



ANNUAL REPORT

2011/ 2012



NDWEDWE LOCAL MUNICIPALITY
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REMARKS BY HONOURABLE MAYOR:

It is with pleasure that I present to you the Annual Report for the financial year 2011/2012. Ndwedwe Local Municipality has continued to implement projects and programmes that are aimed at achieving our vision which is: *Municipality of Hope, Dignity and Prosperity*. The new leadership that was elected during 2011 elections is implementing our broad strategic objectives of the Municipality which are:

- To provide sustainable service delivery
- To facilitate the sustainable economic development, poverty alleviation and job creation
- To deepen transformation and institutional development
- To observe good governance
- To provide for integrated human settlement 0768285612
- To empower people
- To care and respect human dignity

The year 2011/2012 has been a very challenging year for the Municipality since 90% of the councillors were new. They had been elected in the 2011 Municipal Elections. To address the issue of capacity of new councillors, the Municipality in conjunction with SALGA invested resources in capacity building and training of councillors in order to enable them to understand their roles and responsibilities, legislation, policies, rules and other legal prescripts that govern the local government.

It is worth noting that the overall performance of the Municipality was relatively good despite lack of financial resources since the Municipality is almost 100% grant dependant. The completion of Sonkombo electricity sub-station is a clear sign of commitment of the Municipality to bettering the lives of the people. The completion and operationalisation of the sub-station will ensure that the majority of our people will have access to electricity which is a basic need. The provision of this important service will have a ripple effect in that it will also result in the mushrooming of small businesses such as electronics fitting shops, motor mechanics, welding, etc. which are dependent on electricity for their existence. It is hoped that this will in turn result in the creation of some employment opportunities.

The other major project completed this financial year is the Ndwedwe Civic Centre which was recently named after the struggle stalwart Mr. Johnny Makhathini who hails from the Ndwedwe area. This world class facility has completely changed the face of the Ndwedwe town centre. The community has welcomed the opening of this facility which is almost fully booked every weekend. People book the facility for functions such as weddings, government departments meetings, community meetings, pension payouts etc. The facility also boasts offices for the Mayor and the Speaker, boardrooms and fully fitted kitchen. While it may not be substantial, the Municipality is collecting some revenue from hiring out of the facility. This revenue should assist in the operations and maintenance of the facility.

Besides the two major projects mentioned above, the Municipality succeeded to implement infrastructure projects which are mainly access roads and bridges. Owing to limited resources the Municipality could only afford to provide limited kilometres of gravel roads. These projects were funded by Municipal Infrastructure Grant (MIG) and to some extent by Equitable Share. To ensure that during the construction of these projects short terms job opportunities were created EPWP principles were made part of the contract the Municipality entered with the contractors.

Our partnership with **Devine Life** (a Non-Governmental Organisation /NGO) has continued to yield positive results and this has seen the construction of many crèches throughout the Municipality.

Once again, the Municipality achieved an unqualified Auditor General's (AG) Report. The AG has however, highlighted a number of areas that require the attention of the Management. I am confident that in the months ahead the Management will address all the matters highlighted by the AG's report in order for the Municipality to eventually achieve a clean audit.

The Municipality is committed to delivering more services to our people. It is for this reason that in the new financial year the Integrated Development Plan of the Municipality will put more emphasis on the roll – out of the infrastructure. This is in line with the National Development Plan.

Lastly, I would like to thank the Municipal Manager and her team for ensuring that there is a progressive improvement in the functioning of the Municipality and in the provision of basic services.



MUNICIPAL MANAGER STATEMENT

The 2011/2012 financial year has been a challenging year for the Municipality. The Municipality had a new leadership and almost 90% of the councillors were elected in 2011 elections. While the Municipality was making sure that service delivery is not interrupted, it needed also to capacitate councillors on municipal dynamics and prescripts and their roles and responsibilities in local government. These processes went in parallel.

Our Councillors have now mastered their roles and responsibilities in the local government and they are currently working with the administration in fast tracking service delivery. The Municipality has ensured that in the financial year 2011/2012 it achieves excellence in all the key performance areas namely:

- Infrastructure Development and Service Delivery
- Institutional Development and Transformation
- Local Economic Development
- Good Governance and Public Participation
- Financial Viability

The Municipality town development has reached another milestone after the Municipality obtained the Record of Decision from Department of Agriculture and Environmental Affairs and also obtaining the Development Facilitation Act (DFA) Application approval. Two major projects were completed successfully: Ndwedwe Civic Centre and Ndwedwe Town Street-lighting. Currently, the Municipality is finalising the surveying of sites located in the town. Other major projects that are in the pipeline as part of town development, include, the construction of Water and Sewer Reticulation Systems, Feasibility Study for Waste Recycling Plant and Transfer Station.

The 2011/ 2012 financial year saw the Municipality obtaining unqualified audit report with matters of emphasis. This is a challenge to the Municipal Leadership and all administration staff to work harder than before in obtaining the clean audit in the current financial year.

The partnership between Municipality and government departments saw the successful implementation of Masisukume Sakhe programme which is championed by the Office of the Premier. The programme is aimed at delivering integrated services to the community. Most needy families have been assisted by this programme in the Municipality.

It should be noted, however, that there are areas that the Municipality needs to improve on e.g. the collection of rates which continues to be a challenge for the Municipality. Currently, the Municipality is collecting a very low percentage of rates due to non-payment by among others the commercial farmers.

Lastly, I would like to thank the Municipal Leadership under the stewardship of the Honourable Mayor for guiding us through the successful implementation of municipal programmes for the year 2011/2011.

CHAPTER 1 INTRODUCTION AND OVERVIEW

Overview of the municipality

Ndwedwe Local Municipality is one of the four local authorities within the Ilembe District Municipality. It borders in the east onto the KwaDukuza Municipality and in the north on the Maphumulo Municipality. In the south Ndwedwe abuts the eThekweni Municipality and in the west the uMshwathi Municipality. In broad terms the municipality is situated parallel with and approximately 20 KM inland from the KwaZulu-Natal Coast. While much of the north-eastern part of Ndwedwe forms part of the coastal flats mostly covered by KwaDukuza, the majority of the area consists of tribal authority land ranging from topographically fragmented to steep and dramatic.

Within the regional context, much of the Ndwedwe Municipality represents the former KwaZulu homeland consisting of traditional settlement areas which, while located in relative close proximity to major urban and economic developments (e.g. King Shaka International Airport and Dube Trade Port), have remained substantially underdeveloped, disadvantaged and poor.

Ndwedwe Municipality is in the extent of 1153 Km² and accommodates a population in the region of 130 140 people. Overall settlement densities are approximately 145 people per Km². 68% of Ndwedwe consists of tribal authority land and the remainder is made up of commercial farm lands located in the north- east of the municipality.

Key Facts

Population

134 754

Population Density

120 /Km²

Land Area

1153 Km²

Executive Summary

Section 127 of the Municipal Finance Management Act requires the accounting officer of a Municipality within six months after the end of the financial year or such earlier date as may be agreed, the submission of Municipality Annual Report for the financial year.

It further states that the Mayor of a Municipality must, within seven months after the end of the financial year, table in the Municipal Council the annual report of the Municipality.

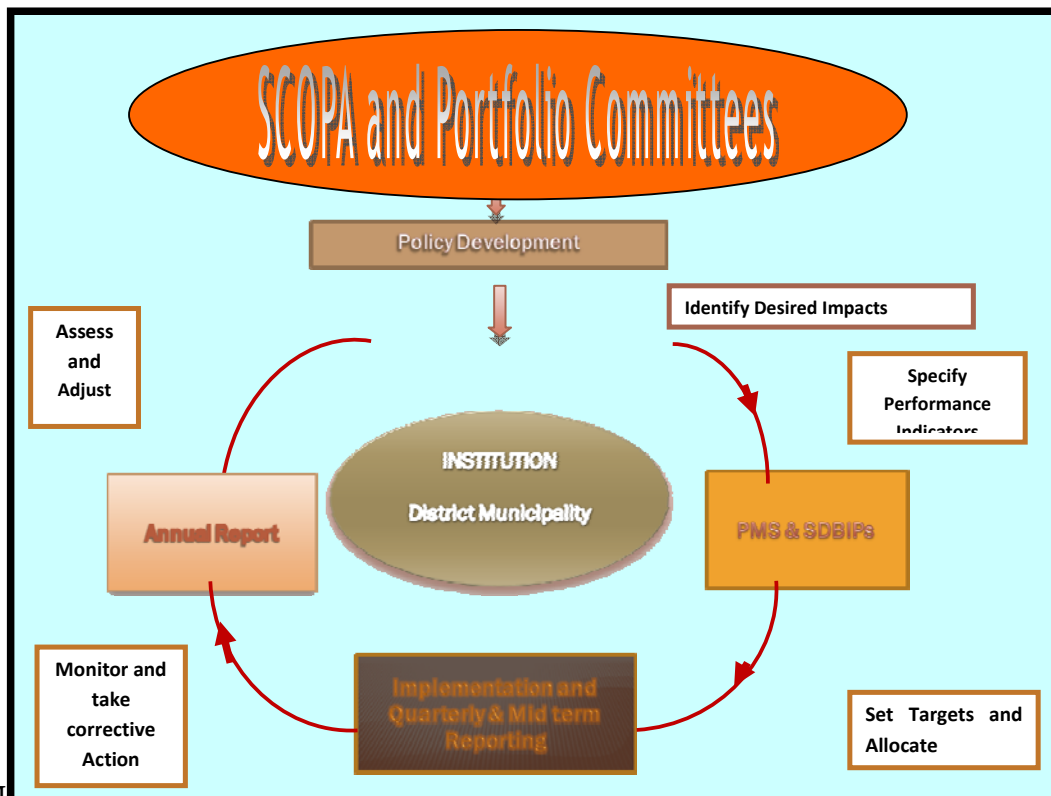
Section 72 of the Municipal Finance Management Act requires that the accounting officer of a municipality by 25th January each year must:-

- (a) Assess the performance of a municipality during the first half of the financial year, taking onto account
 - (i) the monthly statements
 - (ii) the municipality service delivery performance during the first half of the financial year and the indicators
 - (iii) and targets as per the service delivery and budget implementation plan

- (b) Submit a report on such assessment to
 - (i) the Mayor of the municipality
 - (ii) the National Treasury
 - (iii) the relevant Provincial Treasury

1.1 PERFORMANCE MANAGEMENT IMPLEMENTATION IN NDWEDWE LOCAL MUNICIPALITY

The Model used by Ndwedwe Local Municipality in terms of PMS Implementation is as depicted in the following diagram: -



YM

It must be noted that the first half of the financial year, was an audit period where the Auditor General conducted audits on both finance and performance information. The 2010/2011 financial year was the first year of auditing the performance of the Municipality.

The municipality once again received an unqualified audit opinion with areas highlighted for improvement. The AG's report on Performance Management was also a positive one, considering the fact that this was the first year an audit on Municipal performance was being conducted.

The second quarter of the 2011/12 financial year is a mid-term assessment period for both budget and performance information as per section 72 of the Municipal Finance Management Act. The Budget and PMS units went on departmental road shows to ensure alignment and credibility of information submitted to both these business units. The mid-year performance report was submitted to Council and was approved

1. ORGANISATIONAL SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN (SDBIP) AND MUNICIPAL MANAGER'S SCORECARD

Ndwedwe Municipality's Organisational Scorecard is structured according to the five prescribed national Key Performance Areas (KPAs). These are:

- ❖ Infrastructure & Service Delivery
- ❖ Socio-Economic Development
- ❖ Institutional Transformation.
- ❖ Financial Viability
- ❖ Good Governance & Public Participation

In terms of Section 46 of the Municipal Systems Act 32 of 2000, municipalities are enjoined to prepare for each financial year a performance report which must reflect:

- 1) the performance of the municipality and of each external service provider during that financial year;
- 2) performance comparison with targets set for and performances in the previous financial year; and
- 3) measures taken to improve performance.

The annual performance report must form part of the municipality's annual report in terms of the Municipal Finance Management Act 56 of 2003.

Some of the powers and functions allocated to the Ndwedwe Local Municipality are:

- Municipal Planning.
- Local Tourism.
- Local Amenities.
- Cleansing.
- Control of public nuisance.
- Storm Water.
- Local Sports facilities.
- Municipal Roads.
- Fencing and Fences.

It is the responsibility of the municipality to ensure that there is proper management of human resources, the promotion of organizational development, the enhancement of financial viability and management and the ensuring of good governance and public participation. These are essential in order to realize service delivery, infrastructural and economic development. This must happen within the context of Ndwedwe Local Municipality being a rural municipality.

Vision

Municipality of Hope, Dignity and Prosperity.

Mission

To promote a quality and sustainable delivery of municipal services by:

- Involving communities in the development;
- Forging strategic alliances and partnerships between the municipality and government departments, NGO's, CBO's, Private Sector, etc. to ensure speedy and coordinated delivery.

Values

The operations of the municipality will be underpinned by the following values:

- Accessibility.
- Good Governance.
- People Centrality.
- Transparency.
- Customer satisfaction.
- Accountability.
- Courtesy.
- Integrity.
- Employee development.
- Respect.

Municipal Strategic Objectives

- To provide sustainable service delivery.
- To facilitate the sustainable economic development, poverty alleviation and job creation.
- To deepen transformation and institutional development.
- To observe good governance.
- To provide for integrated human settlement.
- To empower people.
- To care for and respect human dignity.

Key Performance Areas

- Human Resources and Organizational Development.
- Service Delivery and Infrastructural Development.
- Economic Development and Planning.
- Municipal Financial Viability and Management.
- Good Governance and Public Participation.

CHAPTER 2: PERFORMANCE HIGHLIGHTS

Strategic Priority: Human Resources and Organizational Development

This priority is the responsibility of the Directorate of Corporate Services. Its key responsibilities are:

- Employment Equity
- Training and Development
- Management of Municipal Council Structures
- Human Resource Management
- Labour Relations
- Recruitment and Selection
- Fleet Management
- Records Management

Strategic Priority: Financial Viability and Management:

This priority is the responsibility of the Finance Directorate whose key responsibilities are:

- Municipal Budget and Treasury Services
- Expenditure and Revenue Management
- Asset Management
- Overall Management of SCM (Supply Chain Management)

Strategic Priority: Good Governance and Public Participation:

This priority is located in the Office of the Municipal Manager. Its key responsibilities are following:

- Overall Management of the Municipality
- Sound Municipal operational systems
- Implementation of Council Resolutions
- Overall Municipal Administration
- Public Participation
- Special Programmes
- Integrated Development Plan
- Performance Management System

2. OVERSIGHT RESPONSIBILITY

- Council
- Executive Committee
- Portfolio Committee
- Oversight Committee
- Municipal SCOPA

3. GOVERNANCE

- Functional Internal and Performance Audit Committees

- Annual Report with Annual Performance Report for 08-09 Financial done in-house
- IDP/ Budget/ OPMS alignment

CHAPTER 3 HUMAN RESOURCES AND OTHER ORGANISATIONAL MANAGEMENT

Organizational Structure and Strategic functions

The adoption 2011/ 2012 IDP and Budget led to the consolidation and advancement of the work that was started by Council in 2006/2007 financial year. In the past six years the Municipality has been able to fill the critical positions which have led to the achievements in many Key Performance Areas. The following are critical areas that the Municipality has concentrated and achieved a greater success:

- The accelerated and sustainable provision of infrastructure and basic services.
- The accelerated and sustainable development of local economy.
- The accelerated fight for poverty and HIV/AIDS reduction.
- Building and sustaining service and performance driven municipality.
- Deepen the institutional democracy, accountability and human rights.
- Build and sustain unity, peace and reconciliation.

In turn, these strategic directives are informed by the following local government focal areas (KPAs):

- Delivery of sustainable infrastructure and basic services

- Sustainable economic growth and development
- Financial viability
- Sound institutional arrangements
- Development of good governance

The Municipality is in the process of achieving its vision through filling of critical posts in the organogram. Currently 95% of the posts have been filled. This has assisted the Municipality in achieving key successes in the past four years. The strategic direction of the Municipality is to consolidate the current achievements and fast track the service delivery in particular to areas with backlogs for electricity, water, sanitation and access roads

CHAPTER 4 FUNCTIONAL AREA OF SERVICE DELIVERY REPORTING

Overview




Item	Detail
Performance Information	Key Performance Areas and functional areas or development priorities
KPA 1 Human Resources and Organisational Development	Human Resource Management Management of Municipal Council Structures Training and Development Labour Relations Recruitment and Selection Fleet Management Records Management
KPA 2 Service Delivery and Infrastructure Development	Water Programme Sanitation Programme Electricity Programme Telecommunication Sports and Recreation Bridge Programme Community Crèche/ CDC Roads Maintenance




	Waste Management
KPA 3 Economic Development and Planning	<p>Area Based Management Plans</p> <p>Bhamshela Regeneration Study</p> <p>Skills Audit Survey</p> <p>Housing Provision</p> <p>Library Services</p> <p>Disability Programme</p> <p>HIV and AIDS Programme</p>
KPA 4 Municipal Financial Viability and Management	<p>Compliance with MFMA</p> <ul style="list-style-type: none"> - Approved budget by end of June - SDBIP approved by end of July - Submission of financial statements to A-G by 31 August - Submission of annual report to council by January <p>Revenue raising strategy developed</p> <p>Ratio of Operation and Maintenance, Salaries and Capital budget</p> <p>Grant Dependency Ratio</p> <p>Implementation of the Property Rates Act</p> <ul style="list-style-type: none"> - Property Rates policy and adopted - Valuation Roll completed and implemented <p>Results of A-G Audit</p> <p>GRAP Compliant</p>




	IT Strategy
KPA 5 Good Governance and Public Participation	<p>Community Participation Framework</p> <p>Ward Committee Development Programme</p> <p>Traditional Leadership consultation and participation system</p> <p>Customer service improvement plans</p> <p>Functional Audit Committee</p> <p>Functional Performance Audit Committee</p> <p>Functional Oversight Committee</p> <p>Annual report, inclusive of an annual performance report (Section 46 report) tabled in January and adopted with oversight report by end of March</p>

PERFORMANCE INFORMATION

INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION




Strategic Objective	Baseline	Key Performance Indicator	Unit of Measure	Annual Target	Actual Performance	Performance Symbol	Measures to Improve Performance
To provide effective human resource support services to enable the municipality to deliver on its mandate	2009/2010 Human Resource Plan	Council Resolution adopting Human Resource Plan by 30 June 2012	Council Resolution	Adoption of Human Resource Plan by Council by 30 June 2012	Draft Human Resource Plan developed with consultation with MANCO, HR Portfolio Committee and adopted by Council.		
To provide effective human resource support services to enable the municipality to deliver on its mandate	Employment Equity Plan	Council Resolution adopting Employment Equity Plan by 30 June 2012	Council Resolution	Adoption of the Employment Equity Plan by Council by 30 June 2012	Reports submitted to Council and adoption was done by Council		
To provide effective human resource support services to enable	N/A	Council Resolution adopting OHS Policy and Plan by	Council Resolution	Adoption by Council by 30 June 2012	The OHS was adopted and Implementation of OHS Policy and Plan		





the municipality to deliver on its mandate		30 June 2012			has been done		
To provide effective human resource support services to enable the municipality to deliver on its mandate	Recruitment and Retention Strategy for 2009/ 2010	Council Resolution adopting the Policy done by 30 June 2012	Council Resolution	Adoption of the Recruitment and Retention Policy done by 30 June 2012.	The Council adopted the Policy by		
To provide effective human resource support services to enable the municipality to deliver on its mandate	Organogram for 2010/2011	Council Resolution adopting the Organogram for 2011/2012	Council Resolution	Adoption of Organogram for 2011/2012	Organogram was approved by Council with amendments and approved organogram implemented.		
To ensure that the municipality has the right people in place with the right mix of skills and competencies.	2009/ 2010 Workplace Skills Plan	Council Resolution approving the Workplace Skills Plan by 30 June 2012	Council Resolution	Conduct Skills Audit for 2012/13 financial year and submission of the Workplace Skills Plan 2012/13 financial year to LGSETA by 30 June 2012	Skills Audit conducted and WSP for 2012/13 submitted to LGSETA by June 2012, development of job description.		





To render effective and efficient Fleet Management to the municipality.	Fleet Management Policy for 2009/2010	Council Resolution of Fleet Management Policy by 30 June 2012	Council Resolution	Adoption of the Fleet Management Policy	Fleet Management Policy was adopted and reports are available		
To render effective and efficient records Management to the municipality.	N/A	Council Resolution adopting Records Management Policy and Records Procedure Manual by 31 March 2012	Council Resolution and the Implementation Report	Implementation of records management policy and registry procedure manual by 30 June 2012	500 z20 files and 300 new files created as per recommendation by Provincial Archives		
To ensure the well-being of the employees and ultimately the organization.	N/A	Council Resolution adopting Employee Wellness Programme Policy and Plan by 30 June 2012	Council Resolution	Implementation of Employee Wellness Programme Policy and Plan by 30 June 2012	Peer educators selected and trained. Stress, financial management and work relations workshops conducted for employees and Councillors. Wellness day conducted on the 29th June 2012.		



To ensure the well-being of the employees and ultimately the organization.	N/A	Council Resolution and implemented of Employee Wellness Programme Policy and Plan by 30 June 2012	Council Resolution	Implementation of Employee Wellness Programme Policy and Plan by 30 June 2012	Peer educators selected and trained. Stress, financial management and work relations workshops conducted for employees and councillors. Wellness day conducted on the 29th June 2012.		
To ensure the effective management of the municipal council structures	90% OF Municipal Council sitting during 2010/2011	% municipal council sitting by 30 June 2012	%	100% municipal council sitting by 30 June 2012	95% municipal sitting by 30 June 2012 was achieved		The council needs to adhere to schedule of meetings and rules needs to be applied to those who do not attend meetings

INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY






Strategic Objective	Baseline	Key Performance Indicator	Unit of Measure	Annual Target	Actual Performance	Performance Symbol	Measures to Improve Performance
To reduce backlog in terms of roads construction in the community of Ndwedwe local Municipality	0kms	Number of km's of gravel roads constructed by 30 June 2012	Number	2,3 kms completed, Project commissioning and handover by 30 June 2012	2.3 kms is completed and the project is awaiting handover		
To facilitate the construction of Ndwedwe street lights in order to reduce the crime in Ndwedwe town	No streetlights within Ndwedwe	Number of Nodes Ndwedwe (Ndwedwe Central, Glendale and Bhamshela) installed with street lights by 30 June 2012	Number	3 Nodes of Ndwedwe (Ndwedwe Central, Glendale and Bhamshela) installed with street lights by 30 June 2012	One node (Ndwedwe Central) was installed with streetlights. The other two nodes have designs		The department will implement this project in the remaining nodes during 12/13 financial year.
To facilitate the construction of Ndwedwe substation in order to reduce electricity	No substation with Ndwedwe LM	% completion of Sonkombo substation by 31 December 2012	%	100% completion of Sonkombo substation by 31 December 2012	The substation was completed in January. Currently ESKOM is busy with 3 outrage lines from substation to nearby wards and will be completed in September 2012		



backlog.							
To reduce backlog in terms of sports facilities in Ndwedwe local municipality	Designs for the projects have been made	% completion of 3 sportfields (Cibane, Sidumbini, Mbuyeni sport facility) by 30 June 2012	%	100% completion of 3 sportfields (Cibane, Sidumbini, Mbuyeni sport facility) by 30 June 2012	Cibane and Mbuyeni have been relocated to the new sites and Consultant busy with designs.		This project will be implemented during 12/ 13 since EIA's were the challenge in 11/ 12.
To have facility that will cater for community functions and Meetings	Designs for the project have been made	% completion of Ndwedwe Civic center by 31 March 2012	%	100% completion of Ndwedwe Civic center by 31 March 2012	Civic Centre was completed 100% and officially opened on 22 June 2012.		
To have proper and reliable infrastructure in town	Designs have been made	% completion of Water reticulation in Ndwedwe town by 30 June 2012	%	100% completion of Water reticulation in Ndwedwe town by 30 June 2012	Project was suspended due to the unavailability of budget from Treasury		Treasury is currently withholding the funding for this project.
To have sport fields that will accommodate all sport codes.	Existing Sport Facility	% maintenance of sport facility by March 2012	%	100% maintenance of sport facility by March 2012	The project is almost finish (80%). The contractor is currently busy with snag list and lying of grass.		

To reduce the backlog in terms of access to proper crossing facilities bridges in the community	Designs have been made	% completion of Mayelisweni bridge at ward 09 by 30 June 2012	%	100% completion of Mayelisweni bridge at ward 09 by 30 June 2012	The project is almost finish (80%). The contractor is currently busy with snag list and lying of grass.		
To reduce backlog in terms of renovation of facilities in the community of Ndwedwe	Crèches have been constructed	Number of crèches fenced by March 2012	%	2 crèches fenced by 31 March 2012	The two projects of fencing were completed early June 2012.		
To reduce backlog in terms of renovation of facilities in the community of Ndwedwe	2 Community halls have been constructed	Number of community halls renovated by 31 March 2012.	Number	2 Community hall renovated by 31 March 2012.	The project has been completed		
To assist municipal employees with proper and safely parking	Designs have been made	% completion of Phase two of municipal/staff vehicle parking by 31 March 2011	%	100% completion of Phase two of municipal/staff vehicle parking by 31 March 2011	Project completed		





To reduce backlog in terms of access roads maintenance in all wards.	95 access roads to be maintained exist	Number of roads maintained in each ward by 30 June 2012	Number	5 roads maintained in each ward by 30 June 2012	Cluster A and B have been completed for all Wards.		
To reduce backlog in terms of reduce backlog for collection of waste and installation of skip bins	No Skip bins	Number of skip bins waste collected per week	Number	Procurement and collection of 10 , skip bins every week	Waste collection is being provided and installation of skip bins completed and reports are submitted to portfolio committee.		






ECONOMIC DEVELOPMENT AND PLANNING




Strategic Objective	Baseline	Key Performance Indicator	Unit of Measure	Annual Target	Actual Performance	Performance Symbol	Measures to improve Performance
To retain existing business and attract new investment	N/A	Number of business retained and amount of investments attracted	Number	External investors commitment for Bhamshela / ward 12	one policy (Urban Renewal Framework) for Bhamshela;for ward 12,negotioation with Tongaat Hulett's fell apart		Negotiations need to be re-started with external investors in order to fast track this project.
To enable emerging local business to benefit from municipal procurement opportunities	10 emerging business benefited last financial year	Number of emerging business befitted from the Municipality business	Number	30 people benefited from municipal procurement	none due to a delay in the set-up of one-stop shop which would have provided necessary support to local business to benefit		The Department will plan accordingly in 12/ 13 in order to make this project a success.
To create decent jobs for unemployed local people	90 jobs created last financial year	Number of jobs created	Number	500 job opportunities created	100 jobs from both community works programme and housing projects		The department will set achievable targets in 12/ 13 in order to achieve desired outcomes of this project
To train / empower local youth	No person trained last year	Number of people trained	Number	300 PEOPLE TRAINED	500 people trained through on-site training and pre-construction training		
To reduce the number of people trapped in poverty within Ndwedwe	N/A	Number of people benefiting from socio economic services	Number	300 people receives socio-economic services	300 PEOPLE RECEIVES SOCIO-ECONOMIC SERVICES		

To facilitate efficient and effective human settlement development	N/A	Number of units approved for mixed income human settlement projects	Number	Tranche one application for mixed income housing project approved	Tranche one application for mixed income housing project approved		
TO facilitate effective and efficient planning for Ndwedwe Municipal Area	N/A	Number of b-nodal development programmes implemented	Number	Infrastructure projects for Bhamshela implemented	Detailed engineering designs completed; not yet adopted due to approval delays from DoT KZN		

MUNICIPAL FINANCIAL VIABILITY





Strategic Objective	Baseline	Key Performance Indicator	Unit of Measure	Annual Target	Actual Performance	Performance Symbol	Measures to Improve Performance
To improve management of Municipal procurement plan	2010/ 2011 procurement Plan	Copy of the procurement plan from directorates	Copy of Procurement Plan	2011/ 2012 procurement plan divided into quarters	Despite reminders having been sent to non-complying directorates the consolidated procurement has not been completed. Reports on procurement are tabled to Council		All Directorates will correct this challenge in 2012/2013
To improve management of Municipal procurement plan	2010/ 2011 SCM Reports	Number of SCM progress reports submitted to Council by 30 June 2012	Number	12 Reports compiled and submitted to Council	All reports have been tabled to relevant Council structures		
To improve management of revenue enhancement and debt management	35% of debt recovered	70% of debt recovered by 30 June 2012	%	To have 1000% collected by 30June 2012	To date we have only received 37% of the amount billed inclusive of arrears		Leadership and management of the Municipality needs to play a huge role in changing the current status quo of this project
To effectively manage budget expenditure	94% expenditure during 10/11 financial year	% of Capital expenditure linked to IDP	%	To have 100% of Capital expenditure is linked to IDP	Total expenditure do date is R17267900.58 which translates into 47%. Some of the projects are behind schedule		The management of the Municipality needs to work together to change this status quo and proper planning to projects needs to be done correctly





To effectively manage budget expenditure	Zero % overspending achieved during 10/11	Zero percent overspending	%	100% link to cash flow report submitted by 30 June 2012	All expenditure is 100% linked to cash flow as per budget		
To effectively manage budget expenditure	9% during 10/11 financial year	% of Capital expenditure linked to IDP	%	To have 100% of Capital expenditure is linked to IDP	Total expenditure do date is R17267900.58 which translates into 47%. Some of the projects are behind schedule		The management of the Municipality needs to work together to change this status quo and proper planning to projects needs to be done correctly
To effectively manage budget expenditure	94% during 10/11 financial year	Percentage of under spending of the budget	%	To have 100% expenditure reports submitted by 30 June 2012	Total percentage expenditure is 64% which is behind the acceptable norm		The management of the Municipality needs to work together to change this status quo and proper planning to projects needs to be done correctly
To develop a GRAP compliant municipal budget	2011/ 12 budget was adopted by 30 may 2012	Council Resolution adopting the Budget by Council before 31 April 2012	Council Resolution	Budget adopted by Council by 30 May 2011	Draft budget was approved by Council on 30 March 2012 together with IDP priorities for 2012/13		
To update an efficient valuation roll in compliance with MPRA	n/a	Copy of the Complete valuation roll	Copy	Interims to be captured by 30 June 2012	Interims to be captured by 30 June 2012		

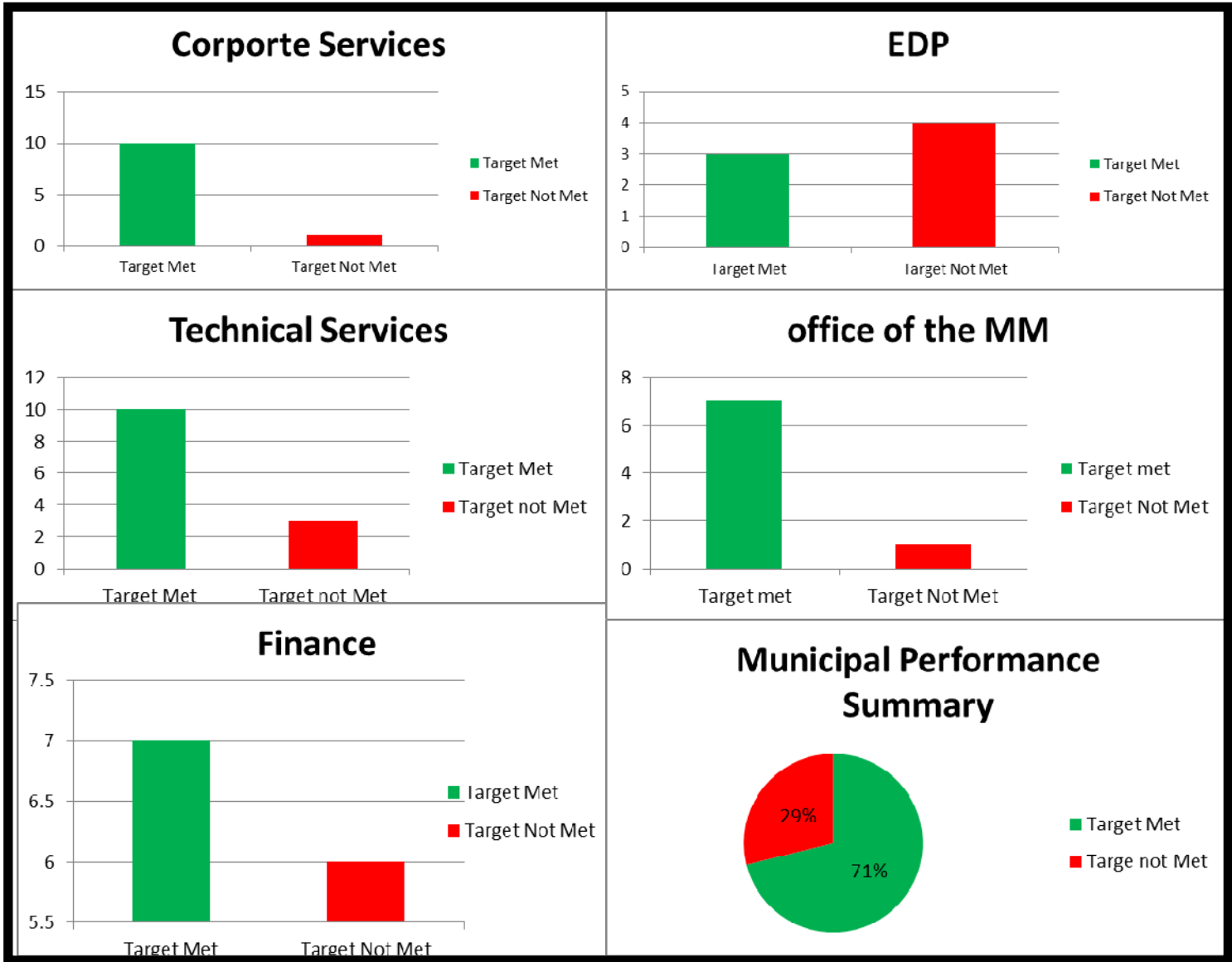
To improve Municipal financial reporting	2010/2011 annual financial statements were done using GRAP	Copy of the GRAP conversion and copy of AFS before the end of August 2012	Copy of the submitted AFS	Monthly reports to be GRAP compliance and make an effort to compile AFS quarterly to meet 2014 clean audit objectives by 30 June 2012	All reports are promptly prepared on monthly bases and tabled to all Council structures. Case ware generated reports		
To provide and effectively manage the IT systems and infrastructure of the Municipality	Basic IT during 2010/2011	Number of the problems experienced by users by 30 June 2012	Number	Roll out priorities of MSP which would be linked to budget availability. Progress Report by 30 June 2012	Some of the projects from MSP are in the progress e.g. Microsoft licenses, LAN improvement etc		
To provide and effectively manage the IT systems and infrastructure of the Municipality	Basic IT during 2010/2011	Upgrading of network software and hardware by 30 June 2012		Convene IT steering meeting to ensure progress regarding MSP priorities and further report to relevant Council structures.	IT steering committee meeting was convened during the quarter		

				Progress Report by 30 June 2012			
To rehabilitate and update assets register in compliance with GRAP	2010/ 2011 asset register exist.	Assets register in place and linked to AFS by 30 June 2012		To have all assets procured during mid-year to be capitalized accordingly by 30 March 2012	Baud assets register is almost complete the Assets clerk and Expenditure Accountant will attending training sometime during April 2012		

GOOD GOVERNANCE AND COMMUNITY PARTICIPATION

Strategic Objective	Baseline	Key Performance Indicator	Unit of Measure	Annual Target	Actual Performance	Performance Symbol	Measures to Improve Performance
To inform the community about Municipal programmes and service delivery	10 Media Interviews were done during 10/11	Number of media interviews conducted by 30 June 2012	Number	12 media interviews conducted by 30 June 2011	7 Media Interviews done		The Municipality will plan properly in 2012/ 2013 financial year.
To enhance community Participation and p32participatory democracy in all municipal wards	19	Number of ward committees established by 30 September 2011	Number	19 Ward Committee Meetings hosted in 19 wards by 30 June 2012	19 Ward Committee Meetings hosted		
To provide community awareness on service delivery issues	1 Mayoral Imbizo was done during 10/11 financial year	Number of Mayoral izimbizo hosted	Number	To host 2 Mayoral Imbizo by 30 June 2012	2 Mayoral izimbizo were hosted		
To enhance capacity building to Municipal Councilors	37	Number of Councilors attending the training	Number	Training to 37 Councilors done by 31 December 2011	30 Councilors were trained		

Preparation of IDP institutional plan	n/a	Copy of Approval	Council Resolution	IDP Institutional Plan developed by 30 March 2012	The Institutional Plan was developed		
To prepare IDP for 2011/2012	10/11 IDP exist	Copy of the resolution adopting the IDP FOR 11/12	Copy of the Council Resolution	Final IDP/Budget/PMS done by 30 June 2011	The IDP was adopted on 30 May		
To prepare the OPMS Framework for the Municipality	10/11 OPMS Framework exist	Copy of the Council Resolution adopting the OPMS Framework	Copy of resolution	Adoption of the OPMS Framework Policy	The OPMS Policy was adopted by Council		
To adhere to relevant legislation for Council by developing the SDBIP FOR 11/12	SDBIP for 10/11 exist	Copy of the Council Resolution adopting the SDBIP for 11/12	Copy of the Resolution	SDBIP for 11/12 prepared and adopted by Council	SDBIP was prepared and adopted by Council		



The above graphs show performance of the various departments and summary of the overall performance by the Municipality

SUMMARY OF THE PERFORMANCE BY THE MUNICIPALITY

The above graph report details the performance of the Municipality between the periods of 1 July 2011 to 30 June 2012. The report is based on five national key performance areas namely:

- Infrastructure development and service delivery
- Institutional Development and Transformation
- Local Economic Development
- Good Governance and Transformation
- Financial Viability

In overall 71% of the targets were achieved compared to 29% which was not achieved. The Office of the Municipal Manager, Corporate Services and Technical Services performed very well during 2010/ 2011. They contributed significantly in the overall score of targets achieved. Economic Development did not meet expected result and the department experienced challenges in the implementation of its projects. The department did perform its responsibilities, however, due to targets that were set which were not realistic and achievable.

It should also be noted that, the successful implementation of Performance Management System depends on good coordination and credible information submitted on time. The PMS unit is still struggling with non-compliance by the departments to submit reports on/by due dates. It has also been noted that there are departments who change targets that were already in the SDBIP without proper consultation with the PMS section. This poses a challenge to the Municipality resulting in

adverse report being issued by the Auditor –General. It would assist if the Heads of Departments can begin to take ownership of their SDBIPs and ensure that targets are not changed. Review of indicators and targets can only take place during the adjustment budget as allowed by the MFMA and MSA. The non-achievement of 29% of the targets gives Municipality a challenge in the overall spending of its capital and operational expenditure and this is not acceptable from a grant dependent Municipality.

SUMMARY OF PERFORMANCE PER DEPARTMENTS

FINANCE

The Finance Department was able to achieve most of its targets for 2011/2012 financial year. These included the implementation of new systems and software such as Case ware which generates financial reports. Secondly Baud system which manages the asset register for the Municipality was implemented. Third the Municipality was able to implement most IT projects identified by **MSP**. The adoption of Municipal Budget on time and the ability of the Municipality to obtain the 5th consecutive unqualified report have assisted the Municipality in keeping its good name on financial management. The department, however, did have challenges which contributed in it not getting 100% achievement in implementation of its targets. The collection of Municipal rates continues to be a challenge for the department and the Municipality. Currently the Municipality only receives less than a quarter of rates per annum.

TECHNICAL SERVICES

This is the backbone department of the Municipality in terms of service delivery. 70% of capital budget is allocated to this department. The bulk of capital projects which are driven by this department were not implemented during 2011/2012 financial year. This was largely due to Environmental Impact Assessments reports which were negative. Most of the projects were relocated from their initial sites which caused delays in the implementation and impact negatively on capital expenditure. However, some of these challenges could have been avoided if project

planning was done correctly. Besides these challenges, the department did manage to construct and complete major projects such Ndwedwe Civic Centre, Ndwedwe Street lighting, Mayelisweni Bridge and facilitated the completion of Sonkombo Sub-Station.

ECONOMIC DEVELOPMENT AND PLANNING

This Department failed to perform its duties and responsibility. Due to the department's failure to develop realistic targets and key performance indicators, poor results were achieved at the end of the financial year. This is the critical department of the Municipal in terms of creating opportunities for economic developing. The agricultural and tourism opportunities within the Municipality need to be exploited in order to create enabling environment for communities to engage in economic development.

OFFICE OF THE MUNICIPAL MANAGER

This department is responsible for enhancing community involvement in decision making. Public participation is critical in order to ensure that democracy is enhanced in all structures of the Municipality. Programmes that are aimed at social development and cohesion were implemented in 2011/2012 financial year. The Office of the Municipal Manager played a huge role in the implementation of Operation Masisukume Sakhe. The programme has assisted many poor families to access social services.

The Municipality was struggling to implement Youth Development programmes, however, during 2011/2012 financial year, many programmes were implemented which were aimed at uplifting the youth.

Lastly, the Municipality is still having some challenges in the implementation of its PMS. It is hoped that Provincial Support Programme will assist during the 2012/2013 financial year. Also the district PMS workshops will assist in this regard.

CORPORATE SERVICES

This is the auxiliary department of the Municipality. Most of the set targets were achieved during 2011/2012 financial year. The department was able to implement most policies which have assisted the Municipality to function properly. Major projects were undertaken such Records Management, Wellness Programmes and Occupational Health and Safety. The Municipality is now complying with statues relating to Health and Safety.