives supported with material	Number	30	28	N/A	4400/4444/0507/EQSR/NONE/ADMIN	40 Material support to co operatives	1 500 000	79 co operatives supported with material and the hand over of material started on the	N/A	39 cooperatives supported and 43 Cooperatives trained on business management skills	N/A		Department of Community Service	Attendance register. List of cooperatives supported, list of assets funded with (inventry) and pictures
Pg.93-104	Local economic development and social development	To create a conducive environment for socio - economic growth	To capacitate SMME's through SMME development programme	Number of SMME's trained & on business management skills	Number	60	0	60	4400/4444/0507/EQSR/NONE/ADMIN	30 SMME's trained on business management skills	300 000	93 SMME's trained on business management skills on the 28th September 2015,The 15 SMME'S were registered and supported through SMME development	N/A	40 local SMME's trained and Supported	10 SMME's not trained due to insufficient budget		Department of Community Service	Training manual.attendance registers and list of supported SMME's
Pg.93-104	Local economic development and social development	To create a conducive environment for socio - economic growth	To capacitate cooperatives and SMME's	Launch of cooperative and SMMEs	Date	1			4400/4444/0507/EQSR/NONE/ADMIN	To Launch of Cooperative and SMME fair	200 000	Launch of Co opearatives and SMME fair was held on the 14th Dec 2015	N/A	N/A	N/A			attendance register and photos
Pg.93-104		To create a conducive environment for socio - economic growth	To establish a functional LED Forum	Hosting/Coordinating LED Forums	Number	1	0	1	4400/4444/0507/EQSR/NONE/ADMIN	To establish the LED Forums	R 12 500.00	LED Forum terms of reference developed. Stakeholders list was compiled BUT Establishment of LED Forum not done	This planned for the next financial year 2016/2017	LED Forum was reviewed by 31 December 2014	N/A		Department of Community Service	Attendance registers, minutes and pictures
Pg.93-104			To develop LED strategy	LED strategy	Date	1	0	1	4400/4444/0507/EQSR/NONE/ADMIN	To develop LED strategy by 31 March 2016	R 200 000.00	The LED strategy was developed and adopted by council on 24 March 2016	N/A	LED strategy not developed and reviewed by by council	The strategy to be budgeted to be done by the service provider in 2016/2017		Department of Community Service	Copy of LED strategy and council resolution
Pg.93-104			To establish NkandlaCommunity Tourism Organisation (CTO)	Operational Nkandla Community Tourism Organisation	Date	1	0	1	4400/4444/0507/EQSR/NONE/ADMIN	To ensure fully functional of NkandlaCommunity Tourism Organisation (CTO)	R 0.00	One Meeting with Tourism Stakeholders was held on the 7th July 2015	N/A	Nkandla Community Tourism organisation (CTO) was established	N/A		Department of Community Service	Attendance registers and minutes of the meetings
Pg.93-104			To establish Nkandla Informal Economy Chamber	Established Informal Economy Chamber	Date	1	0	0	4400/4444/0507/EQSR/NONE/ADMIN	To review Nkandla Informal Economy Chamber	R 12 500.00	The terms of reference for Nkandla Informal Economy was reviewed and Nkandla Informal Economy Chamber was also reviewed	N/A	1 Nkandla Informal Economy chamber established by 31 December 2014	N/A		Department of Community Service	Policy Document

DISASTER MANAGEMENT																		
Pg.51-61	Cross cutting interventions		To prevent disaster occurences in the Nkandla community	Date of launch of fire protection services	Date	1	0	0	4400/4414/0507/EQSR/NONE/ADMN	Launch of fire and protection services by 30 Septemeber 2015	R 0.00	The registering authority was launched on 30 June 2016	N/A	Registering authority not launched due to insuffient budget and Testing station not Launched	Registering authority will be Launched in the next financial year		Department of Community Service	Report with photos
Pg.51-61	Cross cutting interventions	To develop and improve disaster management capacity of stakeholders in order to deal wit disaster occurences within the Nkandla municipal boundaries		Establishment of Disaster management Forum	Date	1	0	0	4400/4414/0507/EQSR/NONE/ADMN	Disaster management Advisory forum established by 30 September 2015	R 1 100 000.00	Disaster management Advisory forum was established on the 30 March 2016	N/A	The Disaster management plan adopted by council 25 June 2015	N/A		Department of Community Service	List of Disaster Management Advisory Forum Members
	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community	To establish and run law enforcement unit	3 Advisory Committee meetings	Numberr	3	0	0	4400/4414/0507/EQSR/NONE/ADMN	3 Advisory Committee Meeting	R 0.00	One Advisory Committee Meeting held	N/A	N/A	N/A		Department of Community Service	Minutes,Attendance Register
Pg.51-61	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community	To establish and run protection services	Prepare incidents reports	Number	4	0	0	4400/4414/0507/EQSR/NONE/ADMN	12 Incidents Reports	R 0.00	thwelf Incident Reports compiled on monthly bases	N/A	N/A	N/A		Department of Community Service	Monthly Incident reports
Pg.51-61	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community	To implement 4 Fire Drills	4 Fire Drills	Number	4	0	0	4400/4414/0507/EQSR/NONE/ADMN	4 Fire Drills	R 0.00	Four Fire Drill conducted	N/A	N/A	N/A		Department of Community Service	Report with photos
Pg.51-61	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community	To procure disaster material	Procure disaster response materials	Date	4	0	0	4400/4414/0507/EQSR/NONE/ADMN	Procurement of Disaster response materials once per quarter	R 200 000.00	Disaster Resonse Material was procured and delivered to the beneficiaries	N/A	N/A	N/A		Department of Community Service	Procurement documents and report on delivery to beneficiaries
Pg.51-61	Good governance and Public participation	To promote a safe and healthy environment for Nkandla community	To implement 12 Monthly Awareness Campaigns	12 Monthly Awareness Campaigns	Number	12	6	6	4400/4414/0507/EQSR/NONE/ADMN	To implement 12 Monthly Awareness Campaigns	R 50 000.00	12 Monthly Awareness Campaigns conducted	N/A	N/A	N/A		Department of Community Service	Report with photos and attendance register
		BUDGET AND TREASURY																
Pg.134	Basic service delivery	To improve quality of life through social infrastructure development	To pay all FBE invoices from Eskom and Municipal indigent households within	Timeous payment of FBE invoices from Eskom within 30 days	Number	30 days	30 days	0	4400/4426/0191/EQSR/NONE/WMUN	Payment of all FBE invoices received within 30 days	R 830 000.00	all the FBE invoices received were paid within 30 days	N/A	Payment of all FBE invoices received within 30 days	N/a		Budget and treasury	Payment vouchers & monthly bank statements
Pg.134	Basic service delivery	To improve quality of life through social infrastructure development		Beneficiaries receiving free basic electricity per month	Number	1500 beneficiaries	1054 beneficiaries	446	4400/4426/0191/EQSR/NONE/WMUN	To increase the number of beneficiaries receiving free basic electricity.	R 0.00	The beneficiaries receiving FBE by the 30th of June 2015 were 1500	N/A	1500 beneficiaries not achieved	N/A		Budget and treasury	Application forms for FBE sent to Eskom for approval and indigent house hold database
Pg.134	Financial Viability and management	Advance and maintain the financial viability of the municipality	Compliance with Reporting requirements of the MFMA, Act No. 56 of 2003	Submission of monthly financial reports to Treasury (Sec 71) & EXCO	Number	12	12	0	NONE	Submission of 12 monthly financial reports to Treasury (Sec 71) & EXCO	R 0.00	Submission of 12 monthly financial reports to Treasury (Sec 71) & EXCO was submitted with 10 working days of the following month	N/A	3 section 71 reports submitted to treasury on quartely bases	N/a		Budget and treasury	Sec 71 Returns submitted within 10 working days of the next month
Pg.134	Financial Viability and management	Advance and maintain the financial viability of the municipality		Submission of quarterly financial reports to Treasury and EXCO	Number	4	4	0	NONE	Submission of (4) quarterly financial reports to Treasury and EXCO	R 0.00	Submission of (4) quarterly financial reports was submitted to Treasury and EXCO	N/A	1 Quartely financial reports prepared and submitted	N/A		Budget and treasury	Returns submitted
Pg.134	Financial Viability and management	Advance and maintain the financial viability of the municipality	Compliance with section 72 of the MFMA	Submission of midyear Assessment report	Date	28-Feb-16	28-Feb-15	0	NONE	To submit Section 72 Reports to Council by the 25th of January 2016	R 0.00	Section 72 Reports submitted to Council on the 25th of January 2016	N/A	Section 72 Reports submitted	N/A		Budget and treasury	Section 72 report, council resolution

Pg.138	Good governance and public participation	Advance and maintain the financial viability of the municipality	Annual Financial Statements submitted on time (MFMA S126 (1)a)	Submission for audit purposes of the Annual Financial Statements for the 2014/2015 financial year	Date	31-Aug-15	31-Aug-14	0	NONE	Submission for audit purposes of the Annual Financial Statements for the 2014/2015 financial year by the 31st of August 2015	R 0.00	The 2014/2015 financial statements was submitted to auditor general for audit purposes by the 31st of August 2015	N/A	2013/14 AFS submitted on the 29 August 2014	N/A		Budget and treasury	Proof of submission of AFS from AGSA
Pg.146. Ref.14.8	Good governance and public participation	Advance and maintain the financial viability of the municipality	Approved budget of 2016/2017 financial year	Approval of the budget process plan	Date	31/08/2015	31/08/2014	0	NONE	Approval of the budget process plan by 31 August 2015	R 0.00	Budget process plan was approved by council before the 31st of August 2015	N/A	Approval of the budget process plan by 31 August 2014	N/A		Budget and treasury	Copy of budget process plan and council resolution
Pg.146.Ref.14.8	Financial Viability and management	Advance and maintain the financial viability of the municipality	Approved budget of 2016/2017 financial year	Adoption of the Operating and Capital Budget of the Municipality for 2016/2017	Date	31-May-16	31-May-15	nil	NONE	Adoption of the Operating and Capital Budget of the Municipality for 2016/2017 by 31 May 2016	R 0.00	The Operating and Capital Budget of the Municipality for 2016/2017 was adopted by council on 26 May 2016	N/A	The Operating and Capital Budget of the Municipality for 2015/2016 was Adopted	N/A		Budget and treasury	Copy of budget and council resolution
Pg.146.Ref.14.8	Financial Viability and management	Advance and maintain the financial viability of the municipality	Approved Adjustment Budget for the Municipality in respect of 2015/16 financial year	Approval of an Adjustment Budget in accordance with the provisions of Section 28 of the MFMA , as amended	Date	28-Feb-16	28-Feb-15	nil	NONE	Approval of an Adjustment Budget in accordance with the provisions of Section 28 of the MFMA , as amended by 28 February 2016	R 0.00	The mid year Adjusted Budget were approved by council on the 25 February 2016	N/A	Approval of an Adjustment Budget in accordance with the provisions of Section 28 of the MFMA , as amended by 28 February 2015	N/A		Budget and treasury	Copy of an Adjustment Budget with Council Resolution
Pg.125 Ref.6.3	Financial Viability and management	Advance and maintain the financial viability of the municipality	To ensure the enhancement of revenue	Development & Adoption of Revenue Enhancement Strategy	Date	30 September 2015	none	Revenue Enhancement Strategy	NONE	Development & Adoption of Revenue Enhancement Strategy by the 30th of September 2016	R 0.00	The Revenue Enhancement Strategy were approved by council on the 24 March 2016	N/A	Revenue Enhancement Strategy not developed	Draft Revenue Enhancement Strategy was sent to Internal auditors for comments and it will be adopted by Council within the first quarter of 2015/16 financial year		Budget and treasury	Council Resolution & Revenue Enhancement Stragegy
Pg.125 Ref.6.3	Financial Viability and management	Advance and maintain the financial viability of the municipality		Implementation of Revenue Enhancement Strategy	date	31 Dec 2015 31March2016 30 June 2016	none	0	NONE	Implementation of Revenue Enhancement Strategy	R 0.00	The Revenue Enhancement Strategy implemented	N/A	3 billing reports prepared	N/A		Budget and treasury	Revenue Enhancement Stratergy Implementation Plan & Reports
Pg.125 Ref.6.3	Financial Viability and management	Advance and maintain the financial viability of the municipality	To ensure collection of budgeted revenue	Above 60% budgeted revenue collection on property rates	Percentage	>60%	>60%	0	NONE	Above 60% budgeted revenue collection on billed revenue	R 8 069 600.00	The budgeted revenue collection on billed revenue is above 60% which is R11 470 2015.30	N/A	Above 60% budgeted revenue were collected on billed revenue	N/A		Budget and treasury	Report on actual revenue on rates collected
Pg.127	Financial Viability and management	Advance and maintain the financial viability of the municipality		Improved Service on Sale of Electricity	Number	2	None	2	NONE	To extend electrical sales points to local vendors	N/A	The two agreements between the Municipality and other parties for vendor were signed	N/A	1 hand held devices purchased	N/a		Budget and treasury	Signed Vendor Agreements
Pg.127	Financial Viability and management	Advance and maintain the financial viability of the municipality	To ensure that customers receive the statements of accounts in time	Monthly statements are forwarded to customers in time	Date	07th of each month	07th of each month	nil	4400/4451/0191/EQSR/NONE/WMUN	Bills statements fowarded to customers by the 07th of each month	R 72 000.00	Bills statements were fowarded to customers by the 07th of each month	N/A	Bills statements fowarded to customers by the 07th of each month	N/a		Budget and treasury	Statement Delivery Register & proof of postage by Nashua
Pg.136 Ref.C6.5	Financial Viability and management	Optimise budget implementation in the municipality	Ensured that expenditure from grant funding is in accordance with grant stipulations	Preparation of a consolidated report on the receipt and expenditure of grant funds	Number	12	12	0	NONE	Preparation of a consolidated report on the receipt and expenditure of grant funds	R 0.00	All grants reports were submitted to treasury on monthly bases	N/A	3 grants reports submitted to Treasury	N/a		Budget and treasury	Monthly reports & Grants reconcilliations & proof of submission

Pg.121	Financial Viability and management	Optimise budget implementation in the municipality	Reconcilliation reports on receipt and expenditure for submission to the Municipal Manager and EXCO	Approved Reconcilation statements	Number	12	12	0	NONE	Preparation and review of 12 reconciliation statements	R 0.00	The 12 reconciliation (Pay roll,bank reconciliation,debtors and vat) statements were completed in each month	N/A	3 Bank reconciliation statements.and 3 call investment accounts reconciliation statements	N/a		Budget and treasury	Monthly reconcilliations (Debtors, vat, Assets, Payroll, Creditors) Montly Bank Recons)
Pg.121	Financial Viability and management	Optimise budget implementation in the municipality	Exercised financial and fiscal control	Preparation of updated cash flow projections for the Municipality	Number	4	0	4	NONE	Preparation of updated cash flow projections for the Municipality		1 cash flow projection report completed	N/A	1 projection reports prepared	N/a		Budget and treasury	Quarterly Cash flow Projections Reports
Pg.121	Financial Viability and management	Optimise budget implementation in the municipality	Containment of expenditure incurred by the Directorate for 2015/2016 financial year within budgetary limits	Budget Expenditure Reports Per Vote	Percentage	100%	100%	0	NONE	To ensure 100% expenditure on all finance related grants and subsides (FMG and MSIG) to avoid grants rollovers		100% spent on received Finance Grants (FMG and MSIG)	N/A	100% budget spent on MIG,MSIG,	N/a		Budget and treasury	Statement of comparison of actuals with Income and Expenditure budget
Pg.121	Financial Viability and management	Improve the financial performance of the municipality	GRAP 16 & 17 Asset Register in place	GRAP compliant asset register	Number	4 GRAP -2015/16 compliant asset register	2014/15GRAP compliant asset register	nil	NONE	To prepare quartely 2015/16 GRAP compliant asset register		To update asset register quartely to be GRAP Complient was updated on quately bases	N/A	2014/15 GRAP compliant asset register updated	2014/15 GRAP compliant asset register updated		Budget and treasury	Fixed Asset Register
Pg.136	Financial Viability and management	Improve the financial performance of the municipality	GRAP 16 & 17 Asset Register in place	Updating of fixed asset register to reflect all infrastructure and moveable assets within the Municipality	Number	4	4	0	NONE	To prepare Asset additions Schedules per Quarter		4 Asset additions Schedules was prepared per Quarter	N/A	1 Asset additions Schedule prepared	1 Asset additions Schedule prepared		Budget and treasury	Asset Additions Schedules & Updated Asset Register
Pg.136	Financial Viability and management	Improve the financial performance of the municipality	GRAP 16 & 17 Asset Register in place	Update the investment property register	Number	4	4	0	NONE	To Undertake scheduled inspections of assets on quarterly basis to confirm location of assets		Scheduled inspection conducted for property register on quartely basis	N/A	1 Inspection Schedule for the Quarter conducted	N/A		Budget and treasury	4 Updated Property Register
Pg.136	Financial Viability and management	Improve the financial performance of the municipality	GRAP 16 & 17 Asset Register in place	Undertake scheduled inspections of assets on quarterly basis to confirm location of assets	Number	4	4	0	NONE	To Undertake scheduled inspections of assets on quarterly basis to confirm location of assets		Scheduled inspection conducted for assets on quartely basis	N/A	Scheduled inspection conducted for assets on quartely basis			Budget and treasury	Schedule and Asset Inventory Sheets
Pg.136	Financial Viability and management			To emsure regular stock-counting (quarterly)	Number	4	0	4	NONE	Quarterly Stock count Reports	R 0.00	1 Stock count Report was issued on quortely bases	N/A	1 Stock count Report was issued on quortely bases			Budget and treasury	Stock Count Reports
Pg.138 Ref.C.6.9	Good governance and Public participation	Improve the financial performance of the municipality	To decrease Unauthorized, Irregular, fruitless & wasteful expenditure	Development & Approval of Compliance Checklist	Date	30-Sep-15	0	1	NONE	Developed & Approved payment Compliance Checklist	R 0.00	The payment complience checklist was Developed & Approved by 30 September 2015	N/A	The payment complience checklist was Developed & Approved by 30 September 2015			Budget and treasury	Compliance Checklist
Page. 120-138	Good governance and Public participation	Improve the financial performance of the municipality	To decrease Unauthorized, Irregular, fruitless & wasteful expenditure	Implementation of compliance checklist	Percent	100% Compliance with SCM processes	0	0	NONE	100% compliance with Procurement Requirements for each & every payment	R 0.00	100% compliance with Procurement Requirements for each & every payment	N/A	unauthorised, irregular, fruitless and wastefull expenditure over Total Expenditure decreased by 10%	N/a		Budget and treasury	Reports on irregular, unauthorised, fruitless & wasteful Expenditure
Page. 120-138	Infrastructure development and basic service delivery	Improve the financial performance of the municipality	Minimise service delivery distribution losses	Reconcilliation of Bulk purchases vs Distributions	Percentage decrease in distribution losses	>15%	>55%	0%	4100/4110/0302/EQSR/NONE/ADMN	To Minimise distribution losses greater than 15% in each quarter	R 0.00	The distribution losses minimised with greater than 15% in each quarter	N/A	distribution losses decrease by 25%	N/a		Budget and treasury	Reconcilliation Report on Electricity (Bulk Purchase vs Sales)

Pg.215-219	Municipal transfomation and institutional development	To improve institutional efficiency through adequate systems and effective internal controls	Implementation of intership programme with the directorate	ensure the Implementation of intership programme	Number of Interns	5	5	0	4400/4489/0191/FMGR/NONE/ADMN	To ensure that 5 interns are employed at Finance Departnent	R 547 650.00	The municipality has ensured that 5 finance intrns are employed as per treasury requirement	N/A	Review the Internship programme for the 2015/2016 financial year by 31 May 2015	N/a		Budget and treasury	Appointment Letters.
Pg.215-219	Municipal transfomation and institutional development	To improve institutional efficiency through adequate systems and effective internal controls	Implementation of intership programme with the directorate	Evaluation of the performance of the Interns engaged within the Finance function at the Municipality	Number of evaluation reports	4	None	4	4400/4489/0191/FMGR/NONE/ADMN	Evaluation of the performance of the Interns engaged within the Finance function at the Municipality	R 0.00	5 evaluation report for each intern were signed and reviwed	N/A	1 evaluation reports for interns completed	N/a		Budget and treasury	Monitoring and Evaluation Report
Pg.94	Municipal Transformation and institutional development	Attain effective and efficient municipal administration	To ensure perfomance of contracted service provider	Quorterly perfomance report	Number	1	0	1	NONE	To implement effective contract management throuh monitoring and evaluation of service providers	R 0.00	The service providers was evaluated and monitored on quortely bases	N/A	The service providers was evaluated and monitored on quortely bases	N/A		Department of corporate service	quarterly perfomance report of contracted service provider to council
Pg.104	Good governance and public participation		Reported SCM Performance	Submit quarterly reports to the Municipal Manager and the Mayor regarding the functioning of the SCM process	Number of Reports	4	4	0	NONE	Submit (4) quarterly reports to the Municipal Manager and the Mayor regarding the functioning of the SCM process		Four quarterly report sent to MANCO and EXCO	N/A	1 SCM Reports	N/A		Budget and treasury	SCM Quarterly Reports
Pg.104	Local economic development and social development			Invitation of prospective service providers to register and update the information on the municipal suppliers database	Date	30/06/2016	30/06/2015	0	4400/4403/0191/EQSR/NONE/WMUN	Issuing of Public notice by 30/06/2016 inviting prospective service providers to register and update information on the municipal suppliers database	R 100 000.00	Public notice inviting supliers to register on municipal data base were issued 30/06/2016	N/A	Public notice for invitation for Municipal Suppliers to data base was issued	N/A		Budget and treasury	Public Notice
Pg.120	Good governance and public participation	Attain effective and efficient municipal administration	To review finance related policies annually	Adoption of all finance related policies	Date of review	31 May 2016	31-May-15	nil	NONE	To review finance related policies annually	R 0.00	The 6 finance policies (Tarrif,property rates,credit control ,cash management,funding and reserve,supply chain,indigent were reviewed by council on 31 May 2016	N/A	Reviewed Policies & Procedures by 31 September 2014	N/A		Budget and treasury	copy of Tarrif,property rates,credit control ,cash management,funding and reserve,supply chain,indigent policy and Council Resolution
Pg.138 Ref.C.6.9	Good governance and public participation	Attain effective and efficient municipal administration	Ensure that the municipality maintains the unqualified audit opinion	Maintaining the unqualified audit opinion	Yes/No	yes	Unqualified audit	nil	NONE	To Maintaining the unqualified audit opinion for the 2014/2015 Financial year	R 0.00	The unqualified audit opinion was maintained	N/A	Unqualified audit opinion maintained	N/A		Budget and treasury	Unqualified Audit opinion report received

1. ADMINISTRATION AND FINANCIAL MANAGEMENT																		
Pg.120-138	Financial Viability and management		1. 1 To ensure the proper financial management	preparation and submission of departmental procurement plan	Number	1	1	nil	NONE	Preparation and submision of departmental procurement plan	0.00	The departmental procurement plan prepared and submitted	N/A	The departmental procurement plan prepared and submitted	N/A		Admin & Financial Management	Proof for the submission
Pg.120-138	Financial Viability and management		1.2 To ensure financial management	monthly financial reporting	Number	12	12	nil	NONE	ensure 100% expenditure on all capital transfers	R 0.00	The expenditure on all capital transfers achieved is above 25%(16 208 713/14 297 000	N/A	100% expenditure on all capital transfers implemented	N/A			Monthly financial report (reconciliations and expenditure report)
Pg.120-138	Municipal Transformation and institutional development	Attain effective and efficient municipal administration	To ensure perfomance of contracted service provider	Quorterly perfomance report	Number	1	0	1	NONE	To implement effective contract management throuh monitoring and evaluation of service providers	R 0.00	The service provider perfomance was monitored and evaluated on quortely bases	N/A	The service provider perfomance was monitored and evaluated on quortely bases	N/A		Department of corporate service	quarterly perfomance report of contracted service provider to council
2. ELECTRICITY																		
Pg 86-87	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure	2.1 To attend all electricity faults reported in Nkandla Town as part	% of households electricity faults resolved within 24hrs subject to the extent of the fault	%	100%	100%	nil	3800/3830/0302/EQSR/NONE/ADMN	100% attendance to electricity faults	R 300 000.00	100% attendance to electricity faults were done	N/A	92% attendance to electricity faults	There was a lack of capacity due to high vacancy rate under electrical section.The recruitment of two additional staff members will be made in the next financial year.	5	Electricity	report of faults attended to.
Pg 86-87	Infrastructure development and basic service delivery		2.2 To attend all faulty street lights in Town	% of street lights attended to within 48hrs	%	100%	100%	nil	3800/3830/0302/EQSR/NONE/ADMN	100% of street lights attended within 48hrs		100% of street lights attended to within 48hrs not achieved	This was not achieved due to lack of cherry picker.The municipality is in the process of hiring the cherry picker	100% of street lights attended to within 48hrs not achieved	Not achieved due to lack of capacity and two staff members will be recruited in the next financial year to achieve this target in the next financial year	5		report of faults attended to.
Pg 86-87	Infrastructure development and basic service delivery		2.3 To maintain and service Town Electricity Infrastructure	service and replace faulty transformers	Number	27	27 Transfomers	nil	3800/3830/0302/EQSR/NONE/ADMN	27 Transformers	R 5 000 000.00	Electrical contractor: to service 9 transformers not achieved.	To be done in the next financial year	A suitable electrical service provider to conduct and report on the status of all transformers within town was appointed by 30 September 2014	N/a	5		Maintainance and service Report.
Pg 86-87	Infrastructure development and basic service delivery		2.4 To reduce electricity losses to 80% by 30 June 2016	Number of house inspections	%	100%	60%	40%	4100/4110/0302/EQSR/NONE/ADMN	Reduce electricity loss by 80%		The reduction by 20% Electricity loss not achieved	To install electricity metres on street lights and to upgrade infrastructure for Nkandla town	Electricity loss reduced is reduced by 5.25% which totaled at 21% annually	The compaign to check illegal connections will be conducted and prosecuted.The budget will be reserved in order to improve the age infrastructure	5		Electricity consumption and expenditure report.
Pg.190 Ref1.6	Infrastructure development and basic service delivery		2.5 To appoint service providers for the construction of Self-Built Electrification projects	Appointed service providers for the self-Built Electrification Project 1. Sixhoko/Mpondo 2.Sidashi/Qothu/Malunga 3.Makhanyezi 4.Dlolwane 5.Ezijibeni 6.Ntshiza 7.Vutshini/Madlozi	Number	2	2	0	1610/1690/0302/INEP/NONE/WMUN	Appointment of 4 Service provider	R 35 000 000.00	The service providers for the self-Built Electrification Project 1. Sixhoko/Mpondo 2.Sidashi/Qothu/Malunga 3.Makhanyezi 4.Dlolwane 5.Ezijibeni 6.Ntshiza 7.Vutshini/Madlozi 8.Masolosolo 9. Nhloshane were appointed	N/A	The appointment of service providers for the self-Built Electrification Project not finalised 1. Thaleni/ Vimbimbobo . Vimbimbobo achieved	The aderts to solicit service provider will be issued in the first quarter of the next financial year and appointments will be done in the second quarter .	5		Appointment letters, a list of of electrified households, electrification plan
Pg.190 Ref1.6	Infrastructure development and basic service delivery		2.6 To have completed roll-over self-Built Electrification Projects (2013'14) 1.Vumahlamvu/Mandaba/ Ntinini Electrification	Number of Electrified households	number	736 households	3423 households		8100/8106/0302/INEPVUM/WMUN/ADWP	736 Electrified households in Vumahlamvu/Mandaba/Mandaba/ Ntinini		The 736 hourse holds Electrified in Vumahlamvu/Mandaba/Mandaba/ Ntinini	N/A	736 households Electrified not complete.The project is on hold due to insufficient funds.	To be finalised in the next financial year			Construction progress report and completion certificate

3. ROAD AND MAINTENANCE																		
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To ensure effective and efficient planning,implementation and maintenance of municipal infrastructure	3.1. To maintain CBD Roads	Number of km roads maintained	km	3.5 km	3.5 km	5	1600/1692/0302/MIGR/NONE /ADMN	3.5km	R 1 100 000.00	The 2.4 km road in CBD maintained	N/A	0.75 km roads maintained	N/a	5		Maintainance Report.
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	3.2 To appoint the service provider for the maintanance of White City Rd and CBD	Date of appointment of service provider	Date	30-Sep		1	1600/1692/0302/MIGR/NONE /ADMN	Appointment of the Service provider by 30 September 2015		The service provider to maintain white city was appointment on June 2016	N/A	The service provider to mainatain white city has been appointed	N/A			Appointment letter
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	3.3 To maintain residential Roads (White City and Sinqobile location)	Number of kms maintained within the town boundaries	Km	4.4km	4.4km	2.2km	1600/1692/0302/MIGR/NONE /ADMN	2.2km	R 1 700 000.00	2.2 KM residential Roads (White City and Sinqobile location) not maintained	The advert for the appointment of the service provider has been issued and the municipality is in the process of appointing next financial year	0.29 kms maintained within the town boundaries maintained	N/a	5	Civil and Operations and Maintenance	Expenditure report, pictures, road maintanance records, correspondence
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	3.4 Advertisement of road rehabilitation material	Date of appointment of service provider to supply material	Date	30-Sep		1	1600/1692/0302/MIGR/NONE /ADMN	Appointment of the Service provider by 30 September 2015		The service provider to supply road rehebilitation material was appointed	N/A	The service provider has been appointed	N/A	5		Appointment letter,technical report and expenditure report
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	3.5 Hire of small tools equipment	Date of appointment of service provider	Date	30-Sep			1600/1692/0302/MIGR/NONE /ADMN	Appointment of the Service providers by 30 September 2015		The Service providers for the small tool hire by 30 September 2015 was appointed	N/A	N/A	N/A	5		Appointment letter,technical report and expenditure report
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	3.6 To appoint the service provider to provide and operate the plant to maintain the roads	Date of the appointment of the Service provider	Date	30-Sep-14	30-Jun-13		1600/1692/0302/MIGR/NONE /ADMN	Appointment of the Service provider by 30 September 2015 to provide and operate grader	R 2 000 000.00	The Service provider tooperate and provide plant was appointed	N/A	N/A	N/A			Appointment letter,technical report and expenditure report
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	3.7 To maintain gravel roads in all wards through RRUP	Number of kms and maintained	Km	35km	14	250km	1600/1692/0302/MIGR/NONE /ADMN	35 km roads maintained		47.5km roads maintained through RRUP	N/A	12.5 km roads not yet maintained	There is an oustanding of R834,249.71 owed to the previous service provider.The scope will be reduced .			Maintenance Report.
4. Capital Projects																		
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To ensure effective and efficient planning,implementation and maintenance of municipal infrastructure	4.1 To register MIG & other Projects to be implemented in 2015'2016	Number of registered MIG projects	Number	Registration of 2 MIG projects	8 MIG Projects	19 MIG Projects	1600/1692/0302/MIGR/NONE /ADMN	Registration of 4 MIG projects	R 0.00	Four projects Egoswen i,ediphini,Makhan yezi access road,Vumanhlanvu CSC registered	N/A	3 MIG projects registered	N/a			Relevant registration documents, appointment letters, advert, project list, correspondence
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To ensure effective and efficient planning,implementation and maintenance of municipal infrastructure	4.2 To appoint service providers for the construction of MIG projects	Date of appointed service providers for the construction of the following project 1. Nkethabaweli to Manzaway o road 2. KwaNtshiza Access Road 3. Emathengeni Access Road, 4.	2015/09/30	8 appointed contractors	3 appointed contractors	3	1600/1692/0302/MIGR/NONE /ADMN	Appointment of the 6 Capital Projects: 1. Mathengeni access road 2. Ezimv ubu gravel road 3. KwaNtshiza access road 4.Bhacane to Malunga 5.Nkethabaweli to Manzaway o road 6	R 0.00	The service providers for the construction of MIG projects was finalised	N/A	Service providers were appointed by 30 September 2014 for the construction of the following project1. Sakhile AccessRoad 2. Esix hokolo Access Road 3. Mbongosi Access Road, and Ezimv ubu gravel road and Emathengeni access road by 30 June 2015	The other three service provider will be appointed by the first quarter of the next financial y ear			Appointment letters

	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	4.3 To implement MIG Projects by 2015/2016	Implementation of the 6 Capital Projects: 1. Mathengeni access road	Number	8 projects	8 projects		1600/1692/0302/MIGR/NONE/ADMN	1.Construction of Mathengeni access road		The Emathengengeni access road was Construction but not completion	N/A	2. Construction of Esikhokolo Access Road completed	N/A	9		Proof of payment, pictures and Practical
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	4.3 To implement MIG Projects by 2015/2016	2. Ezimvubu gravel road	Date	1	1	0	1600/1692/0302/MIGR/NONE/ADMN	2.Construction of Ezimvubu gravel road		The Ezimvubu gravel road contructed but not completed	N/A	3. Construction of Mfongosi Access completed	N/A	6		Proof of payment, pictures and construction progress report
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	4.3 To implement MIG Projects by 2015/2016	3. KwaNtsiza access road	Date	1	1	0	1600/1692/0302/MIGR/NONE/ADMN	3. Construction of kwantshiza Access road: Phase 1		Construction of kwantshiza Access road: Phase 1 done but not completed	N/A	Bangamanzi-mfongosi project .The project is not completed	The funds exhausted .The Municipality to apply for additional funding to MIG	9		Proof of payment, pictures and construction progress report
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	4.3 To implement MIG Projects by 2015/2016	4.Bhacane to Malunga	Date	1	1	0	1600/1692/0302/MIGR/NONE/ADMN	4.Bhacane to Malunga: Phase 1		The Bhacane to Malunga: Phase 1 constructed but not completed	N/A	Esikhaleni access road.The project is completed	N/A	4		Proof of payment, pictures and construction progress report
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	4.3 To implement MIG Projects by 2015/2016	5.Nkethabaweli to Manzaway o road	Date	1	1	0	1600/1692/0302/MIGR/NONE/ADMN	5. Construction of.Nkethabaweli to Manzaway o road: Phase 1		The Nkethabaweli to Manzaway o road: Phase 1 contructed but not completed	None	The Esikhokolo project completed	N/A	9		Completion certificate and pictures
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	4.3 To implement MIG Projects by 2015/2016	6. Complition of Matshenezimpisi phase II	Date	1	1	0	1600/1692/0302/MIGR/NONE/ADMN	4.Construction and completion of ematshenizempisi phase II		4.Construction and completion of ematshenizempisi phase II	N/A	The Mfongosi project completed	N/A	5		Proof of payment, pictures and construction progress report
										Convession of disaster centre to traffic department(DLTC)	R 3 400 000.00	Convession of disaster centre to traffic department(DLTC) was completed	N/A	N/A	N/A			
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	4.3 To implement MIG Projects by 2015/2016	5.Construction of Nkomeziphansi Road : Phase 1	Date	1	1	0	1600/1692/0302/MIGR/NONE/ADMN	6.Construction of Nkomeziphansi Road : Phase 1		The Nkomeziphansi Road : Phase 1 constructed not completed	N/A	N/A	N/A	5		Completion certificate and pictures
Pg.189 Ref.1.6	Local economic development and social development	To increase employment opportunities in the municipality	4.4 Ensure employ ment of local labours	Number of local labourers employed through EPWP	number	120 labourers	100 labourers	20	1600/1692/0302/MIGR/NONE/ADMN	120 local labourers employed through EPWP	R 0.00	415 local labores employed through capital projects	N/A	79 local labourers employed through EPWP	120 local labourers to be employed through EPWP not achieved due to insuffient funds.The Municipal apply for additional funding on public works.			Empoloy ment report, employ ment contract, correspondence
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development	4.5 To complete the 2013'2014 and 2014' 2015 roll ov er projects	Date of completion of Esibhudeni CSC	Date	30-Sep-15	Nil		1600/1692/0302/MIGR/NONE/ADMN	Completion of Esibhudeni CSC by 30 September 2015	R 3 529 207.50	The construction of Esibhudeni CSC was completed by 30 September 2015	N/A	The project is almost complete 95%	The contractor deserted the site the municipality will complite the project inhourse	7		Practical completion certificate, pictures
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development		Date of completion of Ngomankulu/ Nsuze-pedestrian bridge	Date	31-Mar-16	Nil		1600/1692/0302/MIGR/NONE/ADMN	Completion of Ngomankulu/ Nsuze-pedestrian bridge	R 9 990 811.80	Completion of Ngomankulu/ Nsuze-pedestrian bridge	The project will be completed in the next finantial y ear	Ngomankulu Bridge.The project is under construction	The new service provider has been appointed	11		Practical completion certificate, pictures
Pg.189 Ref.1.6	Infrastructure development and basic service delivery	To improve quality of life through social infrastructure development		Date of completion of Esakhile Access roads	Date	31-Mar-16			1600/1692/0302/MIGR/NONE/ADMN	Completion of Esakhile access roads	R 16 645 508.00	Completion of Esakhile access roads	The project will be completed in the next finantial y ear	Construction and completion of Sakhile Access Road not completed	N/A	5		Practical completion certificate, pictures

5. WASTE MANAGEMENT																		
Pg.82	Good governance and public participation	To improve quality of life through social infrastructure development	5.1 To maintain hygene and healthy living by ensuring removal of refuse on a regular basis	A number of truckloads of waste disposed in a landfill site	Number	486	486	Nil	4400/4479/0302/EQSR/NONE/ADMN	To deliver 486 truckloads of waste disposed in a landfill site	R 300 000.00	486 truckloads of waste disposed in a landfill site	N/A	122 truckloads of waste in a landfill site were disposed	N/a	5	Waste Management Unit	Delivery schedule and report
Pg.82		To improve quality of life through social infrastructure development	5.2 To conduct waste awareness campaigns	Awareness campaigns in all 4 nodes	number	4	4	Nil	4400/4479/0302/EQSR/NONE/ADMN	To conduct 4 waste awareness campaigns	R 0.00	Four waste awareness campaigns conducted	N/A	1 Waste Awareness campaigns implemented	N/a	5		Attendance register and pictures
6. HOUSING																		
Pg.116 Ref.6	Good governance and public participation	To improve quality of life through social infrastructure development	6.1 To Review the Nkandla Housing Sector Plan (HSP)	Adopted housing sector plan	Date	1	Draft of Housing Sector Plan	Nil	NONE	Reviewal and implementation of housing sector plan by 30 June 2016	R198.000.00	N/A	N/A	The HSP adopted by council	N/a		Development Planning	Council Resolution
Pg.116 Ref.6		To improve quality of life through social infrastructure development	6.2 Develop municipal basic infrastructure	A number of Housing Forum meetings	Number	12	12	Nil	NONE	Hold Housing Forum meeting per month		The Housing Forum meeting were held per month	N/A	Housing forum not held				Minutes of Housing Forum meetings
7. PLANNING UNIT																		
Pg.48 Ref 8.5	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community	7.1 To implement and review town planning scheme	Implemented SPLUMA	Date	SPLUMA	Nil	Nil	NONE	Implemention of SPLUMA		Alignment of PDA Delagations to SPLUMA completed and spluma implemented	N/A	Applications are being approved in terms of the Wall to Wall Scheme	N/a		Development Planning	Reports on the Implementation of SPLUMA
Pg.48 Ref 8.5	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community		Implemened of Town Planning Scheme	Date	Town planning scheme	Nil	Nil	NONE	Assessment of received development applications		100% Attendence to Development Planning applications received and The received development applications were assessed	N/A	N/A	N/A			Reports on approved development applications
Pg.48 Ref 8.5	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community	7.2 To have implemented SDF	implemented SDF	Date	SDF	2014/15 SDF	Nil	NONE	Implemented SDF by 30 June 2016		Implemented SDF by 30 June 2016	N/A	The SDF not reviewed by council	The SDF and Scheme is with COGTA (Spatial Planning Uit) for scrutiny then will be submitted to Council			Report on Spatial projects approved
Pg.36-42	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community	7.3 To have a functioanal GIS	Functioning GIS	Date	GIS Map	Non-functional GIS	Nil	NONE	Upgrade of existing GIS equipment by 30 June 2016		Attend GIS training and Development of GIS Policy was done but not adopted by council and implementation of GIS Policy not done	N/A	GIS not upgraded	This target was removed due to funds being used elsewhere			report on training attended, Upgrade reports,
Pg.36-42	Cross cutting interventions	To promote a safe and healthy environment for Nkandla community			date	GIS Map		Nil	NONE	Production of GIS Map inhouse by 30 June 2016		100% Attendence to map requests received and The GIS Map were produced inhouse by 30 June 2016	N/A	Production of GIS Map inhouse by 30 June 2015	This target was removed due to funds being used elsewhere			GIS Map

APPENDIX A

2015/2016 AUDIT REPORT

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on Nkandla Municipality

Report on the financial statements

Introduction

1. I audited the financial statements of the Nkandla Municipality set out on pages … to …, which comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the International Standards on Auditing. 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.

4. 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 municipality'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 municipality'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.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Nkandla Municipality as at 30 June 2016 and its financial performance and cash flows for the year then ended, in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

8. As disclosed in note 36 to the financial statements, the corresponding figures for 30 June 2015 have been restated as a result of an error discovered during 30 June 2016 in the financial statements of the Nkandla Municipality at, and for the year ended, 30 June 2016.

Material electricity losses

9. As disclosed in note 48 to the financial statements, material electricity losses of 3, 86 million(2015:3,29 million) kilowatts amounting to R4,23 million (2015:R1,20 million) were incurred as a result of technical and non-technical distribution losses.

Additional matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

11. The supplementary information set out on pages x to x 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.

Unaudited disclosure notes

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

Report on other legal and regulatory requirements

13. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to raise findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

14. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for Basic service delivery and infrastructure and Local economic development presented in the annual performance report of the municipality for the year ended 30 June 2016.

15. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

16. I evaluated the usefulness of the reported performance information to determine whether it was consistent with the planned objectives. Ifurther performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information.

17. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

Additional matters

18. I identified no material findings on the usefulness and reliability of the reported performance information for the selected development priorities; however, I draw attention to the following matters:

Achievement of planned targets

19. The annual performance report on pages x to x presents information on the achievement of planned targets for the year.

Adjustment of material misstatements

20. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for the infrastructure development and basic service delivery objective. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Compliance with legislation

21. I performed procedures to obtain evidence that the municipality complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Annual financial statements

22. The financial statements submitted for auditing were not prepared, in all material respects, in accordance with the requirements of section 122 of the MFMA. Material misstatement of revenue and disclosure of grants identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

23. **Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA.**

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

Internal control

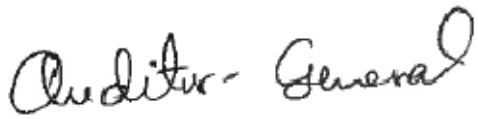
25. I considered internal control relevant to my audit of the financial statements, performance report and compliance with legislation.

Leadership

26. The accounting officer did not exercise adequate oversight over financial reporting and compliance as well as internal control as material misstatements in the annual financial statements were identified and subsequently corrected, which resulted in the municipality receiving and unqualified audit opinion.

Financial management

27. Adequate controls were not in place in ensuring that records are properly safeguarded and monthly reconciliations and reporting were credible and reliable as material misstatements were identified in the annual financial statements, which were subsequently corrected.



Pietermaritzburg

30 November 2016

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

APPENDIX B

2015/2016 MPAC REPORT

ANNEXURES

Annexure 1 - Public Submissions

Annexure 2 - Audit Response Plan 2015/16

Annexure 3 – MPAC Resolution register

Oversight Committee Members

COUNCILLORS	POSITION	POLITICAL PARTY
Councillor N.P .N MAGUBANE	CHAIRPERSON	IFP
Councillor T.F NXUMALO	MEMBER	IFP
Councillor Msimango	MEMBER	IFP
Councillor B.B NDIMA	MEMBER	ANC
Councillor T.P Mncube	MEMBER	IFP
Councillor BZ Mncadi Mpanza	MEMBER	ANC

APPENDIX C

5/2016 REMEDIAL ACTION PLAN ON ISSUES RAISED BY AUDITOR GENERAL

Type of Opinion: Unqualified Audit Opinion

Type of Opinion Previous Year: Unqualified Audit Opinion

Adequacy of Audit Response:

Nature of Audit Query	Audit Query	Response from Municipality Action to resolve query	Target Date	Person Responsible	Progress	Portfolio of evidence
Restatement of corresponding figures	As disclosed in note 36 to the financial statements, the corresponding figures for 30 June 2015 have been restated as a result of an error discovered during 30 June 2016 in the financial statements of the Nkandla Municipality at, and for the year ended, 30 June 2016.	• The Municipality will perform the reconciliation on a regular basis. The reconciliations will be monitored and reviewed by senior management to ensure differences are investigated and resolved in a timely manner.	**30 March 2017**	**Chief Finance Officer**	The reconciliations have been performed as at 31 December 2016.	Reconciliations on file.
Material electricity losses	As disclosed in note 48 to the financial statements, material electricity losses to the amount of R3.86 million (2015:3.29) kilowatts amounting to R4.23 million (2015:R1.20 million) were incurred as a result of technical and non-technical distribution losses.	Theelectricity infrastructureupgrade will be implemented. Investigations to detect and disconnect illegal users of electricity will be implemented.	**30 March 2017**	**Chief Finance Officer**	The installing of the meter in the Municipal buildings and for street lights to determine consumption is in progress. Investigations will be done and illegal users to be disconnected.	Disconnection list. Monthly reconciliation

Non Compliance (Annual financial statements)	The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.Material misstatements of revenue and disclosure of grants identified by the auditors in the submitted financial statement were subsequently corrected and, resulting in the financial statements receiving an unqualified audit opinion.	Quarterly financial statements will be developed to allow reconciliations. The Municipality will develop detailed GRAP compliance checklist prior to the preparation of annual financial statements.	**30 March 2017**	**Chief Finance Officer**	The preparation of half-yearly interim financial statements is in progress and will be finalised in March 2017	Half-yearly financial statements
Non Compliance (Expenditure management)	Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA.	• All irregular expenditure will be disclosed to council to allow further investigations • Investigations will be conducted by council	**30 June 2017**	**Chief Finance Officer**	The list irregular expenditure has been submitted to council and will be submitted as they are discovered.	Compiled list of irregular expenditure.
	Money owed by the Municipality was not always paid within 30 days as required by section 65(2)(e) of the MFMA	The Municipality will develop monthly payment checklist to make sure that all payments are made within 30 days.	**30 March 2017**	**Chief Finance Officer**	The invoices are stamped on receipt and are paid within 30 days.	
Non Compliance(Procurement and contract management)	During the audit of procurement and contract management it was noted that awards were made to providers who were in the service of other state institutionsin contravention of MFMA 112(j) and SCM regulation 44. the municipality has not followed the supply chain management policy by accepting quotations from suppliers who did not declare their interest.	The investigations will be conducted .Declarations forms will be completed by all employees and MBD4 forms will be completed by service providers	**30 March 2017**	**Chief Finance Officer**	The investigations were done and the municipality is in the process of removing all suppliers in database that are employed by the state.	Completed declaration forms

Leadership	The accounting officer did not exercise adequate oversight over financial reporting and compliance as well as internal control as material misstatements in the annual financial statements were identified and subsequently corrected, which resulted in municipality receiving an unqualified audit opinion.	• The Accounting Officer will implement a plan to ensure no recurrence of material corrections to the financial statements as a result of occurrence of material misstatements of financial statements. • Develop GRAP Compliant checklist	**30 March 2017**	**Municipal Manager**	Develop GRAP Compliant checklist developed	Financial statements at 30 June 2016.
Financial and performance management	Adequate controls were not in place in ensuring that records are properly safeguard and monthly reconciliations and reporting were credible and reliable as material misstatements were identified in the annual financial statements, which were subsequently corrected.	The Municipality to establish records management system and make sure that all records are accessibly when they are needed.	**30 March 2017**	**Municipal Manager**	The filing plan has been developed	Completeness of records.

ANNUAL FINANCIAL STATEMENTS (2015/2016)

General Information

Mayoral committee	
Executive Mayor	Cllr AT Ntuli – Mayor
	Cllr TO Ndlela - Deputy Mayor
	Cllr NFJ Nzuza – Speaker
	Cllr SO Sibiya - Exco Member
	Cllr BZ Mncandi-Mpanza
	Cllr BW Sibiya - Exco Member
Councillors	Cllr SA Majola
	Cllr BB Ndima
	Cllr SB Manyathi
	Cllr BV Khanyile
	Cllr BN Buthelezi
	Cllr JB Ntuli
	Cllr L Ntombela
	Cllr SE Mhlongo
	Cllr TT Dlamini
	Cllr NR Xulu
	Cllr FK Magubane
	Cllr HR Ntombela
	Cllr PR Dlamini
	Cllr CM Mthalane
	Cllr SV Lushozi
	Cllr TF Nxumalo
	Cllr BB Dlomo
	Cllr SM Bhengu
	Cllr NPN Magubane
	Cllr S Buthelezi
	Cllr MBE Ntombela
Grading of local authority	2
Accounting Officer	Mr LS Jili
Chief Finance Officer (CFO)	Mr S Ntombela
Registered office	Private Bag x 161
	Nkandla
	3855
	3855
Business address	Maree Road, Lot 292
	Nkandla
Bankers	ABSA
Auditors	Auditor General of South Africa

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Statement of Financial Position	4
Statement of Financial Performance	5
Statement of Changes in Net Assets	6
Cash Flow Statement	7
Statement of Comparison of Budget and Actual Amounts	8
Accounting Policies	10 – 22
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Appendixes:	
Appendix B: Analysis of Property, Plant and Equipment	47

Abbreviations

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
GAMAP	Generally Accepted Municipal Accounting Practice
IMFO	Institute of Municipal Finance Officers
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
INEP	Integrated National Electrification Programme
MIG	Municipal Infrastructure Grant

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and places considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the municipality sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2017 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and their report is presented on page 4.

The annual financial statements set out on pages 4 to 46, which have been prepared on the going concern basis, were approved by the on 31 August 2016 and were signed on its behalf by:

I also certify that salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office as disclosed in the Annual Financial Statements below are within the upper limits of the framework envisaged in Section 219 of the Constitution, read in conjunction with the Public Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

The annual financial statements set out on page which have been prepared on the going concern basis, were approved by the on 31 August 2016 and were signed on its behalf by:

Mr LS Jili

Acting Accounting Officer

31 August 2016

Statement of Financial Position as at 30 June 2016

Figures in Rand	Note(s)	2016	2015 Restated*
Assets			
Current Assets			
Receivables from non-exchange transactions	8	3 432 305	2 303 924
VAT receivable	10	9 666 057	253 419
Other receivables from exchange transactions	6	-	1 229 763
Receivables from exchange transactions	7	5 985 848	7 076 912
Cash and cash equivalents	11	4 481 813	9 050 757
		23 566 023	**19 914 775**
Non-Current Assets			
Investment property	3	5 432 507	5 663 995
Property, plant and equipment	4	323 139 683	267 454 793
Intangible assets	5	553 160	920 585
		329 125 350	**274 039 373**
Total Assets		**352 691 373**	**293 954 148**
Liabilities			
Current Liabilities			
Payables from exchange transactions	14	32 213 543	20 107 247
Unspent conditional grants and receipts	12	4 502 980	4 788 143
Provisions	13	30 832	-
		36 747 355	**24 895 390**
Non-Current Liabilities			
Provisions	13	6 194 563	5 788 849
Total Liabilities		**42 941 918**	**30 684 239**
Net Assets		**309 749 455**	**263 269 909**
Accumulated surplus		309 749 455	263 269 909

* See Note 36

Statement of Financial Performance

Figures in Rand	Note(s)	2016	2015 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	15	7 964 344	8 548 675
Rental of facilities and equipment	16	599 329	750 418
Interest on consumer debtors		1 718 217	1 549 334
Other income	17	4 853 151	564 576
Interest received - investment	18	2 077 041	989 266
Total revenue from exchange transactions		**17 212 082**	**12 402 269**
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	19	12 818 076	11 125 412
Transfer revenue			
Government grants & subsidies	21	144 059 550	106 232 683
Total revenue from non-exchange transactions		**156 877 626**	**117 358 095**
Total revenue		**174 089 708**	**129 760 364**
Expenditure			
Employee related costs	22	(37 334 752)	(31 017 569)
Remuneration of councillors	23	(7 895 971)	(7 488 123)
Depreciation and amortisation	24	(8 975 770)	(6 991 918)
Impairment loss/ Reversal of impairments	25	(89 823)	(1 823 628)
Lease rentals on operating lease	31	(2 846 294)	(1 681 464)
(Debt Impairment)/ reversal of debt impairment	26	(5 580 123)	2 177 284
Repairs and maintenance	49	(3 175 301)	(1 744 436)
Bulk purchases - Electricity	27	(9 655 454)	(10 998 881)
Contracted services	28	(6 390 381)	(5 164 701)
Grant expenditure	20	(4 376 001)	(8 213 158)
General Expenses	29	(41 658 115)	(28 242 647)
Total expenditure		**(127 977 985)**	**~~(101 189 241)~~**
Operating surplus		**46 111 723**	**28 571 123**
Surplus or (Loss) on disposal of assets	47	459 903	(437 324)
Assets written-off		(92 080)	-
		367 823	**(437 324)**
Surplus for the year from continuing operations		**46 479 546**	**28 133 799**
Change in accounting estimates		-	55 131
Surplus for the year		**46 479 546**	**28 188 930**

* See Note 36

* See Note 36

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Balance at 01 July 2014	**251 691 179**	**251 691 179**
Changes in net assets		
Surplus for the year	28 188 929	28 188 929
Prior period errors	(16 610 199)	(16 610 199)
Total changes	11 578 730	11 578 730
Restated* Balance at 01 July 2015	**263 269 909**	**263 269 909**
Changes in net assets		
Surplus for the year	46 479 546	46 479 546
Total changes	46 479 546	46 479 546
Balance at 30 June 2016	**309 749 455**	**309 749 455**

Refer to Note 36 for prior period errors

* See Note 36

Cash Flow Statement

Figures in Rand	Note(s)	2016	2015 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		20 838 724	18 693 186
Grants		143 774 387	106 232 683
Interest income		2 077 041	989 266
		166 690 152	125 915 135
Payments			
Employee costs		(46 087 087)	(39 694 782)
Suppliers		(57 138 686)	(36 210 595)
		(103 225 773)	(75 905 377)
Net cash flows from operating activities	32	**63 464 379**	**50 009 758**
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(68 752 917)	(41 561 135)
Proceeds from sale of property, plant and equipment	4	761 403	-
Purchase of other intangible assets	5	(41 809)	(717 064)
Net cash flows from investing activities		**(68 033 323)**	**(42 278 199)**
Net increase/(decrease) in cash and cash equivalents		**(4 568 944)**	**7 731 559**
Cash and cash equivalents at the beginning of the year		9 050 757	1 319 198
Cash and cash equivalents at the end of the year	11	**4 481 813**	**9 050 757**

* See Note 36

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	14 194 000	(116 000)	**14 078 000**	7 964 344	**(6 113 656)**	1
Rental of facilities and equipment	893 000	(395 000)	**498 000**	599 329	**101 329**	2
Interest on consumer debtors	-	-	**-**	1 718 217	**1 718 217**	
Licences and permits	20 000	(15 000)	**5 000**	-	**(5 000)**	3
Other income	12 686 000	(631 000)	**12 055 000**	4 853 151	**(7 201 849)**	4
Interest received - investment	1 100 000	100 000	**1 200 000**	2 077 041	**877 041**	5
Total revenue from exchange transactions	**28 893 000**	**(1 057 000)**	**27 836 000**	**17 212 082**	**(10 623 918)**	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	7 794 000	2 386 000	**10 180 000**	12 818 076	**2 638 076**	6
Property rates - penalties imposed	409 000	(109 000)	**300 000**	-	**(300 000)**	
Transfer revenue						
Government grants & subsidies	143 908 000	(204 000)	**143 704 000**	144 059 550	**355 550**	7
Total revenue from non-exchange transactions	**152 111 000**	**2 073 000**	**154 184 000**	**156 877 626**	**2 693 626**	
Total revenue	**181 004 000**	**1 016 000**	**182 020 000**	**174 089 708**	**(7 930 292)**	
Expenditure						
Employee costs	(37 457 000)	1 388 000	**(36 069 000)**	(37 334 752)	**(1 265 752)**	8
Remuneration of councillors	(7 623 000)	-	**(7 623 000)**	(7 895 971)	**(272 971)**	
Depreciation and amortisation	(2 585 000)	-	**(2 585 000)**	(8 975 770)	**(6 390 770)**	9
Impairment loss/ Reversal of impairments	-	-	**-**	(89 823)	**(89 823)**	
Finance costs	(83 000)	50 000	**(33 000)**	-	**33 000**	10
Lease rentals on operating lease	(5 000 000)	(500 000)	**(5 500 000)**	(2 846 294)	**2 653 706**	
Bad debts written off and Debt impairment	-	-	**-**	(5 580 123)	**(5 580 123)**	11
Repairs and maintenance	(10 866 000)	(3 036 312)	**(13 902 312)**	(3 175 301)	**10 727 011**	12
Bulk purchases	(16 000 000)	4 000 000	**(12 000 000)**	(9 655 454)	**2 344 546**	13
Contracted Services	(7 504 000)	(3 765 000)	**(11 269 000)**	(6 390 381)	**4 878 619**	14
Transfer and grants	(830 000)	(420 000)	**(1 250 000)**	(4 376 001)	**(3 126 001)**	
General Expenses	(31 494 000)	(2 944 000)	**(34 438 000)**	(41 658 114)	**(7 220 114)**	15

Total expenditure	**(119 442 000)**	**(5 227 312)**	**(124 669 312)**	**(127 977 984)**	**(3 308 672)**
Operating surplus	**61 562 000**	**(4 211 312)**	**57 350 688**	**46 111 724**	**(11 238 964)**
Gain on disposal of assets and liabilities	-	-	**-**	459 903	**459 903**
Assets written-off	-	-	**-**	(92 080)	**(92 080)**
	-	**-**	**-**	**367 823**	**367 823**

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Surplus before taxation	**61 562 000**	**(4 211 312)**	**57 350 688**	**46 479 547**	**(10 871 141)**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**61 562 000**	**(4 211 312)**	**57 350 688**	**46 479 547**	**(10 871 141)**	

(1) The municipality budgeted to generate a revenue of R13,7 million from Service charges - electricity in 2015/16. The variance of R6,1 million can be in the main attributed to 43 percent electricity losses in the 2015/16 financial year. Moreover, the municipality anticipated that the FET college and the shopping centre would be operational during the 2015/16 financial year which was not the case, thus resulted in undergeneration of electricity revenue. (2) New lease agreements were signed during the 2015/16 financial year. (3) Collection is on a need basis and the municipality had an original budget of R20 000 and due to no revenue collected at mid year it was reduced to R5 000. (4) The municipality incorrectly budgeted for VAT refund of R5,9 million under Other income. Furthermore the municipality budgeted to generate R3,1 million from sale of land however, R100 000 was realised.
(5) This can be attributed to high balances in the call accounts of the municipality.
(6) The budgeted Property rates revenue was based on cash basis instead of billed revenue. Furthermore, new properties were added on the valuation roll during the year belonging to Public Works (Clinics and Schools) in terms of the Section 78 of the MPRA. In the beginning of the year (July 2015) there were new properties added, other properties changed their market values and its use category which resulted in high amount of property rates.
(7) This can be attributed in the main to unspent EPWP Grant with held by National Treasury.
(8) This can be attributed to the acting allowance in the position of the municipal manager as well as the subsistence and travel allowance.
(9) This item was underbudgeted in the 2015/16 financial year.
(10) This was incorrectly classified as Finance charges whilst the municipality was budgeting for bank charges.
(11) The municipality had erroneously omitted to budget for Debt impairment in the 2015/16 financial year.
(12) This can be attributed to the fact that the municipality included in the budgeted Repairs and Maintenance the refurbishment of the traffic unit building expenditure which was capital in nature.
(13) The municipality had anticipated high demand in Bulk purchases due to the Shopping centre and FET College development in town which was not incurred in the 2015/16 financial year.
(14) The municipality had overbudgeted for Contracted services.
(15) This can be attributed to in the main advertising and travelling and accommodation.

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 13 - Provisions.

Provision for landfill site

The entity has an obligation to rehabilitate it's landfill site in terms if it's license stipulations. Provision is made for this obligation based on the size / extent of the land to be rehabilitated, the rehabilitation cost per square metre, the monitoring cost per square metre, and the rehabilitation period. Current costs are projected using the average rate of inflation over the remaining period until rehabilitation, and then discounted to their present value to represent the time value of money.

Other provisions

The municipality's other provisions consist of a provision for leave pay and a provision for long service award. Provisions are measured as the present value of the estimated future outflows required to settle the obligation.

Additional disclosure of these estimates of provisions are included in note 13 - Provisions.

Allowance for doubtful debts

The measurement of receivables is derived after consideration of the allowance for doubtful debts. Management makes certain assumptions regarding the categorisation of debtors into groups with similar risk profiles so that the effect of any impairment on a group of receivables would not differ materially from impairment that would have been determined had each debtor been assessed for impairment on an individual basis. The determination of this allowance is predisposed to the utilisation of estimates,assumptions and management judgements. In determining this allowance the estimates are made about the probability of recovery of the debtors based on their past payments history and risk profile. The municipality firstly assesses whether objectve evidence of impairment exists individually for financial assets that are individually significant and collectively for financial assets that are not significant.

Accounting Policies

1.4 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life
Property – land	indefinite
Property – buildings	30 years

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

1.5 Property, plant and equipment

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 period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

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 management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Accounting Policies

1.5 Property, plant and equipment (continued)

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and stand by equipment which are expected to be used for more than one accounting period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life in years
Infrastructure	
• Roads and paving	30
• Pedestrian malls	30
• Electricity	20-80
Community	
• Buildings	30
• Recreational facilities	20-30
• Security	5
Other	
• Buildings	30
• Other vehicles	5
• Office Equipment	3-7
• Furniture and fittings	7-10
• Bins and containers	5
• Other items of plant and equipment	2-5
• Landfill sites	15

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

Accounting Policies

1.5 Property, plant and equipment (continued)

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.6 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. The entity recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity and the cost or fair value of the asset can be measured reliably.

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Intangible assets consist of computer software.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	5 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

1.7 Financial instruments

Classification

The municipality classifies financial assets and financial liabilities into the following categories:

- Financial assets at amortised cost.
- Financial liabilities measured at amortised cost.
- Financial instruments at fair value.

Accounting Policies

1.7 Financial instruments (continued)

Initial recognition and measurement

Financial instruments are recognised initially when the municipality becomes a party to the contractual provisions of the instruments.

The municipality classifies financial instruments, or their components parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value plus in case of a financial instrument not subsequently measured at fair value, transaction costs that are directly attributable to acquisition or issue.

Transaction costs on financial instruments at fair value through surplus or deficit are recognised in surplus or deficit.

Subsequent measurement

Financial instruments at fair value are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in surplus or deficit for the period.

Financial assets and liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Impairment of financial assets

At each end of the reporting period the municipality assesses all financial assets, other than those at fair value, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.Additional text

For amounts due to the municipality, significant financial difficulties of debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment .

Impairment losses are recognised in surplus or deficit.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occuring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in surplus or deficit.

Receivables from exchange transactions

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the deficit is recognised in surplus or deficit within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

Trade and other receivables are classified as financial assets at amortised cost.

Payables from exchange transactions

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Accounting Policies

1.7 Financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at amortised cost.

1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases – lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.9 Impairment of cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

Accounting Policies

1.9 Impairment of cash-generating assets (continued)

(a) the period of time over which an asset is expected to be used by the municipality; or
(b) the number of production or similar units expected to be obtained from the asset by the municipality.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also test a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

1.10 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Accounting Policies

1.10 Employee benefits (continued)

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service. The cost of short-term employee benefits are recognised as expense in the period in which the service is rendered and are not discounted.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

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The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

1.11 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- 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.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Accounting Policies

1.11 Provisions and contingencies (continued)

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 34.

1.12 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Commitments are measured at the value of the contract less amount incurred.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements.

1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Accounting Policies

1.13 Revenue from exchange transactions (continued)

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

ServiceCharges
Service charges revenue relating to refuse removal is recognise on a monthly basis i arrears by applying the approved tariff. Service charges relating to electricity are based on consumption. Meters are read on regular basis and revenue is recognised when billed. Provsional estimates of consumption are made when metere readings can not be done. Prepaid electricity is recognised based on the approved tarrifs.

Service charges revenue relating to other services is recognise on a monthly basis i arrears by applying the approved tariff.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.14 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Accounting Policies

1.14 Revenue from non-exchange transactions (continued)

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Rates, including collection charges and penalties interest

Revenue from rates, including collection charges and penalty interest, is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the amount of the revenue can be measured reliably; and
- there has been compliance with the relevant legal requirements.

Changes to property values during a reporting period are valued by a suitably qualified valuator and adjustments are made to rates revenue, based on a time propotion basis. Adjustments to rates revenue already recognised are processed or additional rates revenue is recognised.

Government grants

Government grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with flow to the municipality,
- the amount of the revenue can be measured reliably, and
- to the extent that there has been compliance with any restrictions associated with the grant.

The municipality assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, which-ever is earlier.

When government remit grants on a re-imbursement basis, revenue is recognised when the qualifying expenditure has been incurred and to the extent that any other restrictions have been complied with.

1.15 VAT

The municipality accounts for Value Added Tax on the payments basis.

Accounting Policies

1.16 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.17 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.18 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.19 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.20 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.21 Irregular expenditure

Irregular expenditure as defined in section 1 of the MFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

(a) this Act; or
(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
(c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the MFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Accounting Policies

1.21 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

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), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.22 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.23 Related parties

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As an organ of state, the municipality is defined as a government institution and therefore is related to all spheres of government (national, provincial and local).

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

1.24 Events after reporting date

Events after the reporting date that have been classified as adjusting events are accounted for in the annual financial statements. Events after the reporting date that are classified as non-adjusting events are disclosed in the notes to the annual financial statements.

Notes to the Annual Financial Statements

Figures in Rand 2016 2015

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 18: Segment Reporting	01 April 2015	Not applicable
• GRAP 105: Transfers of functions between entities under common control	01 April 2015	Not applicable
• GRAP 106: Transfers of functions between entities not under common control	01 April 2015	Not applicable
• GRAP 107: Mergers	01 April 2015	Not applicable
• IGRAP 11: Consolidation – Special purpose entities	01 April 2015	Not applicable
• IGRAP 12: Jointly controlled entities – Non-monetary contributions by ventures	01 April 2015	Not applicable
• GRAP 6 (as revised 2010): Consolidated and Separate Financial Statements	01 April 2015	Not applicable
• GRAP 7 (as revised 2010): Investments in Associates	01 April 2015	Not applicable
• GRAP 8 (as revised 2010): Interests in Joint Ventures	01 April 2015	Not applicable

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2016 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 20: Related parties	01 April 2016	
• GRAP32: Service Concession Arrangements: Grantor	01 April 2016	
• GRAP108: Statutory Receivables	01 April 2016	
• IGRAP17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	01 April 2016	
• DIRECTIVE 11: Changes in measurement bases following the initial adoption of Standards of GRAP	01 April 2016	The impact of the amendment is not material.

Figures in Rand	2016	2015

3. Investment property

	2016			2015		
	Cost / Valuation	**Accumulated depreciation and accumulated impairment**	**Carrying value**	**Cost / Valuation**	**Accumulated depreciation and accumulated impairment**	**Carrying value**
Investment property	6 955 451	(1 522 944)	5 432 507	6 955 451	(1 291 456)	5 663 995

Reconciliation of investment property – 2016

	Opening balance	**Depreciation**	**Total**
Investment property	5 663 995	(231 488)	5 432 507

Reconciliation of investment property – 2015

	Opening balance	**Depreciation**	**Total**
Investment property	5 895 722	(231 727)	5 663 995

Pledged as security

There was no investment property pledged as security.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

4. Property, plant and equipment

	2016			2015		
	Cost / Valuation	**Accumulated depreciation and accumulated impairment**	**Carrying value**	**Cost / Valuation**	**Accumulated depreciation and accumulated impairment**	**Carrying value**
Land	102 116 940	-	102 116 940	102 418 440	-	102 418 440
Buildings	13 065 690	(2 393 482)	10 672 208	9 873 034	(2 013 482)	7 859 552
Plant and machinery	2 518 227	(690 557)	1 827 670	1 521 804	(524 455)	997 349
Furniture and fixtures	2 665 456	(1 232 500)	1 432 956	2 428 111	(1 033 838)	1 394 273
Motor vehicles	2 396 666	(1 023 409)	1 373 257	1 613 653	(771 302)	842 351
Computer equipment	2 410 506	(1 369 763)	1 040 743	2 358 051	(1 011 264)	1 346 787
Infrastructure	167 765 111	(28 977 962)	138 787 149	131 305 464	(22 302 831)	109 002 633
Work in progress	64 389 962	-	64 389 962	41 880 496	-	41 880 496
Landfill site	2 892 562	(1 393 764)	1 498 798	2 892 562	(1 179 650)	1 712 912

Notes to the Annual Financial Statements

Figures in Rand

Total	**360 221 120**	**(37 081 437)**	**323 139 683**	**296 291 615**	**(28 836 822)**	**267 454 793**

Figures in Rand

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment – 2016

	Opening balance	Additions	Disposals	Transfers	Newly identified assets	Assets written-off	Depreciation	Impairment loss	Total
Land	102 418 440	-	(301 500)	-	-	-	-	-	102 116 940
Buildings	7 859 552	-	-	3 192 655	-	-	(379 999)	-	10 672 208
Plant and machinery	997 349	942 762	-	-	60 130	(455)	(172 116)	-	1 827 670
Furniture and fixtures	1 394 272	350 404	-	-	26 955	(48 143)	(284 651)	(5 881)	1 432 956
Motor vehicles	842 351	783 013	-	-	-	-	(252 108)	-	1 373 256
Computer equipment	1 346 787	138 968	-	-	39 337	(31 964)	(452 386)	-	1 040 742
Infrastructure	109 002 632	1 398 157	-	35 061 491	-	-	(6 591 189)	(83 942)	138 787 149
Work in progress	41 880 496	65 139 613	-	(42 630 147)	-	-	-	-	64 389 962
Landfill site	1 712 912	-	-	-	-	-	(214 114)	-	1 498 798
	267 454 791	**68 752 917**	**(301 500)**	**(4 376 001)**	**126 422**	**(80 562)**	**(8 346 563)**	**(89 823)**	**323 139 683**

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment – 2015

	Opening balance	Additions	Disposals	Transfers	Newly Identified assets recognised	Prior period error	Other changes, movements	Depreciation	Impairment loss	Total
Land	114 782 440	-	-	-	-	(12 364 000)	-	-	-	102 418 440
Buildings	3 441 333	-	-	4 697 050	-	-	-	(278 831)	-	7 859 552
Plant and machinery	932 336	55 350	(95 206)	-	278 311	-	1 485	(137 698)	(37 229)	997 349
Furniture and fixtures	1 338 109	437 389	(220 274)	-	103 586	-	44 877	(293 990)	(15 425)	1 394 272
Motor vehicles	1 071 734	-	-	-	8 148	-	-	(237 531)	-	842 351
Computer equipment	923 726	942 578	(121 844)	-	142 400	-	7 258	(541 929)	(5 402)	1 346 787
Infrastructure	86 035 551	-	-	26 588 822	3 382 652	(1 079 844)	-	(4 158 976)	(1 765 573)	109 002 632
Work in progress	41 253 709	40 125 818	-	(39 499 031)	-	-	-	-	-	41 880 496
Landfill site	1 927 026	-	-	-	-	-	-	(214 114)	-	1 712 912
	251 705 964	**41 561 135**	**(437 324)**	**(8 213 159)**	**3 915 097**	**(13 443 844)**	**53 620**	**(5 863 069)**	**(1 823 629)**	**267 454 793**

Figures in Rand

4. Property, plant and equipment (continued)

Figures in Rand	2016	2015

4. Property, plant and equipment (continued)

Pledged as security

There was no property, plant and equipment pledged as security.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

5. Intangible assets

	2016			2015		
	Cost / Valuation	**Accumulated amortisation and accumulated impairment**	**Carrying value**	**Cost / Valuation**	**Accumulated amortisation and accumulated impairment**	**Carrying value**
Computer software	1 512 321	(959 161)	553 160	1 654 654	(734 069)	920 585

Reconciliation of intangible assets – 2016

	Opening balance	**Additions**	**Assets written-off**	**Amortisation**	**Total**
Computer software, internally generated	920 585	41 809	(11 516)	(397 718)	553 160

Reconciliation of intangible assets – 2015

	Opening balance	**Additions**	**Other changes, movements**	**Amortisation**	**Total**
Computer software, internally generated	504 587	717 064	1 513	(302 579)	920 585

Pledged as security

There were no intangible assets pledged as security.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

6. Other receivables from exchange transactions

Prepayments	1 229 763	1 229 763
Less: Provision	(1 229 763)	-
Sundry debtors	**-**	**1 229 763**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

7. Receivables from exchange transactions

Gross Balances		
Electricity	3 502 950	4 777 752
Sundry	2 503 918	2 065 701
Refuse	5 006 614	4 774 621
Other	1 647 686	1 647 686
	12 661 168	**13 265 760**
Less: Allowance for impairment		
Electricity	(717 358)	(1 222 052)
Sundry	(2 104 548)	(1 404 544)
Refuse	(3 281 663)	(3 009 857)
Other	(571 755)	(552 395)
	(6 675 324)	**(6 188 848)**
Net balance		
Electricity	2 785 592	3 555 700
Sundry	399 371	661 157
Refuse	1 724 952	1 764 764
Other	1 075 933	1 095 291
	5 985 848	**7 076 912**
Reconciliation of allowance for impairment		
Balance at beginning of the year	(6 188 848)	(8 242 497)
Contributions for impairment	(486 476)	2 053 649
	(6 675 324)	**(6 188 848)**

8. Receivables from non-exchange transactions

Rates - Gross Balance	5 473 861	5 527 459
Add back : Credit balance in debtors	2 392 103	783 172
	7 865 964	**6 310 631**
Less allowance for impairment		
Rates	(4 433 658)	(4 006 706)

Net Balances

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
Rates	3 432 305	2 303 924
Reconciliation of allowance for impairment		
Balance at beginning of the year	(4 006 707)	(4 130 340)
Contributions to allowance	(426 951)	123 633
	(4 433 658)	**(4 006 707)**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

9. Consumer Debtors by Classification

Consumers		
Current (0-30 days)	118 597	174 722
31-60 days	100 530	171 944
61-90 days	139 234	-
91-180+days	6 295 862	8 962 297
	6 654 223	**9 308 963**
Business		
Current (0-30 days)	227 788	356 537
31-60 days	163 773	278 215
61-90 days	175 358	-
91-180+days	2 533 429	8 959 487
	3 100 348	**9 594 239**
State Owned		
Current (0-30 days)	222 024	77 437
31-60 days	140 116	65 628
61-90 days	170 006	-
91-180+days	3 348 088	1 609 625
	3 880 234	**1 752 690**
Other		
Current (0-30 days)	305 719	-
31-60 days	158 700	-
61-90 days	154 946	-
91-180+days	3 880 926	-
	4 500 291	**-**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
Total		
Current (0-30 days)	874 127	608 697
31-60 days	563 124	515 787
61-90 days	639 545	-
91-180+days	16 058 313	18 748 237
Add back: Credit balances in debtors	2 392 103	783 172
Less: Debt impairments	(11 108 980)	(10 195 555)
Adjustments in corrections	-	197 999
	9 418 232	**10 658 337**

10. VAT receivable

VAT	9 666 057	253 419

11. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	2 707	-
Bank and cash	4 479 106	9 050 757
	4 481 813	**9 050 757**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

11. Consumer debtors disclosure (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2016	30 June 2015	30 June 2014	30 June 2016	30 June 2015	30 June 2014
ABSA - Primary Bank Account - 4053858355	4 402 554	5 406 879	937 988	4 409 461	5 406 879	(512 632)
ABSA - Call Account - 9104679851	69	438 311	1 749 718	69	438 311	1 749 718
ABSA -MIG Call Account - 9108997407	621	1 992 684	33 957	621	1 992 684	33 957
ABSA -MIG Call Account -9287118398	1 156	1 094	1 040	1 156	1 094	1 040
ABSA - Conditional Call Account - 9132397071	44 741	43 199	41 914	44 741	43 199	41 914
ABSA - DOE Call Account -9287118576	12 125	24 085	1 040	12 125	24 085	1 040
ABSA - EPWP Call Account - 9287118801	1 010	236 095	1 040	1 010	236 095	1 040
ABSA - MSIG Call Account - 9287117928	7 677	381 374	1 040	7 677	381 374	1 040
ABSA - FMG Call Account - 9287118110	1 010	525 942	1 040	1 010	525 942	1 040
ABSA - Investment Account - 9287138394	1 156	1 094	1 040	1 156	1 094	1 040
Petty Cash	-	-	-	2 707	-	-
Direct deposit clearing	-	-	-	79	-	-
Cash customer control	-	-	-	1	-	-
Total	**4 472 119**	**9 050 757**	**2 769 817**	**4 481 813**	**9 050 757**	**1 319 197**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

11. Consumer debtors disclosure (continued)

12. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Small Town Rehabilitation Grant	466 266	466 266
Cyber Cadet Grant	88 655	50 408
Financial Management Grant	-	120 616
E-Learning Grant	167 230	167 230
Sport and Recreation Grant	1 122 219	1 122 219
Electrification Grant	640	-
Facility Grant	750 000	750 000
LG SETA	-	210 456
EPWP Grant	-	83 116
Qedisimo Grant	1 447 676	1 447 676
Library Grant	460 294	370 156
	4 502 980	**4 788 143**

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note 21 for reconciliation of grants from National/Provincial Government.

These amounts are invested in a ring-fenced investment until utilised.

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

13. Provisions

Reconciliation of provisions – 2016

	Opening Balance	Additions	Acturial (gain)/loss recognised	Interest cost	Service cost	Total
Environmental rehabilitation	4 636 849	303 714	-	-	-	4 940 563
Long service award - short term	-	30 832	-	-	-	30 832
Long service award - long term	1 152 000	(34 000)	(144 000)	97 000	183 000	1 254 000
	5 788 849	**300 546**	**(144 000)**	**97 000**	**183 000**	**6 225 395**

Reconciliation of provisions – 2015

	Opening Balance	Additions	Total
Environmental rehabilitation	4 432 934	203 915	4 636 849
Provision for long service awards - short term	99 099	(99 099)	-
Provision for long service awards - long term	-	1 152 000	1 152 000
	4 532 033	**1 256 816**	**5 788 849**

Non-current liabilities	6 194 563	5 788 849
Current liabilities	30 832	-
	6 225 395	**5 788 849**

Environmental rehabilitation provision

The provision for rehabilitation of landfill site relates to the legal obligation to rehabilitate landfill sites used for waste disposal. It is calculated as the present value of the future obligation, discounted at 6.55% over an average period of 5 years.

Long service award provision

In line with the guidelines of the Bargaining Council, the municipality remunerates its employees for the long service rendered to the municipality. The estimates of the present obligation are determined through the use of Actuarial expertise. Such estimates are reviewed annualy at the end of each financial year.The finance cost and acturial gains/losses are recognised directly in the statement of financial performance.

The municipality offers bunuses for every 5 years of completed service from 10 to 45 years. Long service accumulated leave must be taken within one year of receiving such leave or wholly or partially cashed. In most cases employees exercise the option to wholly convert their accumulative leave bonus days into cash.

Key assumptions (%)	
Discount rate	9.06%
CPI	6.68%

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
Salary increase rate	7.68%	
Net Discount Rate	1.28%	
Mortality	SA85-90	
Normal retirement age	63	

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

14. Payables from exchange transactions

Trade payables	19 414 891	11 367 604
Payments received in advanced	3 978 535	3 023 990
Other payables	117 691	543 341
Accrued leave pay	2 552 292	2 861 724
Accrued bonus	823 882	-
Retentions	5 326 252	2 310 588
	32 213 543	**20 107 247**

15. Service charges

Sale of electricity	7 340 362	7 775 203
Refuse removal	623 982	773 472
	7 964 344	**8 548 675**

16. Rental of facilities and equipment

Premises		
Premises	543 417	689 500
Facilities and equipment		
Rental of facilities	55 912	60 918
	599 329	**750 418**

17. Other income

Burial fees	4 911	7 239
Connection fees	4 238 888	209 401
Donations received	126 522	55 995
Housing plan	2 623	-
Library fees	26 180	19 349
Lindela Thusong Services	22 998	21 500
Refunds	5 604	71 568
Temparing fees	20 607	22 268
Taxi and bus licences	14 673	15 172
Tender monies	181 673	30 997
Wood sales	246	1 952
Plan submission	7 429	34 687
Zonning fees	-	10 600
Recoveries from employees	74 040	63 849
Meter testing fees	75	-
Rates clearance certificates	426	-
Electricity meter upgrade	20 228	-
Disconnection fees	6 027	-

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
Sale of land	100 000	-
	4 853 151	**564 576**

18. Investment revenue

Interest revenue		
Interest from current account	928 757	210 437
Interest on investment	1 127 607	775 493
Interest from SARS	20 676	3 335
	2 077 041	**989 266**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

19. Property rates

Rates

Property rates	18 566 400	23 823 495
Less: Income forgone	(5 748 324)	(12 698 083)
	12 818 076	**11 125 412**

Valuations

Agriculture	56 000	56 000
Business	82 525 000	76 590 000
Place of worship	1 870 000	1 870 000
Residential	76 033 000	72 878 000
State trust land	115 590 000	115 590 000
State owned properties	443 140 000	361 708 000
Vacant land	12 652 500	8 090 500
Protected area	11 000 000	11 000 000
Specialised non-market properties	79 630 000	79 630 000
Public service infrastructure	95 000	95 000
Public benefit organisations	11 235 000	11 235 000
Multiple use properties	5 600 000	-
	839 426 500	**738 742 500**

Valuations on land and buildings are performed every four years. The last general valuation came into effect on 1 July 2013. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

A fixed rate is applied:
Agriculture: 0.0026c in the Rand
Business: 0.0325 in the Rand
Place of worship: 0.0189 in the Rand
Residential: 0.0105 in the Rand
State trust land: 0.0026 in the Rand
State owned properties: 0.0325 in the Rand
Vacant Land: 0.0157 in the Rand
Protected area: Nil
Specialised non-market properties: Nil
Public service infrastructure: Nil

The following rebate rates are applied:
100% of market value of Ingonyama Trust Land
100% of market value residential properties less than R80 000
100% of market value of worshipping properties
First R80 000 on any residential properties
40% of market value less exemption for owners who are eligable pensioners.

20. Grant expenditure

Other subsidies

Transfers and Grants Expenditure	4 376 001	8 213 158

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

21. Government grants and subsidies

Operating grants		
Equitable share	82 038 000	65 879 000
Expanded Public Works Programme Grant	1 108 115	1 662 583
Financial Management Grant	1 920 616	1 712 624
Municipal Systems Improvement Grant	930 000	934 000
Cybercadet Grant	131 753	213 329
Sports and Recreation Grant	-	-
Library Grant	462 862	249 147
Qedisimo Projects	-	-
LGSETA	280 842	-
	86 872 188	**70 650 683**
Capital grants		
Electrification Grant	34 999 361	4 000 000
Government grant (capital) 11	22 188 001	31 582 000
	57 187 362	**35 582 000**
	144 059 550	**106 232 683**

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

In terms of the Division of Revenue Act an amount of R82 242 000 was gazetted to be received. An amount of R82 038 000 was received. The difference of R204 000 was held back.

Small Town Rehabilitation Grant

Balance unspent at beginning of year	466 266	466 266

Conditions still to be met - remain liabilities (see note 12).

Cyber Cadet Grant

Balance unspent at beginning of year	50 408	113 738
Current-year receipts	170 000	150 000
Conditions met - transferred to revenue	(131 753)	(213 330)
	88 655	**50 408**

Conditions still to be met - remain liabilities (see note 12).

Municipal Systems Improvement Grant

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
Balance unspent at beginning of year	-	4 000
Current-year receipts	930 000	930 000
Conditions met - transferred to revenue	(930 000)	(934 000)
	-	**-**

Conditions still to be met - remain liabilities (see note 12).

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

21. Government grants and subsidies (continued)

Finance Management Grant

Balance unspent at beginning of year	120 616	33 240
Current-year receipts	1 800 000	1 800 000
Conditions met - transferred to revenue	(1 920 616)	(1 712 624)
	-	**120 616**

Conditions still to be met - remain liabilities (see note 12).

E-Learning Grant

Balance unspent at beginning of year	167 230	167 230

Conditions still to be met - remain liabilities (see note 12).

Sport & Recreation Grant

Balance unspent at beginning of year	1 122 219	1 122 219

Conditions still to be met - remain liabilities (see note 12).

Electrification Grant

Current-year receipts	35 000 000	4 000 000
Conditions met - transferred to revenue	(34 999 361)	(4 000 000)
	639	**-**

Conditions still to be met - remain liabilities (see note 12).

Facility Grant

Balance unspent at beginning of year	750 000	750 000

Conditions still to be met - remain liabilities (see note 12).

Municipal Infrastructure Grant

Current-year receipts	22 188 001	31 582 000
Conditions met - transferred to revenue	(22 188 001)	(31 582 000)

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

21. Government grants and subsidies (continued)

	-	-

Conditions still to be met - remain liabilities (see note 12).

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

21. Government grants and subsidies (continued)

LGSETA

Balance unspent at beginning of year	210 456	154 017
Current-year receipts	70 386	56 439
Conditions met - transferred to revenue	(280 842)	-
	-	**210 456**

Conditions still to be met - remain liabilities (see note 12).

EPWP Grant

Balance unspent at beginning of year	83 115	97 697
Current-year receipts	1 025 000	1 648 000
Conditions met - transferred to revenue	(1 108 115)	(1 662 582)
	-	**83 115**

Qedisimo Projects

Balance unspent at beginning of year	1 447 676	1 447 676

Conditions still to be met - remain liabilities (see note 12).

Library Grant

Balance unspent at beginning of year	370 156	84 303
Current-year receipts	553 000	535 000
Conditions met - transferred to revenue	(462 862)	(249 147)
	460 294	**370 156**

Conditions still to be met - remain liabilities (see note 12).

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

22. Employee related costs

Basic	22 432 703	20 781 092
Bonus	2 376 820	1 305 542
Medical aid - company contributions	1 157 261	945 204
UIF	218 988	145 729
SDL	336 039	284 888
Leave pay provision charge	68 810	1 202 790
Standby allowance	258 915	-
Pension contributions	2 979 317	2 560 178
Travel, motor car, accommodation, subsistence and other allowances	5 008 956	3 004 270
Overtime payments	596 161	275 048
Long-service awards	288 212	83 978
Acting allowances	1 035 956	-
Housing benefits and allowances	309 666	209 631
Industrial council	27 025	7 899
Cellphone allowance	14 800	-
Group life insurance	225 124	211 319
	38 118 129	**31 017 569**

Remuneration of Municipal Manager

Annual Remuneration	739 412	732 468
Travel Allowance	158 440	194 867
Housing Allowance	15 581	90 787
Acting Allowance	404 780	-
	1 318 214	**1 018 122**

Remuneration of Chief Financial Officer

Annual Remuneration	191 395	577 828
Travel Allowance	68 266	227 208
Acting Allowance	172 747	34 515
	461 283	**839 551**

Remuneration of Director of Community Services

Annual Remuneration	224 749	439 308
Travel Allowance	96 321	188 275
Acting Allowance	50 446	-
	371 516	**627 583**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

Remuneration of Director of Technical Services

Annual Remuneration	539 147	586 318
Travel Allowance	138 638	125 839
Performance Bonuses	-	28 965
Housing Allowance	52 570	83 892
	730 355	**825 014**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

22. Employee related costs (continued)

Remuneration of Director of Corporate Services

Annual Remuneration	474 515	276 037
Travel Allowance	168 611	118 302
Performance Bonuses	-	32 862
Other	120 893	-
	764 018	**427 201**

23. Remuneration of councillors

Executive Major	782 480	742 963
Deputy Mayor	359 574	340 606
MPAC Chairperson	317 685	301 088
Speaker	359 574	340 606
Councillors	5 060 750	4 836 214
Executive Committee	1 015 908	962 541
	7 895 971	**7 524 018**

In-kind benefits

The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Executive Mayor is entitled to stay at the mayoral residence owned by Council at no cost. The Executive Mayor has use of a Council owned vehicle for official duties.

The Mayor and the Deputy Mayor each have the use of separate Council owned vehicles for official duties.

The Mayor has three full-time bodyguards . The Deputy Mayor and speaker have two full-time bodyguards.

The Executive Mayor has two full-time bodyguards.

24. Depreciation and amortisation

Property, plant and equipment	8 346 563	6 457 613
Investment property	231 488	231 727
Intangible assets	397 719	302 579
	8 975 770	**6 991 919**

25. Impairment of assets

Impairments		
Property, plant and equipment	89 823	1 823 628

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

22. Employee related costs (continued)
During the physical verification of the assets, certain assets were identified to be in a poor condition and thus an impairment was recognised accordingly.

26. Debt impairment

Debt impairment	2 143 187	(2 177 284)
Bad debts written off	3 436 935	-
	5 580 122	**(2 177 284)**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

27. Bulk purchases

Electricity	9 655 454	10 998 881

28. Contracted services

Information Technology Services	2 754 089	1 641 348
Security services	3 636 291	3 523 353
	6 390 380	**5 164 701**

29. General expenses

Advertising	5 699 485	1 968 252
Auditors remuneration	2 003 560	1 261 314
Bank charges	85 620	92 527
Cleaning	182 982	111 527
Commission paid	186 412	-
Computer expenses	-	185 983
Consulting and professional fees	8 675 637	7 988 196
Consumables	41 815	296 739
VAT commission	452 765	884 346
Sport & recreation	3 836 848	1 562 263
Entertainment	117 151	147 454
Fines and penalties	112 979	6 000
Indigent burial	251 800	135 000
Community safety	994 999	163 703
Hire	666 565	-
Insurance	267 310	132 786
Community development	3 465 455	1 865 570
Bursaries	204 813	112 525
Departmental charges	-	3 773 123
IT expenses	-	91 423
Packaging	303 714	203 915
Social services	385 116	59 900
Fuel and oil	1 147 296	923 204
Printing and stationery	397 833	127 381
Library and information services	376 691	118 877
Software expenses	235 252	46 736
Staff welfare	103 661	134 764
Subscriptions and membership fees	522 072	500 100
Telephone and fax	1 353 865	1 204 277
Training	765 728	639 561
Disaster relief	-	21 241
Water	264 665	309 784
Sewerage and waste disposal	483 339	49 679
Uniforms	237 802	192 872
Tourism development	-	155 729
Travelling and accommodation	1 767 334	705 379
Youth development	1 342 771	463 952
Free basic electricity	1 280 174	718 809
Local economic development	2 704 044	887 757
Spatial planning	198 300	-

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
Provincialisation	116 089	-
Traffic unit	301 703	-
Strategic planning	123 746	-
Other expenses	726	-
	41 658 115	**28 242 647**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

30. Auditors' remuneration

Fees	2 003 560	1 261 314

31. Operating lease

Expense incurred	2 846 294	1 681 464

Operating leases are in respect of leasing of printing from Nashua and Konica Minolta. Refer to note 33 on additional lease committment information

32. Cash generated from operations

Surplus	46 479 546	28 188 929
Adjustments for:		
Depreciation and amortisation	8 975 770	6 991 918
(Loss) gain on sale of assets and liabilities	(459 903)	437 324
Impairment deficit	89 823	1 823 628
Debt impairment	5 580 123	(2 177 284)
Movements in provisions	436 546	1 471 305
Grant expenditure realised	4 376 000	8 213 158
Other non-cash items	-	3 007 777
Change in accounting estimate	-	(55 131)
Asset written-off	92 077	-
Newly identified assets	(126 423)	(3 915 097)
Changes in working capital:		
Inventories	-	91 423
Receivables from exchange transactions	-	(130 571)
Consumer debtors	(4 489 059)	(749 078)
Other receivables from non-exchange transactions	(1 128 381)	(788 298)
Other receivables from exchange transactions	1 229 763	-
Payables from exchange transactions	12 106 298	7 304 778
VAT	(9 412 638)	(56 779)
Unspent conditional grants and receipts	(285 163)	351 756
	63 464 379	**50 009 758**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

33. Commitments

Authorised capital expenditure

Already contracted for but not provided for		
• Electrification	35 176 677	-
• Infrastructre assets	15 144 886	45 793 369
	50 321 563	**45 793 369**
Not yet contracted for and authorised by accounting officer		
• Property, plant and equipment	-	148 621 125
• Electrification	18 000 000	-
	18 000 000	**148 621 125**
Total capital commitments		
Already contracted for but not provided for	50 321 563	45 793 369
Not yet contracted for and authorised by accounting officer	18 000 000	148 621 125
	68 321 563	**194 414 494**

Authorised operational expenditure

This committed expenditure relates to assets and will be financed by available grant funding, retained surpluses, existing cash resources, funds internally generated, etc.

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year	1 058 159	1 012 220
- in second to fifth year inclusive	7 149	115 207
	1 065 308	**1 127 427**

Operating lease payments represent rentals payable by the municipality for vehicles and computer equipment. Leases are negotiated for an average term of three years and rentals of vehicles and computer equipment with contingent rentals payable.

34. Contingencies

The Municipal Manager was suspended on full pay by council and the case set on scheduled dates. The findings are not yet finalised by the presiding officer. The amount of the potential claim when the municipality loses the case will be the salary for his remaining contract term amounting to R849 868.

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

35. Related parties

As a local government entity (being a municipality) we are defined as an organ of state and as such is a related party to national, provincial and local spheres of government and their related entities.

Related party transactions

Purchases from (sales to) related parties		
Eskom SOC Limited	8 474 878	10 998 881
Grants & Subsidies received		
National Treasury (Gazetted through DORA)	142 152 000	105 770 207
Provincial Allocations	607 387	462 476

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

36. Prior period errors

1. Through detailed review and reconciliation of the trade payables account balance, the municipality discovered that some of the audit adjustments processed during 2015 financial year audit were already processed on the General Ledger resulting in duplicate transaction being processed. Consequently the trade payables account balance was understated and the suppliers age analysis did not reconcile to the General Ledger as a result.

2. During the detail review and reconciliation of the assets register, the municipality noted certain properties that are not registered in its name were were included in the fixed asset register as at 30 June 2015. These properties have now been derecognised.

3. Through detailed review and reconciliation of the consumer account balances, the municipality discovered that rebates or reversal journals on all Municipality properties for the June 2015 Billing were only effected during July 2015 period. Consequently Trade receivables account balance was overstated as at 30 June 2015.

4. Through assessment of the long service award estimates the municipality noted that the employee data utilised in determination of the actuarial estimates was mistated and incomplete resulting to material mistatement of the long service award liability.

5. Through detailed review and reconciliation of the Work in Progress account balance; the municipality noted that certain capital projects completed in prior years were not capitalised on completion and transfered from Work in Progress. This error resulted to overstatement of the Work in Progress account balance and understatement of depreciation charged in in the prior, Accumulated depreciation and Infrastructure account balance.

6. The municipality discovered that retention liability in respect of certain capital projects from the previous financal year was not recgnised during 2015 financial year. This error resulted to under-statement of the retention liability, Work in Progress and Input VAT accrual.

The effect of the errors on the prior year balances is reflected below:

Statement of financial position

Trade payables	(919 931)
Property Plant and Equipment-Land	(12 364 000)
Trade and other receivables	(1 277 502)
Provision - long service award	(968 923)
Work in progress	(3 315 717)
Property Plant and Equipment-Infrastructure	4 075 880
Retention	(2 102 709)
Vat	262 701
Opening Accumulated Surplus or Deficit	16 610 199

	Previously reported	Adjustment	Restated Balance
Trade payables	(10 447 730)	(919 931)	(11 367 661)
Property Plant and Equipment	279 058 629	(11 603 836)	267 454 793
Trade and other receivables	3 581 426	(1 277 502)	2 303 924
Provision - Long Service Award	(183 077)	(968 923)	(1 152 000)
Retention	(207 879)	(2 102 709)	(2 310 588)
Vat	(9 283)	262 702	253 419
Accumulated Surplus	-	16 610 199	16 610 199
	271 792 086	**-**	**271 792 086**

Statement of Financial Performance

Depreciation expense	-	594 546

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

37. Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

Statement of financial position		
Provision/Accrued-accumulated leave days	-	2 861 724
Trade payables from exchange transactions	-	(2 861 724)
Non current liability	-	1 254 000
Current liability	-	(1 254 000)

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

38. Risk management

Financial risk management

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Current liabilities		
Trade and other payables from exchange transactions	32 996 920	20 107 247
Unspent conditional grants	4 502 980	4 788 143
Provision long service award	30 832	-
	37 530 732	**24 895 390**

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Consumer debtors comprise of a large number of ratepayers dispersed accross different sectors and geographical areas. Management evaluated credit risk relating to customers on an ongoing basis. Credit exposure is managed by application of the municipality's policies regarding credit control and debt collection. The municipality has made a provision for doubtful debts in accordance to its policies. The carrying amount of financial assets is the maximum exposure to credit risk in relation to these assets.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	**2016**	**2015**
Trade and other receivables from exchange transactions	5 985 848	7 076 912
Trade and other receivables from non-exchange transactions	3 432 305	2 303 924
Cash and cash equivalents/bank balances	4 481 813	4 496 863

39. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

40. Events after the reporting date

The new Council was successfully elected on the 3rd of August 2016 after the General Local Government Elections..

41. Unauthorised expenditure

Current year movement - actual expenditure exceeds budget	3 308 672	-

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

42. Fruitless and wasteful expenditure

Opening Balance	328 119	176 905
Fruitless and wasteful expenditure current year not condoned	53 070	143 254
Interest charged on Eskom Account - Current Year (not condoned)	26 481	7 960
	407 670	**328 119**

Fruitless and wasteful expenditure is as a result of penalties/late payments of interest charged by SARS, Telkom and Eskom.

43. Irregular expenditure

Opening balance	45 969 730	30 766 117
Add: Irregular Expenditure - current year	14 677 472	15 078 725
Additional Irregular Expenditure - current year (not condoned)	-	124 888
	60 647 202	**45 969 730**

44. In-kind Services

The Mayor, Deputy Mayor and Speaker are full-time. Each is provided with an office and secretarial support at the cost of the council.

The office beares have use of Council leased vehicles for official duties.

The Mayor has four full-time body guards. The Deputy Mayor and Speaker have two full-time bodyguards.

The salaries, fringe benefits and allowances payable to councillors, as disclosed in note-23, are within the limits as determined by the MEC for Cooperative Governance and Traditional Affairs.

45. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	502 576	500 000
Amount paid - current year	(502 576)	(500 000)
	-	**-**

Audit fees

Opening balance	17 942	-
Current year subscription / fee	2 003 560	1 261 314
Amount paid - current year	(1 925 508)	(1 243 372)
	95 994	**17 942**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

PAYE and UIF

Opening balance	46 052	-
Current year subscription / fee	6 492 786	4 439 419
Amount paid - current year	(6 621 467)	(3 968 683)
	(82 629)	**470 736**

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

45. Additional disclosure in terms of Municipal Finance Management Act (continued)

Pension and Medical Aid Deductions

Current year subscription / fee	7 057 897	5 648 212
Amount paid - current year	(7 057 897)	(5 648 212)
	-	-

VAT

VAT receivable	9 666 057	253 419

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

There were no Councillors who had arrear accounts outstanding for more than 90 days at 30 June 2016:

46. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the and includes a note to the annual financial statements.

Various items were procured during the financial year under review and the process followed in procuring those goods deviated from the provisions of paragraph 12(1)(d)(i) as stated above. The reasons for these deviations were documented and reported to the council who considered them and subsequently approved the deviation from the normal supply chain management regulations.The deviations for 2016 amounted to R3 477 234 (2015- R14 047 818).

47. Surplus / (Loss) on disposal of asset

Surplus / (Loss) on disposal of assets	459 903	(437 324)

48. Electricity Distribution Losses

Electricity distribution loss in rand value	4 231 510	1 195 151

The electricity losses in units for 2016 - 3 864 457 (Kwh). This constituted a 43% loss which is above the norm of 13%-15%

Notes to the Annual Financial Statements

Figures in Rand	2016	2015

45. Additional disclosure in terms of Municipal Finance Management Act (continued)

49. Repairs and Maintenance

The statement of financial performance includes:		
Repairs & Maintenance - Vehicles	550 248	443 213
Repairs & Maintenance - Building	553 687	867 828
Repairs & Maintenance - Plant Machinery and Other Equipment	6 752	9 570
Repairs & Maintenance - Infrastructure	2 064 614	423 823
	3 175 301	**1 744 434**

Appendix B

Analysis of property, plant and equipment as at 30 June 2016

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Assets written-off	Closing Balance	Opening Balance	Newly identified assets	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Land and buildings														
Land (Separate for AFS purposes)	102 418 440	-	(301 500)	-	-	**-**	**102 116 940**	-	-	-	-	-	**-**	102 116 940
Landfill Sites (Separate for AFS pursoses)	2 892 562	-	-	-	-	**-**	**2 892 562**	(1 179 650)	-	-	(214 114)	-	**(1 393 764)**	1 498 798
Quarries (Separate for AFS purposes)	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	105 311 002	**-**	**(301 500)**	**-**	**-**	**-**	**105 009 502**	**(1 179 650)**	**-**	**-**	**(214 114)**	**-**	**(1 393 764)**	**103 615 738**
Infrastructure														
Roads, Pavements & Bridges	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Storm water	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Generation	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-

Transmission & Reticulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation (Airports, Car Parks, Bus Terminals and Taxi Ranks)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (fibre optic, WIFI infrastructur)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other 1	131 305 464	1 398 156	-	35 061 492	-	-	**167 765 112**	(22 302 831)	-	-	(6 591 189)	(83 942)	**(28 977 962)**	138 787 150
	131 305 464	**1 398 156**	**-**	**35 061 492**	**-**	**-**	**167 765 112**	**(22 302 831)**	**-**	**-**	**(6 591 189)**	**(83 942)**	**(28 977 962)**	**138 787 150**

Community Assets

Parks & gardens	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sportsfields and stadium	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Museums & art galleries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Appendix B

Analysis of property, plant and equipment as at 30 June 2016

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Assets written-off	Closing Balance	Opening Balance	Newly identified assets	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Heritage assets														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Specialised vehicles														
Refuse	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Analysis of property, plant and equipment as at 30 June 2016

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Assets written-off	Closing Balance	Opening Balance	Newly identified assets	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets														
General vehicles	1 613 653	783 013	-	-	-	-	**2 396 666**	(771 302)	-	-	(252 108)	-	**(1 023 410)**	1 373 256
Plant & equipment	1 521 804	942 762	-	-	-	**(455)**	**2 464 111**	(524 455)	60 130	-	(172 116)	-	**(636 441)**	1 827 670
Computer Equipment	2 358 051	138 968	-	-	-	**(31 964)**	**2 465 055**	(1 011 264)	39 337	-	(452 386)	-	**(1 424 313)**	1 040 742
Computer Software (part of computer equipment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	2 428 111	350 404	-	-	-	**(48 144)**	**2 730 371**	(1 033 838)	26 955	-	(284 651)	(5 881)	**(1 297 415)**	1 432 956
Office Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipment - Leased	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security measures	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Analysis of property, plant and equipment as at 30 June 2016

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Assets written-off	Closing Balance	Opening Balance	Newly identified assets	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Other buildings	9 873 034	-	3 192 656	-	-	**-**	**13 065 690**	(2 013 482)	-	-	(379 999)	-	**(2 393 481)**	10 672 209
Other land	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Work in progress	41 880 496	65 139 613	-	(42 630 147)	-	**-**	**64 389 962**	-	-	-	-	-	**-**	64 389 962
Other	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Other Assets - Leased	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Housing development	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Other	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	59 675 149	**67 354 760**	**3 192 656**	**(42 630 147)**	**-**	**(80 563)**	**87 511 855**	**(5 354 341)**	**126 422**	**-**	**(1 541 260)**	**(5 881)**	**(6 775 060)**	**80 736 795**

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Analysis of property, plant and equipment as at 30 June 2016

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Assets written-off	Closing Balance	Opening Balance	Newly identified assets	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Total property plant and equipment														
Land and buildings	105 311 002	-	(301 500)	-	-	**-**	**105 009 502**	(1 179 650)	-	-	(214 114)	-	**(1 393 764)**	103 615 738
Infrastructure	131 305 464	1 398 156	-	35 061 492	-	**-**	**167 765 112**	(22 302 831)	-	-	(6 591 189)	(83 942)	**(28 977 962)**	138 787 150
Community Assets	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Heritage assets	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Specialised vehicles	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Other assets	59 675 149	67 354 760	3 192 656	(42 630 147)	-	**(80 563)**	**87 511 855**	(5 354 341)	126 422	-	(1 541 260)	(5 881)	**(6 775 060)**	80 736 795
	296 291 615	**68 752 916**	**2 891 156**	**(7 568 655)**	**-**	**(80 563)**	**360 286 469**	**(28 836 822)**	**126 422**	**-**	**(8 346 563)**	**(89 823)**	**(37 146 786)**	**323 139 683**
Agricultural/Biological assets														
	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-

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Analysis of property, plant and equipment as at 30 June 2016

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Assets written-off	Closing Balance	Opening Balance	Newly identified assets	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible assets														
Computers - software & programming	1 654 654	41 809	-	(11 516)	-	-	**1 684 947**	(734 069)	-	-	(397 718)	-	**(1 131 787)**	553 160
Other	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	1 654 654	**41 809**	**-**	**(11 516)**	**-**	**-**	**1 684 947**	**(734 069)**	**-**	**-**	**(397 718)**	**-**	**(1 131 787)**	**553 160**
Investment properties														
Investment property	6 955 451	-	-	-	-	-	**6 955 451**	(1 291 456)	-	-	(231 488)	-	**(1 522 944)**	5 432 507
	6 955 451	**-**	**-**	**-**	**-**	**-**	**6 955 451**	**(1 291 456)**	**-**	**-**	**(231 488)**	**-**	**(1 522 944)**	**5 432 507**

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Analysis of property, plant and equipment as at 30 June 2016

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Assets written-off	Closing Balance	Opening Balance	Newly identified assets	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Total														
Land and buildings	105 311 002	-	(301 500)	-	-	**-**	**105 009 502**	(1 179 650)	-	-	(214 114)	-	**(1 393 764)**	103 615 738
Infrastructure	131 305 464	1 398 156	-	35 061 492	-	**-**	**167 765 112**	(22 302 831)	-	-	(6 591 189)	(83 942)	**(28 977 962)**	138 787 150
Community Assets	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Heritage assets	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Specialised vehicles	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Other assets	59 675 149	67 354 760	3 192 656	(42 630 147)	-	**(80 563)**	**87 511 855**	(5 354 341)	126 422	-	(1 541 260)	(5 881)	**(6 775 060)**	80 736 795
Agricultural/Biological assets	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Intangible assets	1 654 654	41 809	-	(11 516)	-	**-**	**1 684 947**	(734 069)	-	-	(397 718)	-	**(1 131 787)**	553 160
Investment properties	6 955 451	-	-	-	-	**-**	**6 955 451**	(1 291 456)	-	-	(231 488)	-	**(1 522 944)**	5 432 507
	304 901 720	**68 794 725**	**2 891 156**	**(7 580 171)**	**-**	**(80 563)**	**368 926 867**	**(30 862 347)**	**126 422**	**-**	**(8 975 769)**	**(89 823)**	**(39 801 517)**	**329 125 350**

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Analysis of property, plant and equipment as at 30 June 2015

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Other changes, movements	Closing Balance	Opening Balance	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Land and buildings														
Land (Separate for AFS purposes)	114 782 440	-	(886 000)	-	-	**-**	**113 896 440**	-	-	-	-	-	**-**	113 896 440
Landfill Sites (Separate for AFS pursoses)	2 892 562	-	-	-	-	**-**	**2 892 562**	(965 536)	-	-	(192 703)	-	**(1 158 239)**	1 734 323
Quarries (Separate for AFS purposes)	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	117 675 002	**-**	**(886 000)**	**-**	**-**	**-**	**116 789 002**	**(965 536)**	**-**	**-**	**(192 703)**	**-**	**(1 158 239)**	**115 630 763**
Infrastructure														
Roads, Pavements & Bridges	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Storm water	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Generation	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Transmission & Reticulation	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-

Street lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation (Airports, Car Parks, Bus Terminals and Taxi Ranks)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (fibre optic, WIFI infrastructur)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other 1	70 529 956	130 500	-	4 014 465	-	-	**74 674 921**	(9 877 768)	-	-	(2 962 067)	(1 674 641)	**(14 514 476)**	60 160 445
	70 529 956	**130 500**	**-**	**4 014 465**	**-**	**-**	**74 674 921**	**(9 877 768)**	**-**	**-**	**(2 962 067)**	**(1 674 641)**	**(14 514 476)**	**60 160 445**

Community Assets

Parks & gardens	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sportsfields and stadium	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Museums & art galleries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	30 804 035	3 252 150	-	3 013 246	-	-	**37 069 431**	(5 420 672)	-	-	(1 194 442)	(93 443)	**(6 708 557)**	30 360 874
Social rental housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-

30 804 035	**3 252 150**	**-**	**3 013 246**	**-**	**-**	**37 069 431**	**(5 420 672)**	**-**	**-**	**(1 194 442)**	**(93 443)**	**(6 708 557)**	**30 360 874**

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Analysis of property, plant and equipment as at 30 June 2015

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Other changes, movements	Closing Balance	Opening Balance	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Heritage assets														
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Specialised vehicles														
Refuse	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Analysis of property, plant and equipment as at 30 June 2015

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Other changes, movements	Closing Balance	Opening Balance	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Other assets														
General vehicles	1 605 505	8 148	-	-	-	-	**1 613 653**	(533 772)	-	-	(237 531)	-	**(771 303)**	842 350
Plant & equipment	1 352 852	278 311	(259 784)	-	-	-	**1 371 379**	(520 402)	173 600	-	(48 512)	-	**(395 314)**	976 065
Computer Equipment	2 195 341	1 084 978	(922 267)	-	-	-	**2 358 052**	(1 264 358)	800 425	-	(541 929)	(5 402)	**(1 011 264)**	1 346 788
Computer Software (part of computer equipment)	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Furniture & Fittings	2 403 487	540 601	(515 930)	-	-	-	**2 428 158**	(1 065 379)	281 327	-	(180 581)	(21 013)	**(985 646)**	1 442 512
Office Equipment	171 486	55 350	(76 411)	-	-	-	**150 425**	(71 602)	61 708	-	(20 625)	(37 229)	**(67 748)**	82 677
Office Equipment - Leased	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Markets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Security measures	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-

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Analysis of property, plant and equipment as at 30 June 2015

	Cost/Revaluation							Accumulated depreciation						
	Opening Balance	Additions	Disposals	Transfers	Revaluations	Other changes, movements	Closing Balance	Opening Balance	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Other buildings	5 175 984	-	-	4 697 050	-	**-**	**9 873 034**	(1 734 651)	-	-	(278 831)	-	**(2 013 482)**	7 859 552
Other land	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Work in progress	41 253 709	38 285 810	-	(19 937 920)	-	**-**	**59 601 599**	-	-	-	-	-	**-**	59 601 599
Other	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Other Assets - Leased	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Housing development	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
Other	-	-	-	-	-	**-**	**-**	-	-	-	-	-	**-**	-
	54 158 364	**40 253 198**	**(1 774 392)**	**(15 240 870)**	**-**	**-**	**77 396 300**	**(5 190 164)**	**1 317 060**	**-**	**(1 308 009)**	**(63 644)**	**(5 244 757)**	**72 151 543**

Total property plant and equipment

Land and buildings	117 675 002	-	(886 000)	-	-	-	**116 789 002**	(965 536)	-	-	(192 703)	-	**(1 158 239)**	115 630 763
Infrastructure	70 529 956	130 500	-	4 014 465	-	-	**74 674 921**	(9 877 768)	-	-	(2 962 067)	(1 674 641)	**(14 514 476)**	60 160 445
Community Assets	30 804 035	3 252 150	-	3 013 246	-	-	**37 069 431**	(5 420 672)	-	-	(1 194 442)	(93 443)	**(6 708 557)**	30 360 874
Heritage assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Specialised vehicles	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Other assets	54 158 364	40 253 198	(1 774 392)	(15 240 870)	-	-	**77 396 300**	(5 190 164)	1 317 060	-	(1 308 009)	(63 644)	**(5 244 757)**	72 151 543
	273 167 357	**43 635 848**	**(2 660 392)**	**(8 213 159)**	**-**	**-**	**305 929 654**	**(21 454 140)**	**1 317 060**	**-**	**(5 657 221)**	**(1 831 728)**	**(27 626 029)**	**278 303 625**

Agricultural/Biological assets

	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Intangible assets

Computers - software & programming	937 589	717 064	-	-	-	-	**1 654 653**	(433 002)	-	-	(225 945)	-	**(658 947)**	995 706
Other	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
	937 589	**717 064**	**-**	**-**	**-**	**-**	**1 654 653**	**(433 002)**	**-**	**-**	**(225 945)**	**-**	**(658 947)**	**995 706**

Investment properties

Investment property	6 955 451	-	-	-	-	-	**6 955 451**	(1 059 729)	-	-	(222 861)	-	**(1 282 590)**	5 672 861
	6 955 451	**-**	**-**	**-**	**-**	**-**	**6 955 451**	**(1 059 729)**	**-**	**-**	**(222 861)**	**-**	**(1 282 590)**	**5 672 861**
Total														
Land and buildings	117 675 002	-	(886 000)	-	-	-	**116 789 002**	(965 536)	-	-	(192 703)	-	**(1 158 239)**	115 630 763
Infrastructure	70 529 956	130 500	-	4 014 465	-	-	**74 674 921**	(9 877 768)	-	-	(2 962 067)	(1 674 641)	**(14 514 476)**	60 160 445
Community Assets	30 804 035	3 252 150	-	3 013 246	-	-	**37 069 431**	(5 420 672)	-	-	(1 194 442)	(93 443)	**(6 708 557)**	30 360 874
Heritage assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Specialised vehicles	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Other assets	54 158 364	40 253 198	(1 774 392)	(15 240 870)	-	-	**77 396 300**	(5 190 164)	1 317 060	-	(1 308 009)	(63 644)	**(5 244 757)**	72 151 543
Agricultural/Biological assets	-	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-
Intangible assets	937 589	717 064	-	-	-	-	**1 654 653**	(433 002)	-	-	(225 945)	-	**(658 947)**	995 706
Investment properties	6 955 451	-	-	-	-	-	**6 955 451**	(1 059 729)	-	-	(222 861)	-	**(1 282 590)**	5 672 861
	281 060 397	**44 352 912**	**(2 660 392)**	**(8 213 159)**	**-**	**-**	**314 539 758**	**(22 946 871)**	**1 317 060**	**-**	**(6 106 027)**	**(1 831 728)**	**(29 567 566)**	**284 972 192**