



2011/2012 DRAFT ANNUAL REPORT



Chapter 1

Introduction and Overview

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VISION

To be a preferred investment destination with superior and sustainable service delivery.

MISSION

Umuziwabantu shall create an environment that is attractive to investors, thereby creating jobs and improving the quality of life.

Acronyms and Abbreviations

MIG	Municipal Infrastructure Grant
DBSA	Development Bank of South Africa
NRW	Non-Revenue Water
DWARD	Department of Water Affairs and Rural Development
PMU	Project Management Unit
EHP	Environmental Health Practitioners
ISD	Institutional and Social Development
JIPSA	Joint Initiative on Priority Skills Acquisition
ASGISA	Accelerated and Shared Growth Initiative-South Africa
IDP	Integrated Development Plan
SDBIP	Service Delivery and Budget Implementation Plan
SDIP	Service Delivery Improvement Plan
MSA	Municipal Systems Act
MFMA	Municipal Finance Management Act
GDS	Growth and Development Summit
COGTA	Corporate Governance and Traditional Affairs
EIA	Environmental Impact Assessment
DAEA	Department of Agriculture and Environmental Affairs
HIV	Human Immune Deficiency Virus
AIDS	Acquired Immune Deficiency Syndrome
CDW	Community Development Worker
PVA	Public Viewing Area
OHS	Occupational Health and Safety
DMAF	Disaster Management Advisory Forum
HIRA	Hazard Identification and Risk Management
EPWP	Expanded Public Works Programme

1.1 Executive Summary

The Umuziwabantu Local Municipality's Annual Report has been developed according to the provisions of Section 121 of the Municipal Finance Management Act (MFMA), 56 of 2003 and Section 46 of the Local Government: Municipal Systems Act (MSA), 32 of 2000.

According to the National Treasury guidelines for the preparation of the Annual Report, the report should comprise five chapters to reflect the key activities undertaken within the organisation during the year under review. A brief summation of what is contained in each chapter is outlined below.

Chapter 1: This chapter contains the geographic location of the Municipality as well as the population dynamics of the municipality. Key to this chapter is the consultative processes that the Municipality embarked on, which led to the creation of the IDP document. The chapter touches on issues of governance and how the Council is constituted.

Chapter 2: This chapter reports and highlights some of the key achievements and challenges of the organisation during the year under review.

Chapter 3: This chapter reports on the programmes designed by the Municipality to improve employment equity and skills development. It also highlights Human Resource Management Policies and Practices that have been carried out to build staff capacity. To ensure transparency, issues of remuneration of Senior Management have also been covered.

Chapter 4: This chapter has the Audited Municipal Annual Financial Statements; Audit Report and Municipal Corrective measures for the year under review.

Chapter 5: This chapter reports on the progress on service delivery and development for the year under review. The format used in reporting is in line with the National Treasury guidelines. Performance progress is reported according to the five National KPAs and also highlights the challenges experienced as well as progress made in addressing those challenges. The increased compliance level is reflected by the timely preparation and approval of the IDP, Budget, SDBIP, PMS, Performance Contracts, Work-Place Skills Plan and the Annual Financial Statements.

1.2 Legal Framework

The 2011/2012 Annual Report has been prepared in accordance with the provisions of Section 121 of the Municipal Finance Management Act (MFMA), 56 of 2003 and Section 46 of the Local Government: Municipal Systems Act (MSA), 32 of 2000. The Annual report oversight report was thereafter approved by the Municipal Council after following all the processes prescribed by Section 129 of the MFMA. In compliance with the provisions of the MFMA, this Annual Report will be tabled by the Mayor at a Municipal Council meeting on the 25 January 2013, as prescribed by Section 127 of the MFMA, and was thereafter publicised for comments, in terms of Section 21(a) of the MSA.

The Annual Report has been considered by the Standing Committee on Public Accounts assigned by the Municipal Council to function as an Oversight Committee, which Oversight Committee is as directed by Section 129 of the MFMA, to assist the Municipal Council in considering the Annual Report. The report of the SCOPA is included in the Annual Report and therefore made public in terms of Section 21(a) of the MSA.

In presenting this report for the financial year ended 30 June 2012, we acknowledge progress made during the 2011/2012 financial year and the challenges that lie ahead. A detailed account of all the challenges and remedial actions going forward has been provided within this report.



1.3 MAYOR'S FOREWORD

To be inserted

Councilor Dixie Nciki

Mayor:Umuziwabantu Municipality

1.4 Municipal Manager's Statement



To be inserted

**Mr Sazi Mbhele
Municipal Manager**



1.5 Audit Committee Chairperson's Report

1. Audit Committee Members and Attendance

To be inserted

External Members:-

Name of member	Qualification	Appointed	Resigned	Meetings Attended
Mr. Paul Preston	BA LLB	01/07/2010	N/A	5 of 6
Mr. Sipho Nzuza	B.Com, MBA	01/02/2011	N/A	3 of 6
Ms. Chantel Elliot	B.Com (Hons), CA(SA)	01/02/2011	N/A	3 of 6
Mr. Imraan Lockhat	B.Com (Hons), CA(SA)	01/02/2011	N/A	3 of 6
Mr. Silas Hlophe	B.Com (Hons), H Dip Tax	01/07/2010	31/12/2010	3 of 6
Mr. Tumelo Tsotetsi	B.Com (Hons), CA(SA)	01/07/2010	31/12/2010	2 of 6

Mr. Paul Preston

Chairperson: Umuziwabantu Municipality

External Audit/Performance Audit Committee

Date: 18 October 2011

Introduction

It is with great pleasure to present the 2011-2012 Annual Report of Umuziwabantu Municipality to this Council. By law, this report must report on progress made by this municipality in line with its budget of the financial year under review.

This report reflects the achievements and challenges against all the five key performance areas which are prescribed nationally. These key performance areas are as follows:

- Basic Service Delivery and Infrastructure Development.
- Municipal Financial Liability and Management.
- Municipal Transformation and Development.
- Local Economic Development.
- Good Governance and Public Participation.

The municipality's 2011/ 2012 Annual Report document represents the long journey that has been traversed by the Umuziwabantu Municipality with regards to service delivery to its citizens. It represents a rigorous process, shared analysis with the community and various stakeholders within the 2011/2012 financial year in making sure that the municipality fulfills its responsibility of being a developmental local government.

Both the political and administrative leadership of the municipality, together with our partners in development, collectively understand the common vision of developing the area. There were various strategic planning workshops, municipal indabas, municipal Integrated Development Plan (IDP) and Budget Road shows, andsummits that held in an attempt to create a new development approach that needs to be undertaken by the municipality to guide its development towards the achievement of its vision in 2014.

The development of the Umuziwabantu municipality's IDP, which in principle is reviewed annually, is based on the meaningful contributions that have been made by the members of the community. This has allowed the development of new strategies that ensures that the municipality is still on the right track in fulfilling its development mandate.

We have used the five (5) National Key Performance Areas as our Key Focus Areas that will continue to guide us in our strategic direction. However, the programmes / projects have been refined and refocused in order to be more effective and maximize the service delivery benefits accruing to the community.

OBJECTIVES OF LOCAL GOVERNMENT

In order to better understand and work towards achieving the vision of development in the Umuziwabantu area, it is extremely important to familiarize ourselves with the objectives of Local Government, as written in the Constitution of the Republic of South Africa, of 1996, which are listed as follows:

- a) To provide a democratic and accountable government for local communities.
- b) To ensure provision of services to communities in a sustainable manner.
- c) To promote social and economic development.
- d) To promote a safe and healthy environment.
- e) To encourage the involvement and participation of communities and community organizations in matters of local government.

DEVELOPMENTAL DUTIES OF MUNICIPALITIES

As prescribed in Chapter 7 section (153) of the Constitution of the Republic of South Africa, a municipality must;

- a) Structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.
- b) Participate in National and Provincial development programs.

The 2011/2012 Annual report is a reflection of the duties and functions of the municipality in order to ensure sustainable development and service delivery to the local community of Umuziwabantu, as per the requirements of legislation.

1.6 Municipal Overview and Profile

The Umuziwabantu Municipality is located on the western boundary of the Ugu District Municipality and shares its borders with the Eastern Cape; Sisonke District and to the east with the Umzumbe and Ezinqoleni Municipalities. The extent of the Umuziwabantu Municipal area is 10 862 ha (1088 km²). This area is constituted as follows: **Farmlands, Urban, Tribal, and Forestry.**

Umuziwabantu Municipality consists of 10 wards with six tribal authorities which are listed below:

- ⇒ Ward 1: Nhlanguwini, KwaFodo, KwaMbotho and Thokozani Madumisa Tribal Authority and farmland.
- ⇒ Ward 2: KwaMbotho and Bashaweni Tribal Authority and farmland.
- ⇒ Ward 3: Harding and Farmland.
- ⇒ Ward 4: Part of Izibonda Tribal Authority (Kwa-Machi).
- ⇒ Ward 5: Part of Izibonda Tribal Authority (Kwa-Machi).
- ⇒ Ward 6: Part of Izibonda Tribal Authority (Kwa-Machi).
- ⇒ Ward 7: Part of Inhlanguano and Izibonda Tribal Authority, Weza State Forest and Farmland.
- ⇒ Ward 8: Part of Izibonda Tribal Authority (Kwa-Machi).
- ⇒ Ward 9: Part of Inhlanguano and Izibonda Tribal Authority.
- ⇒ Ward 10: Part of Izibonda Tribal Authority (Kwa-Machi).

The spine road at Umuziwabantu is the N2 which connects this municipality with Ezinqoleni and Port Shepstone on the east and the Eastern Cape on the south east. Connected to the N2 is R56 road which passes through Umzimkhulu; Ixopo and ultimately Pietermaritzburg.

Population Distribution

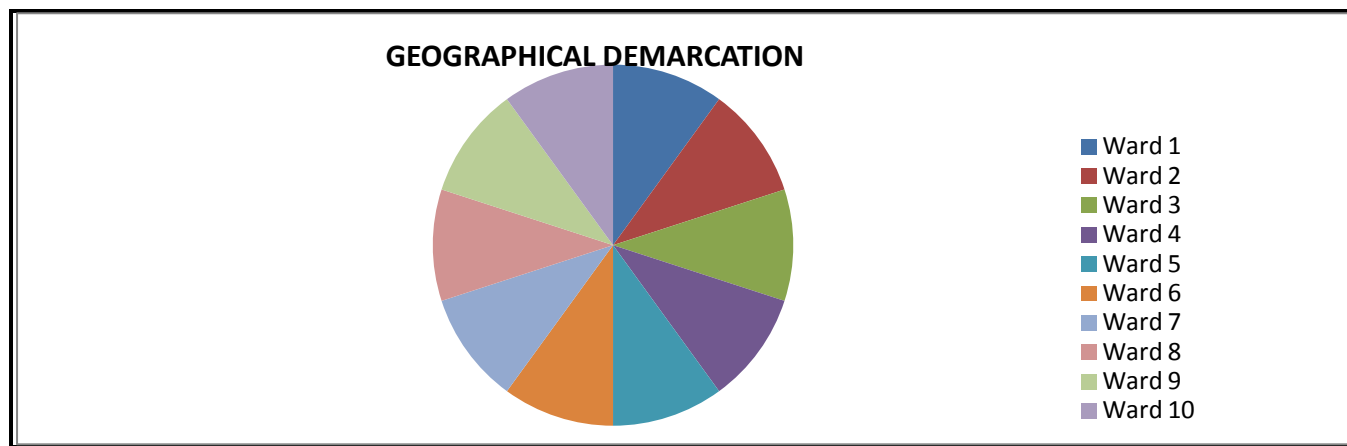
Distribution of population by age and sex, Umuziwabantu Local municipality – 1996, 2001 and 2011

Kzn214: Umuziwabantu	1996			2001			2011		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4 years	6 073	5 978	12 051	5 928	6 022	11 950	7 159	6 979	14 139
5-9 years	6 413	6 454	12 867	6 999	6 999	13 998	6 456	6 107	12 563
10-14 years	6 351	6 524	12 876	6 797	7 173	13 971	6 367	5 995	12 362
15-19 years	4 312	5 262	9 694	5 833	6 586	12 419	6 326	6 267	12 593
20-24 years	2 751	3 955	6 705	2 968	3 961	6 929	4 126	4 506	8 632
25-29 years	1 696	2 868	4 564	2 132	3 467	5 599	3 067	3 816	6 882
30-34 years	1 547	2 708	4 255	1 843	2 934	4 777	2 117	2 769	4 885
35-39 years	1 259	2 184	3 443	1 683	2 932	4 615	1 844	2 524	4 368
40-44 years	1 028	1 714	2 742	1 336	2 323	3 660	1 446	2 332	3 779
45-49 years	850	1 465	2 315	1 047	1 799	2 845	1 415	2 369	3 784
50-54 years	696	1 203	1 899	1 000	1 653	2 654	1 134	1 838	2 971
55-59 years	611	1 179	1 791	735	1 263	1 999	970	1 444	2 413
60-64 years	551	1 515	2 066	686	1 517	2 206	931	1 394	2 325
65-69 years	609	1 312	1 921	473	1 289	1 762	496	1 004	1 499
70-74 years	384	581	966	447	1 122	1 569	412	998	1 410
75-79 years	225	384	608	249	435	684	207	709	915
80-84 years	75	193	268	125	300	425	162	489	651
85+	65	162	227	69	197	266	120	262	382
TOTAL	35 616	45 642	81 258	40 355	51 973	92 327	44 754	51 802	96 556

Source of information: Census KZN 2011 Municipal report No. 03-01-53

In terms of the Census conducted in 2001 by Statistics South Africa (2001), Umuziwabantu had a population 92 327 people, however the 2011 STATSSA community survey estimated the population

to be at 96 556. The population growth rate has fluctuated over the past 10 -15 years. As reflected in the above table, there was a population growth rate of 2.3% between 1996 and 2001, and a population growth rate of 0, 4% between 2001 and 2011. The statistics show that approximately less than 9% of the population is located within the urban area (Harding Town). The rest of over 91% resides in rural areas, which are characterized by low density and dispersed settlement pattern.



Umuziwabantu Municipality's Vision and Mission

VISION

To be a preferred investment destination with superior and sustainable service delivery.

MISSION

Umuziwabantu shall create an environment that is attractive to investors, thereby creating jobs and improving the quality of life.

Core Business

The core business of Umuziwabantu Municipality is to provide and facilitate provision of social, economic, agricultural, infrastructural and sustainable services to the community of this municipality in an equitable and fair manner, transparent and reliable to all inhabitants.

Umuziwabantu Municipality's Process and Status IDP development

In line with the provisions of the Act (MSA, 2000), the Council adopted the 2011/2012 IDP process plan to develop the IDP in August 2011. It further made an invitation via the media for members of the public to register their interest to participate as different interest groups and give direction in terms of Institutional Arrangements, Mechanisms and Procedures for Participation and Alignment, IDP Review Action Programme, and break down the roles and responsibilities.

The IDP Review for 2011 /2012 financial year was prepared in terms of chapter 5 of the Local Government: Municipal Systems Act (Act No 32 of 2000). As mentioned above, the Council adopted its IDP Review Process Plan, for the financial year under review. The IDP Review took into consideration the MEC comments that were raised in the 2010 /2011 IDP Review.

There were a number of IDP strategic Planning Sessions which took place between January and February 2011, which involved sector departments, municipalities, stakeholders and private sector aimed at strengthening; integrating; promoting partnership and public participation as well as

ensuring that there is alignment of programs and projects between the municipality and the public and private sectors.

During the IDP road shows in March and April, the following key issues were raised as challenges:

- High rate of unemployment
- High Poverty rate
- Low income levels
- Average economic growth
- Transformation on the ownership of land
- Slow delivery on Land Reform Programme
- Land use planning: sparsely distributed population and topography resulting in costly provision of services
- Limited economic potential in rural areas / poor investment in the area due to land under the Ingonyama Trust
- Environmental health and management related issues
- High prevalence of HIV/AIDS
- Skills shortage
- Absence of tertiary education facilities
- High number of child-headed households
- High illiteracy (large percentage of children of school going age are not attending school)
- Water and sanitation backlogs
- Limited and lack of access to schools and basic care centres
- Housing and electricity backlogs
- Limited access to telecommunication
- Poor condition of roads and transport.

IDP Alignment and Strategic Sessions:

At a strategic planning meeting in February 2012, Umuziwabantu Municipality resolved on the following developmental priorities and high level objectives:

Developmental Priorities

The Integrated Development Plan (IDP), Local Economic Development (LED) and Land Use Management Systems (LUMS) have mapped out priorities and goals that recognize pressing needs of both local municipality and community and further outline strategies which will effectively lead to redressing the complexities. The municipality has identified developmental strategies classified under the Five National Key Performance Areas.

High Level Objectives

Office of the Municipal Manager:

- To promote a culture of participatory democracy and integration
- To facilitate the creation of a safe environment for all inhabitants
- To fast track the spatial, economic and social integration.

Corporate Services:

- To ensure sustainable institutional capacity
- To promote and uphold principles of good governance
- To manage institutional risks.

Finance:

- To reduce dependency on grant transfers and actively seek alternative revenue
- To ensure financial sustainability and management
- To uphold treasury standard and norms

Technical services:

- To promote and facilitate economic transformation, sustainable growth and development
- To promote and facilitate public infrastructure investment
- To promote, facilitate and implement anti-poor development interventions.

1.7 GOVERNANCE

COUNCIL

It is important that we highlight the change of council on the 1st June 2011. The year under review Umuziwabantu Council comprises of 19councillors, four of whom are full time. There are four political parties represented in council; the African National Congress, National Freedom Party, Inkatha Freedom party and Democratic Alliance. The political party and gender representation in the Umuziwabantu municipal Council is as follows:

Period July 2011 – June 2012

PARTY	COUNCILLORS	FEMALE	MALE
<i>African National Congress</i>	12	4	8
<i>National Freedom Party</i>	4	-	4
<i>Inkatha Freedom Party</i>	2	1	1
<i>Democratic Alliance</i>	1	-	1
TOTAL	19	5	14

EXECUTIVE COMMITTEE

The executive committee consists of 3 members and the Speaker, who is an ex-officio member. The following are members of the executive committee:



Left – right: Cllr A.D. Ngubo (Speaker), Cllr D Nciki (Mayor), Cllr A.B. Dlamini and the Deputy Mayor Cllr M.B Gavu (insert, top right hand corner).

COUNCIL AND EXECUTIVE

EXECUTIVE COMMITTEE

THE EXECUTIVE COMMITTEE MEMBERS



Cllr D Nciki
Mayor



Cllr A D Ngubo
Speaker



Cllr M Gavu
Deputy Mayor



Cllr A B Dlamini
Exco Member

UMUZIWABANTU FULL COUNCIL



**Cllr D Nciki
Mayor**



**Cllr A D Ngubo
Speaker**



**Cllr M Gavu
Deputy Mayor**



**Cllr A B Dlamini
Exco Member**

				
Cllr S O Njongo	Cllr S P Nkomo	Cllr C Z Skosana	Cllr S W Vethe	Cllr H J Ngubelanga
				
Cllr M W Vezi	Cllr M P mteshane	Cllr M S Charane	Cllr A M cele	Cllr M J Jali
				
Cllr A T C Hoston	Cllr M V Nyathi	Cllr X Ndlangisa	Cllr T H Chiliza	Cllr D S Dlamini

POWERS & FUNCTIONS OF COUNCIL

The council has both the legislative and the executive powers. It is chaired by the Speaker, Councillor A. D Ngubo. His duties as listed in municipal delegations are:

- Presides at meetings of the council and signs the minutes of the council meetings;
- ensures that council meets at least quarterly;
- Co-ordinates the arrangements regarding dates and venues for the meetings.
- Maintains order during meetings of the council and ensures that the meetings are conducted in compliance with the Council's Rules of Order;
- Performs all other duties assigned to him/her in the Council's Rules of Order of the Council;
- Ensures compliance with the Code of Conduct for councillors;
- Authorises any investigation or enquiry into suspected or alleged impropriety by councillors or any alleged breaches of the Code of Conduct for councillors;
- Determines where and when council meets;
- Convenes special meetings of council at his/her discretion or on request of the majority of councillors she/he must do so.

In accordance with Council resolution of 1st June 2011, Council delegated some powers to the Executive Committee with an exception of those expressly excluded by law. Some of these exclusions include:

- a. The passing of by-laws;
- b. The approval of budgets;
- c. The imposition of rates and other taxes, levies and duties; and
- d. The raising of loans.
- e. Setting of tariffs;
- f. Entering into service delivery agreements in terms of section 76(b) of the Municipal Systems Act;
- g. Appointment of the Municipal and section 56 managers; and
- h. Approval or amendment of the integrated development plan.

Council Portfolio Committees

Council has three portfolio committees which are:

- ⇒ Finance; budget control and Corporate Services
- ⇒ Planning; Housing; LED and infrastructure Development
- ⇒ Community Services

PORTFOLIO COMMITTEE	TERMS OF REFERENCE
Finance; budget and Corporate Services	<ul style="list-style-type: none"> ⇒ Municipal finance including billing; ⇒ Municipal rating and taxation; ⇒ Municipal insurance; ⇒ Municipal banking and investments; ⇒ Loans and governmental subsidies; ⇒ Grants in aid ⇒ Labour Relations ⇒ Occupational Health and Safety
Community Services	<ul style="list-style-type: none"> ⇒ Municipal health services; ⇒ Squatting; ⇒ Groups with special needs (youth; women; elderly and the disabled); ⇒ Street Vending; ⇒ Education, crèches, welfare in general and religious services; ⇒ HIV and AIDS ⇒ Business licensing; ⇒ Cemeteries and crematoria; ⇒ Refuse removal, refuse dumps and solid waste disposal; ⇒ Cleansing, road and storm water maintenance; and ⇒ Building maintenance ⇒ Disaster management ⇒ Traffic services ⇒ Fire fighting services
Planning; LED; Housing and Infrastructure	<ul style="list-style-type: none"> ⇒ Local economic development; ⇒ Promotion of industrial development; ⇒ Land matters; ⇒ Rendering of basic services ⇒ Electricity and gas reticulation; ⇒ Storm water management systems in rural and urban areas; ⇒ Street lighting; ⇒ Capital roads items and construction; ⇒ Storm water capital items; ⇒ Housing Projects; ⇒ Housing development; and ⇒ Housing Projects administration
IDP FORUM	<ul style="list-style-type: none"> ⇒ Coordinate and facilitate IDP Projects ⇒ Debates and review IDP objectives ⇒ Integrates sectorial and other stakeholders strategic plans ⇒ Propose recommendations to both EXCO and Council ⇒ Integration and formulation of projects

Report on Sitting of Council and its Committees:

COMMITTEE	MEETINGS SCHEDULED	MEETINGS HELD	% OF SITTINGS
Council	10	10	100%
EXCO	11	11	100%
Finance; Budget Control and Corporate	11	11	100%
Human Settlements Forum	7	7	100%
Community Services	10	10	100%
Planning, Led, Housing & Infrastructure	10	10	100%
IDP Representative Forum	7	7	100%
Labour Forum	7	7	100%

Statistical report on the sitting of Committee Meetings

REPORT ON COUNCILLORS ATTENDANCE TO MEETINGS

COUNCIL			EXCO		FINANCE		COMM SERVICES		LOCAL LABOUR FORUM		PLANNING		IDP		H/SETTELMENT	
Names	No of	Attended	No of	Attended	No of	Attended	No of	Attended	No of	Attended	No of	Attended	No of	Attended	No of	Attended
	meetings		meetings		meetings		meetings		meetings		meetings		meetings		meetings	
Cllr D Nciki	10	9	11	11	11	11	10	6			10	7	7	5	7	5
Cllr M B Gavu	10	7	11	10	11	6	10	4			10	10	7	4	7	5
Cllr A D Ngubo	10	7	11	4	11	6	10	6			10	2	7	4	7	4
Cllr N B Dlamini	10	6	11	9			10	9			10	5	7	4	7	4
Cllr X Dlangisa	10	10					10	8					7	6	7	4
Cllr M Skhosana	10	8			11	8							7	5	7	6
Cllr Jali	10	7			11	10							7	4	7	7
Cllr ATC Houston	10	9									10	9	7	6	7	7
Cllr Nkomo	10	4							7	2			7	4	7	3
Cllr D S Dlamini	10	9									10	10	7	7	7	7
Cllr Chiliza	10	9					10	9					7	6	7	6
Cllr M V Nyathi	10	9			11	11			7	5	10	8	7	6	7	5
Cllr Vezi	10	6									10	9	7	4	7	3
Cllr M Mteshane	10	6			11	5							7	5	7	4
Cllr H J Ngubelanga	10	9					10	9					7	6	7	7
Cllr M Charane	10	5					10	8					7	4	7	2
Cllr S O Njongo	10	6			11	7							7	1	7	1
Cllr S W Vethe	10	9									10	9	7	7	7	5
Cllr M Cele	10	7					10	7					7	2	7	7

CHAPTER TWO

PERFORMANCE HIGHLIGHTS AND CHALLENGES

2.1 Top 10 Municipal Challenges

2.2 Social and Local Economic development

2.3 Infrastructure and Service Delivery

2.4 Good Governance and Public Participation

2.5 Municipal Institutional Development and Transformation

2.6 Financial Viability

2.1 TOP 10 2011/2012 MUNICIPAL CHALLENGES

The public participation processes during the year and internal analysis has revealed the following as the top ten challenges our municipality is facing:

Top Ten (10) Priority Challenges (in no order of priority)

1. Housing Backlogs
2. Electricity in-fills
3. Water and Sanitation backlog
4. Roads upgrade and maintenance
5. High HIV infections
6. High Unemployment Rate
7. Low Level of skills
8. High poverty levels
9. Inaccessibility of social cluster institutions (health, education, welfare etc.)
10. Underutilization of agricultural resources

2.2 Local Economic Development Performance Highlights

- ⇒ **Ingeli Trails** – Business Plan is complete and project is feasible, DED is expected to counter fund the project. The project is under operation and the Ingeli tourism information centre has opened.
- ⇒ **Informal Trading** – The Umuziwabantu informal Traders Association was successfully established in March 2012, with a total number of eight representatives. The sector has been formalized in order to regulate sustainable controls in the allocation of sites. The identification and allocation of trading sites has also been finalized.
- ⇒ The Municipality has also been in the process of creating informal business permits which are now in the printing process, with the hope that the handover will be done in the 2012/2013 financial year, in February. The Umuziwabantu informal trader's database was also created with the view to further formalize this sector.
- ⇒ The greatest highlight of 2011/12 financial year has seen the Municipality secure the development of the Harding Mall. The Mall construction was set to begin in 2012. It is anticipated that the mall will create a number of casual employment opportunities while under construction and provide sustainable job opportunities upon completion.
- ⇒ The Municipality in partnership with the Department of Economic Development provided skills development training in the fields of Computer literacy Business Management, and Financial Management, for 20 young people who are part of the local SMME's.
- ⇒ The LED unit has planned to review the LED strategy for the next financial year and currently sourcing funding to assist with the formulation of the document.

BUSINESS LICENSING

In terms of the Business Act no 71 of 1991, all businesses operating in South Africa must have a business license (as per Schedule 1 item 1 and 2). The business License functions and duties are the legislative mandate assigned to local municipalities as per provisions of the Business Act. (Section 2 (1) (a))

On the 15th of September 2011, some municipalities in KwaZulu-Natal were granted the authority to issue or refuse Business Licenses (Gazette 109 of 2011) for a certain period of time. Each municipality was assigned a Licensing Authority Secretary, whom which should he/she resign, the Municipal Manager, in his capacity as the Accounting Officer, may nominate/appoint (temporarily) someone else for the duration of the Authority.

Umuziwabantu Municipality was one amongst other municipalities, who were granted the authority to issue and refuse Business Licenses for a period not exceeding three year with Manager: Strategic Planning being the Licensing Authority Secretary.

The Local Economic Development Division is responsible for licensing certain types of businesses trading within the jurisdiction of the Umuziwabantu Municipality. These businesses are by law required to be in possession of a business license.

Umuziwabantu Municipality published an advert inviting all the Business owners within its jurisdiction to inform them of the Business Act and address any queries thereafter.

The implementation of the Business Licensing is underway and business owners are encouraged to apply.

Challenges

- ⇒ Limited Funding
- ⇒ More Training is required to Coops e.g. Caterers (South African Nutritional Standards)
- ⇒ Application for grading of B&Bs and lodges
- ⇒ Limited Office Space – limits access to internship programs (for unemployed youth).
- ⇒ Minimal participation of local chamber of commerce Integration of LED and Technical services projects vs. Procurement Policies
- ⇒ High levels of illiteracy
- ⇒ HIV and AIDS
- ⇒ Lack of big corporations to provide employment

2.2.2 Social Programs Performance Highlights

2.2.2.1 Arts and Culture

UGU District Municipality in partnership with the Department of Arts and Culture has jointly launched Forums within the district wide area in order to embrace and encourage participation of local people in the display of their talents, dance, music and other attributes. The Municipality is currently in the process of launching ward structures for arts and culture and a very successful poetry workshop was facilitated.

Zulu Reed Celebration

Young girls from Umuziwabantu participated in the Zulu Reed Celebration held in September 2011 at KwaNongoma, North of KwaZulu Natal.

2.2.2.2 Special Programs

HIV and AIDS

A number of HIV and Aids awareness programs were facilitated at a Provincial, District as well as at local level. One of these was the profiling of 65 households within Umuziwabantu, using cadres and youth ambassadors. A number of workshops were also facilitated throughout the year for wards Aids committees.

Senior Citizens

The Municipality established and registered 14 senior citizens luncheon clubs in all wards. One of the highlights for senior citizens however, was to participate in the National Golden games, which were held in Bloemfontein.



Senior citizens Golden Games held in Bloemfontein

Rights of a Child

In an effort to assist young people who travel long distances to get to school every day. The Department of Transport together with Umuziwabantu local municipality provided 600 Bicycles to 32 schools within the Municipality. This program benefitted 600 pupils. Other outreach programs which were facilitated by the municipality were: Child trafficking campaigns, Teenage pregnancy campaigns, and Anti Drugs campaigns throughout Umuziwabantu and emphasis on school visits.

Operation Sukuma Sakhe

The OSS program has been launched in all wards and war rooms are functional. A Local Task Team was also launched in order to give aid to the OSS program. Profiling and interventions are being done.

Special Programs- Challenges:

- ⇒ Poor attendance in committees.
- ⇒ No capacity building for members of committees has been done
- ⇒ Departments (stakeholders) are not fully participating in programs and attendance to meeting is very poor.
- ⇒ Database for people living with disabilities has not yet been populated
- ⇒ Right of a child section is not funded, making it a challenge to implement programs.

2.2.2.3 Youth

Youth Council

The Youth forms a large part of the population of Umuziwabantu; it is in this light that the municipality encourages young people to participate in the decisions that are taken by council through formal and organized structures.

The Youth structures below are due for elections, as their term of office have come to an end.

- Umuziwabantu Youth Council
- Youth Forums
- Sport Committees
- Umuziwabantu Sport Council

Youth Development Unit

The main functions of the Youth Development Unit are:

- Career Guidance/Counseling
- Referrals to centre or departments where they source information
- Distribution of Central applications office forms
- Facilitation of sporting activities.
- Information on access to basic education and higher education institutions.

Inkonzo yabantu Abasha

Umuziwabantu Youth Development Office hosted a motivational prayer day in November 2011. The prayer seeks to motivate young people as they were preparing for metric examinations and to also address the predicament of moral decay amongst the youth.

2.2.2.4 Sports

Mayoral Cup

The mayoral cup tournament which was played during March and April 2012 was a great success. The games were played at ward levels and concluded at the municipal level. The continued support of the mayoral cup has increased the level of participation among young sports enthusiasts.



2011/ 2012Municipal Soccer Team

2.2.2.5 Library

Successes:

Internet @ your Library:

- The amount of patrons using the services has improved especially in learning how to use computers.
- The cyber cadet offers Basic Computer Literacy to the community of Umuziwabantu, training 20 learners a month.
- The Library has eleven (11) computers being used for training and general use.
- Library Services is promising to give the library 10 new computers.

Internet @ your Library users:

- Users – 10035
- Learners – 220

Conferences:

- Attended LIASA (Librarian Conference) in Durban, this is greatly appreciated.
- KZNPLS Annual Conference was held in Durban ICC in November.

Career Exhibition:

- The Career Exhibition was hosted by Department of Education, the Municipality and the Library.
- Many schools from all Umuziwabantu wards attended.
- All other role players from the different Universities, Defence force, CAO and many more attended and helped the learners with all the relevant information.
- In June the Library organized Eskom to come and advise the grade 12 learners about the bursaries that they offer and the learning fields students can embark on after grade 12 .



Learners at the Library week

Library Week:

- For library week the Library hosted a coloring competition where the children had to color a butterfly and cut it to be a mask.
- A number of schools and local pre schools came to the Library during this period. Every day there was a school visiting the Library.
- The Library also granted patrons amnesty in that week for late books, where the patron did not have to pay any fines. The Library managed to collect a lot of books during this amnesty period.

School Orientation:

- We had a number of schools that came to the Library for orientation, Westbury Primary; Special School, Mahelane brought their grade 6 and 7 and a class of Ladies who were learning ABET. (just to mention a few)
- Harding Primary school invited the Librarian to come and give a Library talk with the schools grade ones.
- Give hope Primary school in Weza also invited the Librarian as the guest speaker in the opening of their school Library and Computer lab.

Library Membership:

- Adult – 2225
- Young Adult – 945
- Juveniles – 1838
- **TOTAL - 5008**

HEAD COUNT SYSTEM

- Maximum total every month = 17 000.

Challenges:

- The Library has become too small due to the number of people using it.

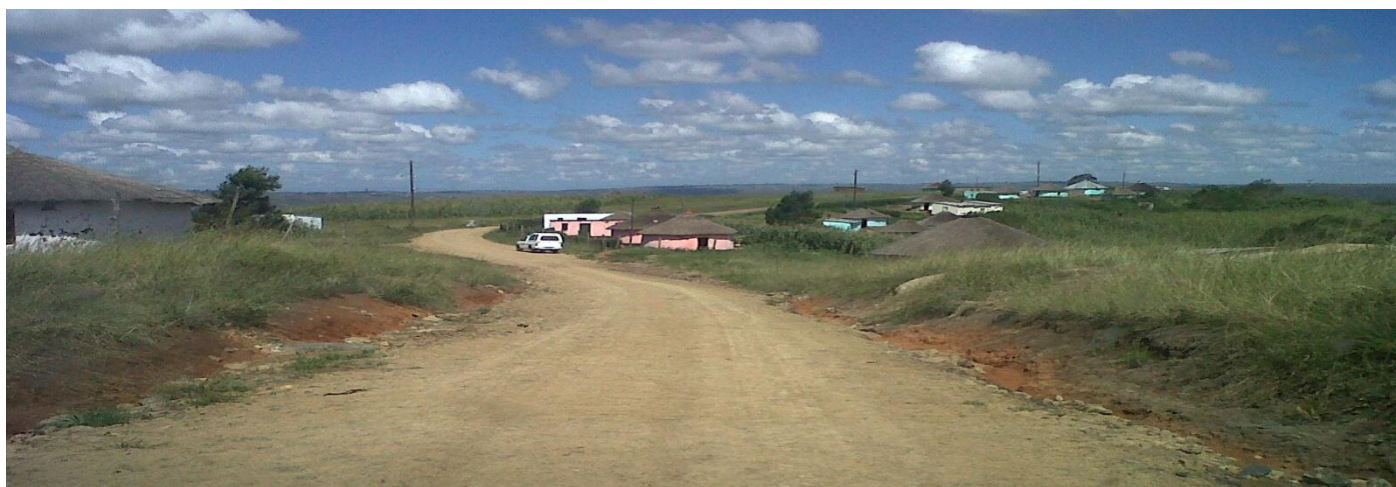


2.3 INFRASTRUCTURE AND SERVICES DELIVERY

Below are the highlight of infrastructure development and services:

2.3.1 Municipal Infrastructure Grant Projects

Project Name	Actual Milestone
Rehabilitation of Murchison Street for small town rehabilitation in Harding.	Layer works up to stabilized base layer and all the concrete channels and curbing Hancock street. Project is now practically complete, contractor attending to the final snag list.
Rehabilitation of Hawkins Street for Small Town rehabilitation in Harding	Appointment of contractor and re-establishing, project is ongoing!!
Community Park	Completion of the park, landscaping. Currently waiting for COGTA to launch in order for the community to use.
Access Road Nhlabe to Kwangubelanga A2420 in Ward 8	Appointment of the contractor, site hand over and establishment by the contractor. The project is ongoing
Emavetheni access road Ward	The project is 100% complete
Construction of D 926 Roads in Ward 1	The project is 100% complete
Phophoni access road	The project is 100% complete
Mangashuza access road	The Project is 100% complete
Machobeni access road	The Project is 100% complete
Mabhungwini access road	The Project is 100% complete



Mangashuza Access Road

2.3.2 The Road Infrastructure Network

Generally roads in Harding Town have improved, though further financial investment is still required to achieve satisfactory standards. The roads connecting Harding town with surrounding areas i.e. Bizana and Umzimkhulu have been left unattended for too long. In the future planning of the municipality the two roads should receive attention in order to unleash the great potential of the Town.

The effort of building good roads infrastructure is sometimes wasted due heavy load trucks using these roads frequently. The revival of the rail network seems the most obvious solution to increase the life span of the road network.

Roads Challenges

- ⇒ Inadequate storm water drainage
- ⇒ High water table
- ⇒ Inadequate storm water management
- ⇒ Inadequate pavement
- ⇒ Inadequate road maintenance
- ⇒ Budget constraints
- ⇒ Lack of staff capacity



Machobeni Access Road

2.3.3 Housing Development

All the housing projects have a target and a maximum of 1000 units per tribal Authority except for the KwaJali tribal Authority. Poor communication between three parties (local municipality, Provincial Human Settlement and Implementing Agent) has caused delays in the implementation of projects i.e. payments, meetings and site inspections. Request for top up funds were submitted to the province for the KwaFodo project thus far no progress has been made as at 30 June 2011.

Project	Progress
KwaFodo	The year under review no construction has taken place however 641 Houses have been built and 430 VIP toilets
KwaMbotho	The project is on planning stage (Tranche 1) signature of the MEC has been secured for the project to proceed.
KwaJali	350 slabs have been completed. 111 houses constructed 1. Overall construction is progressing well.
KwaDumisa	100% achieved and 353 houses completed. Overall construction progress is now 100 %. No construction in 2010/2011
Ebashaweni	The project is on planning stage (Tranche 1)
KwaMazakhele	Phase 3 The project is on planning stage (Tranche 1) The DOHS to approve funds for tranche 2. No work conducted in the year under review. Waiting appoint of contract for installation of bulk services. 16 houses were constructed and completed, projected has been successfully completed
Political Violence damaged Houses Ward 4 and 7	

2.3.4 Electricity Connection

The municipality received funding of R10, 800 000 from The Department of Energy to attend electricity backlogs within the municipality.

- New electricity connections of 390 households in ward 2 still waiting for funding
- Electricity, still awaiting connections of 750 households in ward 9

Electrification of community halls

Eskom appointed a service provider and the project has been completed awaiting connection to the power main. However cluster 1; Mkangala, Marshmount, Mpeshu and Bashawesi community Halls have been connected to the power main. While Cluster 2; Ocigweini, KwaJali, KwaNgubelanga and Estezi are still outstanding.

Challenges

- ⇒ 30% of households still do not have electricity.
- ⇒ Inadequate capacity in some substations
- ⇒ Inadequate funding
- ⇒ Electricity (in-fills) in all wards

2.4 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

2.3.1 Participatory Democracy

Ward Committees

Umuziwabantu Municipality is made up of 10 Wards, spread in all the six tribal authorities. Each ward has a ward committee chaired by a Ward Councilor and assisted by PR Councilor in some instances. In terms of the Municipal Structures Act, Act 117 of 1997, the ward councilor serves as the mediator between people in the ward and the municipality, and all reports and requests must be submitted to the office of the speaker. The municipality established ward committees in 2011 and have been functioning reasonably well. The municipality would like to thank each and every one of them for their selfless dedication and contribution to strengthen and deepen democracy within the municipality.

Stipends for members of ward committees were introduced in this financial year. This goes a long way in assisting members of ward committees, more especially those that are unemployed to cover the basic costs of attending monthly meetings and airtime.

Challenges

- ⇒ Migration of some wards committee members during their term of office due to various reasons.
- ⇒ Inconsistencies in performance due to other commitments.
- ⇒ Huge Expectation from the community on service delivery – this poses serious pressure on the committee to deliver within a short space of time.
- ⇒ Lack of administrative skills among members.

Integrated Development Plan

The municipality under the leadership of the Mayor and Speaker held 10(ten) IDP-Budget road shows as well as 10 (ten) Mayoral Izimbizo. In line with the provision of the Municipal Systems Act, Act 32 of 2000, the council adopted its 2011/2012 process plan to develop the IDP. The municipality further invited members of the public to submit their interest to participate as different interest groups representatives in the IDP Representative Forum.

There were a number of IDP strategic Planning Sessions which were undertaken between January and February 2012 involving the municipality, sector departments, district municipality; public and private sector in order to strengthen integration; alignment and co-ordination.

Role of Traditional Leaders in IDP

Umuziwabantu Municipality has six tribal authorities spatially dispersed according to the nine wards:

- ✍ Bashaweni Tribal Authority
- ✍ Mbotho Tribal Authority
- ✍ Inhlengano Tribal Authority (KwaJali)
- ✍ Izibonda Tribal Authority (KwaMachi)
- ✍ Nhlengwini/ Fodo Tribal Authority
- ✍ ThokozaniMadumisa Tribal Authority (KwaDumisa)

In the Municipal consultative processes, Traditional Authorities are invited to consult and to be role players in the events and programmes delivered by the municipality and other spheres of government. The local authorities have shown great passion and enthusiasm to role players in development local government. The Traditional Authorities are very critical in public participation because of the influence they have on the people belonging to the settlement. The Tribal Authorities are part of all for a like IDP and Housing Forums and their contribution is enormous.

2.3.2 Good Governance

Indigent Support

The municipality continued to fund indigent support on free basic electricity, rates and waste removal. In the year under review the municipality provided free basic electricity to more than 5000 households. Each household receives 50kw free on monthly basis.

The municipality also assisted 154 families to bury their loved ones with dignity through the municipal indigent burial assistance programme.

2.4 FINANCIAL VIABILITY

Financial Management

The finance department is primarily responsible for ensuring transparency, accountability sound financial management. This means ensuring that all statutory requirements are adhered to, the monthly financial reports to council, national treasury in-year monitoring reports and annual financial statements were prepared and submitted on time.

The 2011/2012 financial year saw the departure of the Chief Financial Officer in December 2010. The position remained unfilled for a period of 6 months and the municipal manager was acting until the position was filled. The general weakness of small municipalities to keep and attract highly skilled individuals is posing a serious challenge to future development of Umuziwabantu municipalities.

Policy Reviews and Development

Sound Financial Management and Planning remain a top priority of Umuziwabantu Municipality.

Therefore the following strategies and policies have been developed or reviewed to ensure that a good financial position is maintained.

Indigent Policy: Reviewed

- ⇒ The aim of this policy is to create an enabling environment in which a financially sustainable municipal service can be rendered, given that many of the residents cannot afford to pay for those services due to socio-economic hardships.

Asset Management Policy: Reviewed

- ⇒ The purpose of this policy is to ensure that Municipal Fixed Assets are:

- ❖ Acquired
- ❖ Safeguarded
- ❖ Controlled
- ❖ Accounted for, and
- ❖ Disposed Off property

In terms of the Municipal Finance Management Act (MFMA,) Act 56 of 2003, requirements and applicable accounting standards the following policies were also reviewed:

Debt and Credit Control: Reviewed

- ⇒ The strategic aim of this policy is to create an environment in which the objectives of credit control and debt collection can be realized.

Property Rates Policy

- ⇒ The strategic aim of the policy is that there is a need to provide local with access to a sufficient and buoyant source of revenue necessary to fulfill its developmental mandate.
- ⇒ Revenue derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of racially discriminatory legislation and practices.
- ⇒ It is essential that municipalities exercise their powers to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the Nation and which takes account of historical imbalances and the burden of rates on the poor.

Municipal Property Rates Act Implementation

Another highlight on the financial aspect of the municipality has been the preparatory work for the implementation of the MPRA. The municipality was among municipalities which were the last to implement the MPRA. The law prescribed that the 01 July 2009 is the latest date to start charging rates using the new system. The municipality appointed a service provider to implement property valuation. Community representations were invited through the print media and community meetings. This process culminated with the adoption of the rates policy and bylaws. The municipality has begun the implementation of the new billing system for rates.

Systems Integration

One of the problems we have been battling with in the past has been the financial management system which was not integrated. This affected the quality of the output data for financial reports. In many instances this would manifest itself during the audits when data presented conflicts. There was also a lot of duplication in terms of capturing of data, which on its own increased errors. During the year, the finance department successfully integrated the finance system. This has made a huge positive impact on the internal financial data processing and it will improve the quality of our statistical output.

CHAPTER THREE:

Human Resources and other Organizational Management

- 3.1 Organizational Structure
- 3.2 Human Resources Profile
- 3.3 Staffing Information
- 3.4 Skills Development Programme
- 3.5 Disclosures

3.1 ORGANISATIONAL STRUCTURE



Mr. S. D. Mbhele
Municipal Manager



Mr.S.T. Mhlongo
Chief Financial Officer



Mrs. N. A. Sigwebela
Director: Corporate Services



Mr M. K. Guzowski
Director: Technical Services

EXTENDED MANAGEMENT



Ms E Schachinger
Manager: Human Resources



Mr. S Stemele
Manager: Expenditure



Ms N. Mayeza
Manager: Communication & Administration



Mr. A Waren
Manager: Cleansing & Maintenance



Mr. W.T. Gumede
Manager: Strategic Planning



Mr. I. Ogle
Manager: Income



Mrs. A Warren
Manager: Equity



Mr. K.R Ndlovu
Manager: Protection Services



Mr. K. Letebele
Manager: Project Management Unit



Mr. M. Mohlaoli
Manager: Special Programmes



Mr. M Mbotho
Manager: Youth Programmes

OFFICE OF THE MUNICIPAL MANAGER



Mr. Sazi Mbhele: Municipal Manager

Umuziwabantu Municipality has four Council supporting departments, namely: Office of the Municipal Manager, Technical Services, Treasury and Corporate Services. Each department is headed by a manager. Additional to Managers, the municipality has a staff complement of 151 permanent members. All section 54 and 56 positions are filled.

3.1.1 Office of the Municipal Manager

The office of the Municipal Manager is responsible for the following functions: Strategic Development Planning (Local Economic Development, Integrated Development Planning and Performance Management), Youth Development programs; HIV/AIDS and Special programs.

Strategic Development Planning:

This unit is responsible for the implementation of the Municipality's Performance Management System as aligned to the IDP, and to monitor and report progress and implementation thereof.

Youth Development Unit:

The youth office is responsible for the institutionalization and mainstreaming of youth development programs within Umuziwabantu and the promotion of sports activities.

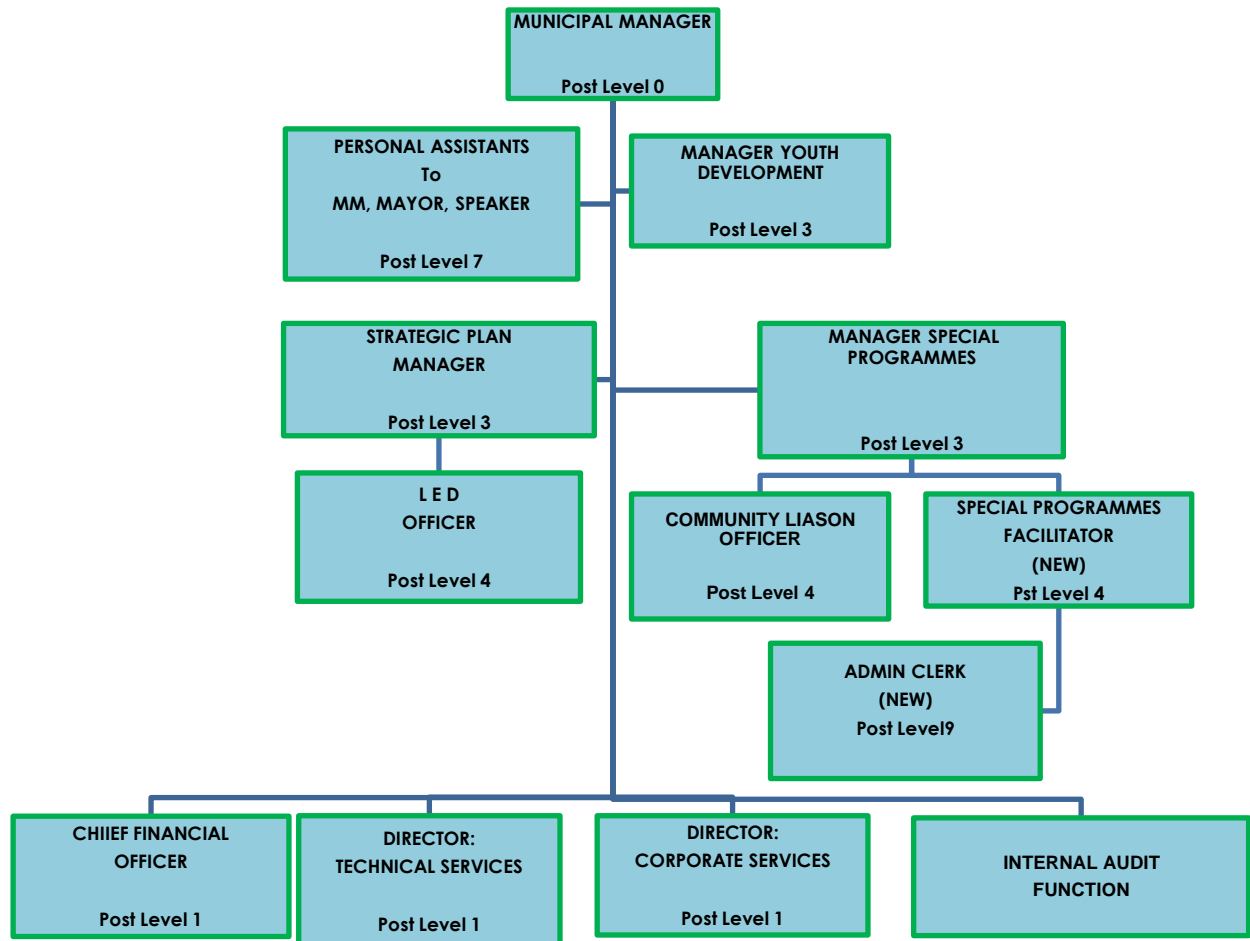
HIV/AIDS and Special Programs:

The special programs office advocates and lobby's for the development and mainstreaming of issues which affects the following vulnerable groups: senior citizens, people living with disabilities, women and children. The office also provides assistance and support to people living with and/ or affected by HIV and AIDS.

The office of the Municipal Manager has a staff complement of 12 employees who are responsible for various functions within the municipality. The office of the Municipal manager has the following sections and each of them is assigned an assistant manager:

Section	No. of Employees
Municipal Manager	1
Integrated Development Planning	2
Local Economic Development	1
Special programs	2
Internal Auditing	0
Youth programs	2
TOTAL	8

OFFICE OF THE MUNICIPAL MANAGER ORGANOGRAM



TECHNICAL DEPARTMENT

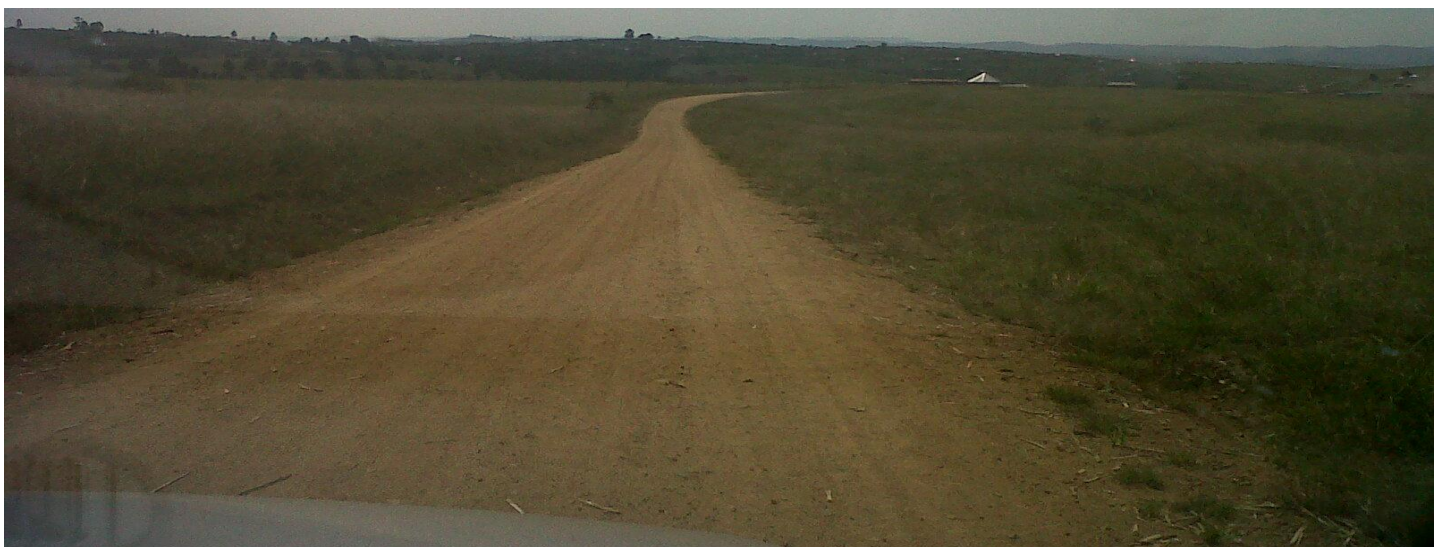


Mr. Marek K. Guzowski: Director Technical Services

The Technical Services Department is headed by a manager and has a total staff complement of 106 employees. Additional to the manager, each of the 5 (five) sections is assigned a manager.

During the 2011/2012 financial year the employed development planner tendered his resignation for greener pastures, which left a void within the unit. This posed as great challenge for the entire department during that period. The positions of the development planner together with the Manager; Town Planner were later advertised.

SECTION	NO. OF EMPLOYEES
Refuse	29
Electricity	13
Parks And Gardens	23
Traffic	18
Roads	16
Technical Services Office Based (Holman Street)	07
TOTAL	106



Mabhungwini Access Road

FINANCE DEPARTMENT



Ms T. Mhlongo: Chief Financial Officer

During the 2011/ 2012 financial year, the Umuziwabantu Municipality's treasury department was headed by a Chief Financial Officer and three assistant managers, each of them heading a section, i.e equity accounts; expenditure and income.

The finance department is responsible for the functions of supply chain, expenditure, revenue, and budget and reporting.

Supply Chain Management:

This unit is mainly responsible for the following functions: Tenders, Quotations and suppliers database.

Expenditure Management:

This expenditure unit is responsible for payments and remunerations.

Revenue Management:

The revenue unit is primarily responsible for tariffs, billing, rates, credit control, debt collection, cash receipts and banking, customer care and insurance.

Budget and Reporting:

This unit is responsible for the following functions: Budgeting and reporting, cash management, reconciliation, annual financial statements, management accounts and financial systems.

The total staff complement of the Umuziwabantu Treasury department is 17 employees.

SECTION	NO. OF EMPLOYEES
Chief Financial Officer	1
Income	5
Expenditure	6
Equity	5
TOTAL	17

Financial Management

The following financial management policies were developed and implemented during the 2011/2012 financial year:

- Supply Chain Management Policy
- Credit Policy
- Debt Collection Policy
- Asset Management Policy
- Property Rates Policy
- Salary Policy

Importantly, the municipality received an unqualified audit opinion during the 2010/2011 financial year. The Finance Directorate reports to the Finance and Corporate Services Portfolio Committee which is chaired by the Mayor Cllr D. Nciki. The committee is constituted as follows:

Finance Portfolio Committee and Corporate Services



Left – right: Cllr A.D. Ngubo (Speaker), Cllr M. Skhosana, Cllr D. Nciki (Mayor), Cllr M.V. Nyathi and Cllr S.O. Njongo.

CORPORATE SERVICES



Mrs. Nontuthuzelo Sigwebela: Director Corporate Services

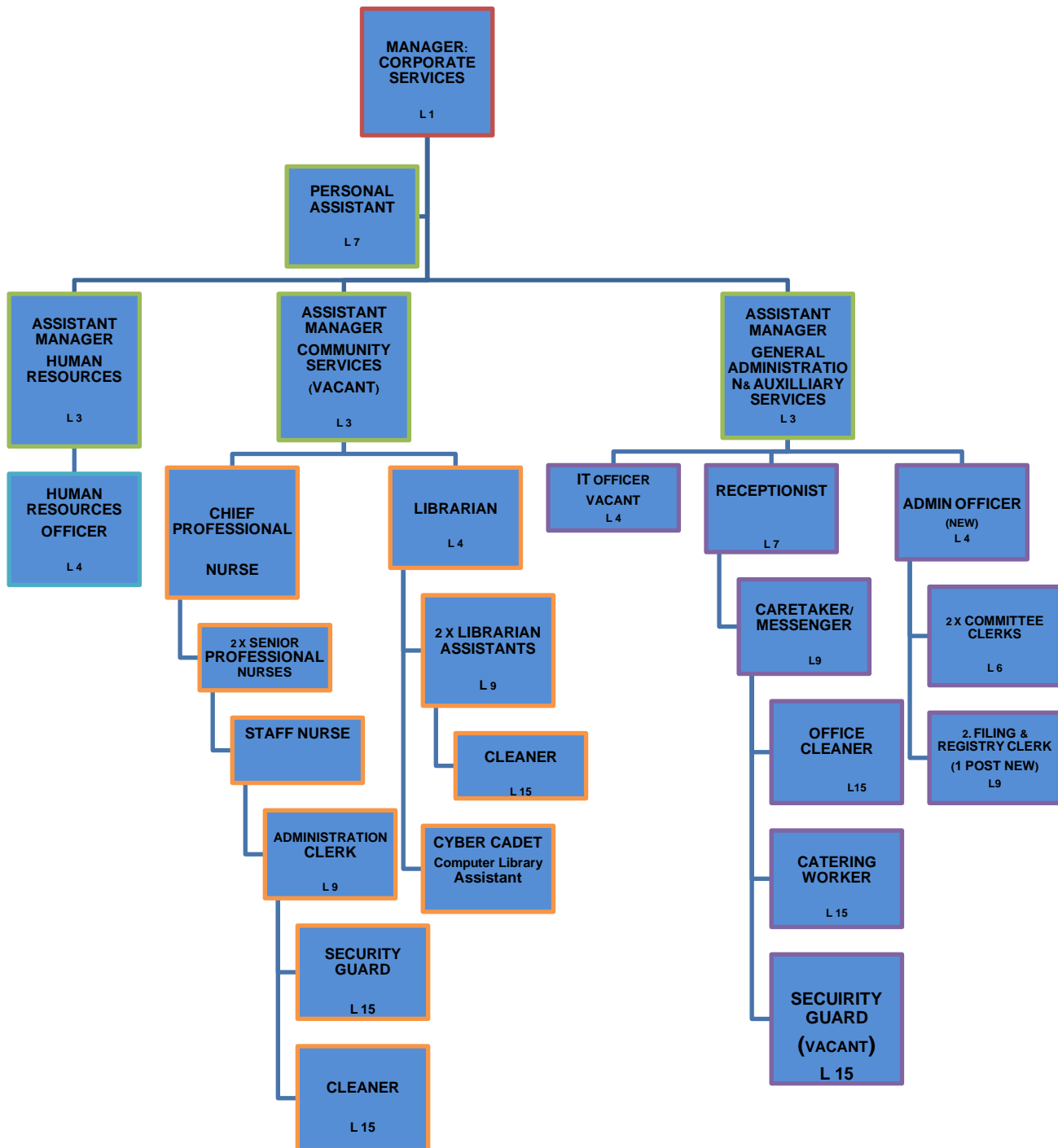
The Corporate Services department is headed by the Director: Corporate services and three managers who head the human resources; Administration and Community Services sections.

The total staff complement of the Umuziwabantu Corporate Services department is 21 employees.

SECTION	NO. OF EMPLOYEES
Manager	1
HR	2
General Administration& Auxiliary Services	8
Community Services	10
TOTAL	21

The Corporate Services Directorate reports to the Finance and Corporate Services Portfolio Committee, the committee is chaired by the Mayor Cllr D. Nciki. The photo above shows how the committee is constituted.

CORPORATESERVICESORGANOGRAM



3.2 Human Resources Profile

Below are statistics of permanent employees in terms of their occupational categories. The table also reflects on how the municipality has addressed the requirements of the employment equity act. The remaining challenges in this area are the representation of women and the people with disabilities. However, females are a majority in the top management employees and also a majority at all management levels in totality.

Employment Equity Report

OCCUPATIONAL LEVELS	MALE				FEMALE				TOTALS
	AFRICAN	COLOURED	INDIAN	WHITE	AFRICAN	COLOURED	INDIAN	WHITE	
TOP MANAGEMENT	1			1	2				4
SENIOR MANAGEMENT	6	1			2	1		1	11
PROFESSIONAL QUALIFIED	8				2	2			12
SKILLED	29		1	1	14	1	2		48
SEMI SKILLED	28	1			3	2			34
UNSKILLED	43				19				62
TOTAL PERMANENT	115	2	1	2	42	6	2	1	171

Below is a 2010-2011 training report submitted to the Department of Labour as per the legal requirement.

ANNUAL TRAINING REPORT	MALE				FEMALE				TO TA L
	AFRIC AN	COLO URED	INDI AN	WHIT E	AFRIC AN	COLO URED	INDIA N	WHI TE	
LEGISLATORS									
DIRECTORS&CORPORAT E MANAGERS									
INTERNSHIP	3								3
LEARNERSHIP									
IN SERVICE TRAINING	1								1
TRAFFIC									
TECHNICAL SERVICES	1								1
OFFICE OF THE MUNICIPAL MANAGER					1				1
FINANCE									
CORPORATE SERVICES	1				1	1			3
TOTALS	6				2	1			9

TRAINING REPORT

JULY 2011 TO JUNE 2012

NAME OF COURSE/WORKSHOP	DURATION	TOTAL NUMBER OF DELEGATES
Disciplinary Hearing Training	3 DAYS	02
BATHO PELE Work shop	One day	06
ODETD Training	One Year from August 2010 – August 2011	02
Pease Officers Coarse	November 2010 One week	05
Traffic Officers Course	One Year From January 2011 – December 2012	01
In service Training	One year contracts	05
Learner ships in Business Administration	One Year June 2010 – June 2011	30
Specialist in Local Government Management Programme	September 2010 Programme still in Progress	01

HERE BELOW IS A LIST OF ALL ADOPTED POLICIES DURING THE FINANCIAL YEAR :

Community Services Portfolio Committee

During 2011/12 financial year the council resolved to restructure the municipality equivalently to its growth demands. The restructuring brought about the establishment of a new directorate, the community service. The Community Services Directorate shall report to the community services Portfolio committee. The position of the Head of Department remains vacant. This directorate with composed of three units, protection services, Community Services and Refuse parks and recreation.

The committee is chaired by the member of the EXCO Cllr A.B Dlamini.



Left – right: Cllr X. Dlangisa, Cllr A.M. Cele, Cllr H.J. Ngubelanga, Cllr A.D. Ngubo, Cllr A.B Dlamini (Chair), Cllr M.S. Charane, Cllr T.H. Chiliza.

UMUZIWABANTU MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

		2012 R	2011 R
21	OTHER INCOME		
	Library – sundry	4 688	3 320
	LG SETA	-	6 209
	Cemeteries - burial fees	32 642	32 794
	Hall hire and facilities	38 818	61 869
	Building plans and inspections	74 856	42 269
	Recovery of stolen monies	-	150 444
	A forestation	154 630	126 947
	Other income	29 503	39 115
	Total Other Income	335 137	462 967
22	EMPLOYEE RELATED COSTS		
	Salaries and Wages	17 706 279	16 724 754
	Contributions to UIF,pensions and medical aids	4 041 186	3 797 104
	Travel, motor car, accommodation, subsistence, housing and other allowances	1 690 750	1 555 075
	Uniforms and protective clothing	3 400	3 600
	Overtime payments	1 852 775	1 813 030
	Provision for bonuses	1 236 886	659 102
	Total Employee Related Costs	26 531 276	24 552 665
	Remuneration of the Municipal Manager		
	Annual Remuneration	740 887	601 561
	Car Allowance	133 665	126 630
	Contributions to UIF,Medical and Pension Funds	1 497	1 497
	Total	876 049	729 688
	Remuneration of the Chief Finance Officer (8 months)		
	Annual Remuneration	300 214	216 780
	Car Allowance	75 231	49 592
	Contributions to UIF,Medical and Pension Funds	9 766	624
	Total	385 211	266 996
	Remuneration of Manager of Corporate Services		
	Annual Remuneration	440 125	423 570
	Car Allowance	127 331	120 629
	Contributions to UIF, Medical and Pension Funds	1 497	1 497
	Total	568 953	545 696

Remuneration of Manager of Technical Services

Annual Remuneration	419 647		398 669
Car Allowance		127 331	120 629
Contributions to UIF, Medical and Pension Funds	1 497		1 497
Total	548 475		520 795

REMUNERATION OF COUNCILLORS

Mayor	494 665		553 777
Deputy Mayor	480 793		415 360
Councillors	4 018 701		3 214 101
Total	4 994 159		4 183 238

In-kind Benefits

The Mayor, Deputy Mayor, Speaker and Executive Committee Member are full-time and are provided with an office and secretarial support at the cost of the Council in order to enable them to perform their official duties. Councillors may utilise official council transportation when engaged in official duties

The following additional support is provided by the municipality:

The mayor has one full time bodyguard/driver

[illegible]

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
Good Governance & Public Participation	Develop an Organisational Performance Management System	Develop Consolidated quarterly reports for the entire municipality	Number of departmental quarterly performance reports conducted	4	4	1	One quarterly review session has been conducted	Ensure time keeping in conducting quarterly reviews	Minutes and reports	R 53000. 00 -R 13250 = R39750
	Develop an Organisational Performance Management System	Develop or review performance management policy framework	Date adoption of PMS Policy	1	1	adopted in July 2011	The PMS Policy was tabled and adopted at council on the 29 July 2011	Nil	Council Resolution	N/A
	Ensure the Annual performance information is prepared and submitted on time	Timeous submission of performance information to the AG	Date of submission of performance information report to AG	1 (31st August 2010)	31st August 2011	31st August 2011	The performance information was submitted to auditor general, by 31 August 2011	Nil	Hard copy information submitted.	N/A

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
Municipal Transformation and Institutional Development.	Timeous signing of performance contract of Section 57 managers	Ensure all S57 performance contracts are signed by 31 July 2011 and published on Municipal website	Date of signing and publication of performance agreements for Section 57	31 July 2010	1	31 July 2011	All performance contracts were signed on time and published in the municipal website	Nil	Website print out	N/A
Good Governance & Public Participation	Ensure proper coordination and communication structure of internal stakeholders in the MM's office	Convening of Departmental meetings in office of the MM	Number of meetings	12	12	3	No meetings were convened	Tight schedule regarding other functions & the absence of the CFO required the chairperson to oversee functions of that department.	N/A	N/A
	Establish institutional capacity within the municipality to attend to LED projects.	Institutional Capacity Building through trainings and workshops	Number of LED workshops conducted	6	20	10	10 workshops were conducted for SMME'S in all municipal wards	N/A	Attendance register	N/A

[illegible]

	<i>Consultation of informal traders on the approach in formalising the sector</i>	<i>Establishment of informal traders forum</i>	<i>Date of forum launched</i>	<i>N/A</i>	<i>30/09/2011</i>	<i>30/09/2011</i>	<i>The informal trading structure was launched on the 10th August 2011</i>		<i>council report and attendance register</i>	<i>No municipal fund used</i>
	<i>Formalization of business sector trading within the borders of the municipality</i>	<i>Business Licensing Registration</i>	<i>Number of Businesses registered</i>	<i>20</i>	<i>20</i>	<i>5</i>	<i>No businesses have been registered</i>	<i>DEDT finalising all procedural processes</i>	<i>Proof of issued licences</i>	<i>N/A</i>
	<i>Establishment of ward committees</i>	<i>Formation of ward committees in all municipal wards</i>	<i>Date Launch of ward committees in ten wards</i>	<i>9</i>	<i>10 ward committees launched by 30/09/11</i>	<i>30/09/2011</i> <i>10 structures elected</i>	<i>Ten ward committees structures were elected in the first quarter</i>	<i>Nil</i>	<i>List of elected members</i>	<i>public participation vote</i>

Municipal Transformation and Institutional Development	To ensure Institutionalization and mainstreaming of Youth Development in the municipality	Winter Games	Local Selection Trials – 18 September 201 1.	01	01	01	Allocated budget for our municipality was not utilised. 28 Athletes from Umuziwabantu to represent UGu in the upcoming SALGA KZN Games.	Develop a grant in aid policy which will allow distribution of R 250 000.00 meant for Winter Games to development of sport.	List of selected athletes for upcoming KZN SALGA Games. Report was tabled to Community Services Portfolio Committee. Monthly Budget Statement (Catering and hiring of two taxis)	Sport Development VOTE: R 250 000.00
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Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
	Economic Transformation	Entrepreneurship Skills Development Workshops.	04	04	01	Duplication of the same programme since LED Unit working together with SEDA also conducts workshops on a weekly basis while targeting same audience.	Nil	Consolidate our budget and programme aiming for economic skills development with LED unit to avoid duplication.	Attendance registers of LED Unit ON Skills Development Workshop.	Youth Programs VOTE: R 330 000.00
	Social Transformation	Sport Indaba	01	01	0	The programme was initially planned for a short term vision (2012/2013 financial year).	Not Achieved.	Develop a concept document that will incorporate matters of sport to a five year IPD Planning for Umuziwabantu since it was not planned for.	Report will be tabled to Community Services Portfolio Committee and IDP Forum.	Sport Development VOTE: R 250 000.00
ISivuno C0-operative	to strengthen and growth for a co-operative development in agriculture	Fencing	Agricultural activities	01	01	01	The actual expenditure is R 80 000. The service	LED Unit has met with the service provider and finance	Council Resolution	LED Vote

							provider is still fencing the project.	department. the project had to undergo to procurement processes		
Helemu Agricultural project	to strengthen and growth for a co-operative development in agriculture	Fencing	Agricultural activities	01	01	01	Fencing is not done due to the environmental challenges, such as soil erosion due to heavy rain falls,	Project members will identify an alternative site.	Photographic images and Report.	LED vote
Masibumbane Co-oparitive	to strengthen and growth for a co-operative development in agriculture	12x Boom Sprays, 10x 50kg of Fertilizers, 12x racks	Agricultural activities	01	01	01	R 30 000 is committed to the project, but not yet achieved	The Municipality cannot find a supplier for a required service.	The finance department has advertised to local news papers.	Advert.

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
Timber Sector Manufactures	To support and capacitate SMME's for sustainable growth	Panel Saw, 200 litre compressor	Manufacturing	01	01	01	R 60 000 is committed to the project. procurement processes are still in place	nil	Council resolution	LED vote
Sikhiphindlala Co-operative	to strengthen and growth for a co-operative development in agriculture	Fencing and Irrigation	Agricultural activity	01	01	01	R 60 000 has been committed to the project and procurement processes still has to be done	nil	Council resolution	LED vote
Vezokuhle Community Project	to promote food security for sustainable lively hood	Fencing	Agricultural Activities	01	01	01	R 50 000 has been committed to the project and procurement	nil	Council resolution	LED vote

							processes still has to be done			
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Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
Mthintanyoni Poultry Project	to promote food security for sustainable lively hood	1500 Chicks, poultry equipments	Agricultural activities	01	01	01	R 30 000 has been committed to the project and procurement processes still has to be done	nil	Council Resolution	LED vote
Sizanani Community Project	to promote food security for sustainable lively hood	Fencing and Irrigation	Agricultural Activities	01	01	01	R 50 000 has been committed to the project and procurement processes still has to be done	nil	Council resolution	LED Vote
Good Governance & Public Participation	Public consultation in the formulation of the IDP Documents, identification of community needs	IDP/Budget road shows	Number of IDP public participation meetings	10	20	10	6 Public consultation meetings convened which focused on 6 national key performance areas	The municipality convened stakeholders in a municipal hall to deliberate on the approach for the next five years to improve service delivery across the board.	Minutes of meetings and attendance register	R118 317.34 Public Participation vote

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
	Development of the IDP in consultation with other stakeholders and presentation of sector plans	Alignment of IDP; Budget & PMS	number of IDP Forum meetings convened	3	10	2	2 IDPF Meetings were convened successfully to align departmental sector plans	nil	Minutes of meetings.	N/A
HIV and AIDS WORLD AIDS DAY PREPARATIONS (Profiling and interventions)WIPP	To enhance promotion of healthy lifestyles within Umuziwabantu Municipality	Number of build up programmes done by St Andrews Hospital and all clinics within the Municipality	Number of homes profiled	10/2011		25	65house holds were profiled Dialogue among the women 30 females participated	Use of cadres and youth Ambassadors to reach more families	report	Budget R100 000-00 Expenditure R36 580-00 Balance R 63 420-00 Special programs vote.
A Women In Partnership Programme against AIDS	To encourage Females to be circumcised and to fight and limit HIV and AIDS	Number of awareness and women to women talks done	Number of females participated in this programme	Ongoing	4	1	65house holds were profiled Dialogue among the women 30 females participated.	Encourage more females to be involved in next quarter dialogue	Report	

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
SENIOR CITIZENS <i>National Golden Games Bloemfontein</i>	To encourage Senior Citizen to join luncheon clubs and to encourage healthy life among the senior Citizens	To encourage Senior Citizen to join luncheon clubs and to encourage healthy life among the senior Citizens	Number of Senior citizens joined luncheon club and number of senior Citizens selected for district and provincial games	October 2011	none	none	Sport in seven luncheon Clubs	To have more luncheon clubs in different wards so that most Senior Citizens can join and to introduce Healthy life programmes for senior citizens	Report	Budget R100 000-00 Expenditure R36 385-00 Balance R 63 615-00
Abuse of Senior Citizens	To facilitate the implementation of Whistle blowing against Senior Citizens abuse	Number of Senior Citizens work shopped	Number of new senior citizens who were found to have been abused	10 -2011	100	25	27 Senior Citizens assisted	Encourage SASSA DSD and DHA to be more involved	Report	
Promotion of senior citizen activities.	To ensure that the needs for vulnerable (women, disabled, HIV/AIDS, elderly) groups are taken into consideration into all Council's activities	Number of Senior Citizens without IDs	Number of SC assisted	ongoing	None	none	08 Senior Citizens assisted	Encourage ID less Senior Citizens to do IDs	Report	Special programs vote.

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
RIGHTS OF A CHILD Teenage Pregnancy	To have a Campaign against teenage pregnancy, Substance Abuse, Crime Prevention, Domestic Violence, Child Trafficking and other social illness related matters	Number of Campaigns completed and number of stakeholders involved	Number of Children involved in all campaigns and number of schools visited	On Going	20	5	4 Schools visited and more than 5000 learners benefited	The department of education needs to be more involved DoE, DoH, Dsd, Councillors and the Municipality	Report	N/A
Children's Day	To educate children's about their rights	Provincial and National events	Number of children attended the events	05 December 2011	None	None	Two learners from Umuziwabantu attended the Children's National Day	Involve more children in this programme	Report	N/A
Girls Sanitary Pads	To assist learners without sanitary pads and encourage personal hygiene.	Schools received sanitary pads. Special school, Marshmount and St Teressa	Number of learners or children involved in the programme	On going	04	01	More than 500 learners from three schools benefited	To have more stakeholders involved in this programme	Report	

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP)	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
GENDER Men's Indaba	<i>To empower men and encourage them to stand up for their rights</i>	<i>Number of stakeholders participated in this programme</i>	<i>Number of men participated in this programme</i>	<i>24 November 2011</i>	<i>01</i>	<i>None</i>	<i>40 males participated in this programme</i>	<i>Improve Communication between the Municipality and the Gender Forum Members</i>	<i>Report</i>	<i>Budget R100 000-00 Expenditure R47 600-00 Special programs vote</i>
Food Parcels	<i>To provide sustainable food security especially for child-headed families</i>	<i>Number of Food parcels provided</i>	<i>Number of families benefited</i>	<i>October November 2011</i>	<i>None</i>	<i>None</i>	<i>60 homes benefited</i>	<i>Encourage more families to initiate one home one garden initiative.</i>	<i>Report</i>	<i>N/A</i>
Home Affairs Visits to wards	<i>To bring service delivery to the people</i>	<i>Number of sites visited by Home affairs</i>	<i>Number of people assisted</i>	<i>On going</i>	<i>None</i>	<i>None</i>	<i>More than 500 community members benefited.</i>	<i>Encourage more community members to come to these venues, Loud hailing is needed</i>	<i>Report</i>	<i>N/A</i>

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP) Q2	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
Food Parcels	To provide sustainable food security especially for child-headed families	Number of Food parcels provided	Number of families benefited	October November 2011	None	01	60 homes benefited	Encourage more families to initiate one home one garden initiative.	Report	
ARTS AND CULTURE Isichathamiya preparation for 2012event	To motivate artists doing Isichathamiya	Talent identification and grooming young artists	Number of artists and people involved	October 2011	01	01	Isichathamiya festival at Umuziwabantu Municipality	none	Report	Budget R100 000-00 Expenditure R50 500-00 Balance R 49 500-00
Craft Workshop	To encourage people to do hand work	Talent identification	Number of people involved	25-27 Nov 11	none	none	Profiling of people doing craft work	To explore the talented community members	Report	Special programs vote
DISABILITY	Compile the number of people living with disabilities within Umuziwabantu	Number of disabled people registered with DSD	Number of disabled people on data base	October 2011	none	none	113 disabled people registered on the data base	Motivate more disabled people to register	Report	Expenditure R30 100-00
	To encourage people with disabilities to be involved in sport and keep their bodies healthy	Number of disabled people participated in this programme	The Municipality came second position within the district	27 October 2011	None	None	60 disabled people including learners from Harding Special School participated in district games	To have more sports equipment and facilities for people living with disabilities	Report	Special programs vote
PROFILING OF DISABLED PEOPLE	To evaluate the needs for people living with disabilities	Number of disabled people profiled	Number of disabled people assisted	02 December 2012			18 year old was provided with Wheelchair Bakkie	To have more profile for disabled people	Report	Special Programs vote

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP) Q3	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
Good Governance & Public Participation	Ensure internal consultation process is conducted.	Develop a credible IDP addressing development issues within the municipality	Date of Approval of IDP.	Adopted	30-06-2012	Conduct Strategic planning session for development of IDP.	Adoption of 2012-2016 IDP by council.	Nil	Council resolution.	
	Ensure internal consultation process is conducted.	Involvement of internal stakeholders in the preparation of IDP	Table IDP at MANCO before it is taken to council.	n/a	30-06-2012	Adoption of IDP by MANCO.	IDP was adopted by MANCO.	nil	Minutes of meeting and resolution	
	Development of the IDP in consultation with other stakeholders and presentation of sector plans.	Alignment of IDP; Budget & PMS	number of IDP Forum meetings convened	3	10	2	2 IDPF Meetings were convened successfully to align departmental sector plans	Nil	Minutes of meetings	
	Develop an action plan to respond to matters raised by AG	Issues raised in AG report for 2010/2011	Date response to AG reports	31/03/2012	31/03/2012	Action Plans Responding to AG findings	Responses to AG report were done	Nil	Corrective measures inserted as part of the Annual report.	
	Set achievable targets for all departments in line with performance plans of departments.	Formulation and adoption of the municipal SDBIP	Date of adoption of SDBIP by the 31 May 12 to EXCO	1	2012/05/31	EXCO resolution	Late submission to EXCO.	SDBIP to be submitted on the next EXCO meeting.	EXCO resolution.	

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP) Q3	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
	To ensure the consolidation and implementation of Performance Management System.	Develop an Organisational Performance Management System	Develop consolidated quarterly reports for the municipality.	4	4	1	Meetings were postponed on more than one occasion due to non submission from departments.	Meetings will be scheduled as part of the municipal schedule of meetings. Performance is not prioritised as it should. Commitment from administration and EXCO should be prearranged	Minutes and reports	
	Monitoring of the performance of the municipality	Compilation of half year performance reports	Date of mid-year review report completed	31/01/2012	1	Half year report	The half year performance information was submitted on time to council	Great focus is given to Finance reporting this should be reviewed	council resolution	N/A
	Timeous signing of performance contract of Section 57 managers	Ensure all S57 performance contracts are signed by 31 July 2011 and published on Municipal website	Date of signing and publication of performance agreements for Section 57	31 July 2010	1	31 July 2011	Performance contracts were signed. The accounting officer has not yet signed, hence he resume his new term as of 01 May 2012.	To ensure that the Accounting officer signs his performance contract within 90 days of appointment.	Website print out	N/A

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP) Q3	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
	Full compliance with Section 46 of the MSA	Prepare a comprehensive annual performance report that highlights achievements and challenges.	Date Adoption of Annual Report	10/11 Annual report adopted	Annual report adopted by 31/03/2012	First draft tabled at council	Tabled and adopted at council meeting on the 23 March 2012.	Nil	Council resolution.	R 101640.00 A330679000 0
Ensure proper coordination and communication structure of internal stakeholders in the MM's office.	Convening of Departmental meetings in office of the MM.	Number of meetings	03	03	03	Meetings sat upon request.	Meetings not prioritised and a schedule of meetings is to be established to ensure compliance.	Minutes and attendance registers.	N/A	
	Formalization of business sector trading within the borders of the municipality.	Business Licensing Workshops.	Number of Business Silencing workshops conducted.	01	01	01	No businesses have been registered or issued, but an educational workshop has been conducted to business community.	DEDT finalising all procedural processes and only one application has been received.	Attendance registers of business license workshop and Minutes of meeting.	N/A

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets as per (SDBIP) Q3	Achieved milestones and Challenges.	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
		Set achievable targets in line with performance plans for respective departments.	Formulation and adoption of municipal SDBIP	Date adoption by 30 May 2012	01	0	SDBIP not yet adopted.	To be submitted for adoption on the next EXCO meeting.	EXCO resolution	
Establish capacity building through training to attend LED projects	To establish private partnership and to expand to local investment	Institutional building through training	number of workshops conducted	03	20	05	05	nil	Attendance registers and reports.	
Support of Informal Economy	to consult formal trader to formalise the sector	Institutional capacity building workshop through training.	Number of workshops	03	05	05	05	Involvement of government stake holders eg. DED, SEDA	Minutes and Attended Register	Nil
Support of Cooperatives through cooperative Development.	To develop and empower local cooperatives for sustainable development	Institutional building through financial support	Number of cooperatives that were supported financially	041	10	10	04	Public participation meeting and involvement of traditional council	Minutes and attendance register	R 160 000.00
Institutional transformation & development	To ensure the needs of vulnerable (women, disabled, HIV/AIDS, elderly) groups are taken into consideration into all council activities	To encourage males to be circumcised and to fight and limit HIV and AIDs	Number of males circumcised	250	100	250	250 males were circumcised	Males are still hesitant to undergo medical circumcisions. And the number of registering is still very low.	Report.	
Institutional transformation & development		To promote local artists	Facilitation of a musical workshop	March 2012	16	4	05 groups attended workshop	Isicathamiya festival to encourage more groups to participate.	Report	
		To capacitate the disabled on businesses and Job hunting.	Career workshop for people living with disabilities.	July 2012	100	25	As a result of the workshop four people started their own	Many disabled people are unemployed and are lacking	Report	

							<i>businesses, another four are now registered FET students and two have since been employed</i>	<i>business skills. More workshops should be facilitated.</i>		
<i>Institutional transformation & development</i>	<i>To ensure the needs of vulnerable (women, disabled, HIV/AIDS, elderly) groups are taken into consideration into all council activities</i>	<i>To encourage senior citizens to join luncheon clubs and to encourage Age in Action Programme.</i>	<i>Visiting, monitoring luncheon clubs.</i>	<i>01</i>	<i>Jan-March 2012</i>	<i>Jan-March 2012</i>	<i>Age in Action four clubs activated.</i>	<i>There is lack of support from DSR & DSD. Lack of Sporting equipment and the Age in Action is not consistent.</i>	<i>To introduce the Age in Action programme in all wards, whilst providing support.</i>	
<i>Institutional transformation & development</i>		<i>To encourage learners to campaign against teenage pregnancies.</i>	<i>Adoption of teenage campaign programme.</i>	<i>12</i>	<i>15 high schools. Jan-March 2012</i>	<i>12 schools visited.</i>	<i>School visits have begun.</i>	<i>Some stakeholders are not participating. They must be encouraged to be part of these programmes</i>	<i>Reports</i>	

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	Challenges	Planned Corrective Actions	Means of Verification
Good Governance & Public Participation	Review the IDP annually using a public participatory approach	Develop a credible IDP addressing development issues within the municipality	Date of adoption of the IDP	Adopted	30/06/2012	IDP adopted on 30/05/2012 and Submitted to COGTA.	IDP was adopted before on time.	NIL	NIL	Council resolution
	Review the IDP annually using a public participatory approach	Number of public participation meetings convened	% increased credibility rating by COGTA	61%	5%	8%	The municipality's credibility ratings report showed 8% increase. The annual target was 5%.	NIL	NIL	Report on results of the Provincial assessment
	Development of the IDP in consultation with other stakeholders and presentation of sector plans	Alignment of IDP; Budget & PMS in formalised manner	Number of IDP Forum meetings convened	10	10	Achieved	All meetings were convened as per set targets.	NIL	NIL	Minutes of meetings.
	Develop framework for sustainable development	Develop SDF and LUMS	Date of adopting of SDF and LUMS	N/A	30/06/2012	Not achieved	Draft document has been presented and tabled to IDPF.	IDPF committee tabled resolved to have changes made to the document before it could be endorsed	To communicate with service provider scheduled date adoption, having effected changes as per committee resolutions	Resolution

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	Challenges	Planned Corrective Actions	Means of Verification
	To improve internal communication channels amongst departments	Develop an integrated communication channels through formal structure	Number of MANCO meetings convened	24	24	Not Achieved. 12 meetings convened	Management meetings now form part of the municipal schedule of meetings roster.	Managers were not honouring meetings due to short notices.	The municipality has now included MANCO meetings in the schedule of meetings roster.	Minutes of meetings
	Develop an Organisational Performance Management System	Develop Consolidated quarterly reports for the entire municipality	Number of departmental quarterly performance reports conducted	4	4	Achieved	All 4 quarterly reports and reviews were achieved	Although reviews took place in some instances they had to be postponed due to late submissions of reports.	To improve on the scheduling of meetings	Minutes and reports
	To provide a record of activities of the municipality for the 2010/11 financial year	Prepare and adopt a comprehensive annual performance report that highlight achievements and challenges	Date of Adoption of the Annual report	30/06/12	30/06/12	Achieved	The annual report was adopted by council on the 30 March 2012 and printing is in progress	NIL	NIL	Council resolution

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	Challenges	Planned Corrective measures	Means of Verification
	<i>Setting achievable targets for all departments in line with performance plans of respective departments</i>	<i>Formulation and adoption of the municipal SDBIP</i>	<i>Date of adoption of SDBIP by the 31 May 12 to EXCO</i>	31/05/12	31/05/12	Achieved	<i>SDBIP was tabled to the executive committee on the 29 May 12 and it was noted</i>	NIL	NIL	<i>EXCO Resolution</i>
	<i>Ensure proper coordination and communication structure of internal stakeholders in the MM's office</i>	<i>Convening Departmental meetings</i>	<i>Number of meetings conducted</i>	12	12	Not Achieved	NIL	<i>Meetings sat upon request.</i>	<i>Time schedule has been set to improve on departmental meetings</i>	<i>Minutes</i>
	<i>Review and implementation of LED Strategy</i>	<i>Municipal Wide LED Strategy Implementation and review</i>	<i>Date adoption of reviewed LED strategy</i>	N/A	<i>Adoption by 30/06/12</i>	Not achieved	<i>The municipality is planning on approaching DEDT, for support</i>	<i>Not achieved due to financial constraints</i>	<i>To request DEDT to assist with review of the plan, and funding</i>	<i>Council resolution</i>
	<i>Establish institutional capacity within the municipality to attend to LED projects.</i>	<i>Institutional Capacity Building through trainings and workshops</i>	<i>Number of LED workshops conducted</i>	5	20	Not Achieved	<i>The municipality has partnered with SEDA, and item has been sent to committee for approval.</i>	<i>Not achieved as a result of SMME's unregistered at CIPRO</i>	<i>A public advert will be placed on the news paper to source local registered SMME's.</i>	<i>Attendance registers</i>

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	Challenges	Planned Corrective measures	Means of Verification
	Conduct food security programmes through agricultural initiative	Implementation of the Flemish funded projects Lima Project	Number of people benefitting in programs	1000	250	Not achieved	NIL	Not achieved due to service provider contract expiring in the third quarter	To continue funding and training on agricultural projects as a municipality	Service provider report
	Establish Committees with local businesses	Establishment of Business Chamber	Date of Business Chamber established	N/A	30/06/12	Not Achieved	A database has been created	The DEDT has not available in assisting with the launch	To further engage DEDT and fast track the process	Attendance registers
	To support SMMEs, Cooperatives, NGOs and CBOs Development	Create a Coops, NGOs and CBOs Programme of registration	Number of coops registered	N/A	10	Not Achieved	6 coops have been referred to SEDA and DEDT for registration.	challenges with regards to a letter of intent and as a result registration is becoming very difficult	More workshops on business registration requirement to be done on local Coops	Registration certificates
	Ensure cooperatives are supported to bring about sustainability through financial and professional support	Provision of Financial Support	Number of coops assisted	15	15	Not Achieved 8 coops were assisted only	NIL	Not all coops could be assisted due to financial constraints, and setting high targets.	Rope in other stakeholders to assist in supporting local coops.	Payment reports to service providers

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	challenges	Planned corrective actions	Means of verification
	<i>Formalization of business sector trading within the borders of the municipality</i>	<i>Business Licensing Registration</i>	<i>Number of Businesses registered</i>	<i>N/A</i>	<i>20</i>	<i>Not Achieved</i>	<i>The introduction of the business licence act has been launched and workshops on the act were required before implementation . A total of 37 businesses have been served with notices to apply.</i>	<i>Many businesses are still reluctant to apply for licenses due to lack of knowledge.</i>	<i>To strengthen relations with the business community and continues training on benefits of the licence, and hold more workshops</i>	<i>reports</i>
	<i>Ensure support of structures for functionality purposes</i>	<i>Convening of mandatory meetings</i>	<i>Number of Ward Committee monthly management meetings held</i>	<i>120</i>	<i>120</i>	<i>30</i>	<i>4 ward committee meetings set in the fourth quarter as per submission of minutes in the speaker's office. Ward 2 ward 8 ward 6 ward 10</i>	<i>Capacity on meeting procedures as well as lack of stationary/resources.</i>	<i>The municipality will assist the ward committees by providing more capacity building through the office of the speaker.</i>	<i>Minutes of ward committee meetings</i>

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	Challenges	Planned corrective measures	Means of verification
Municipal Transformation and Institutional Development	To ensure Institutionalization and mainstreaming of Youth Development in the municipality	Youth Summit	staging of youth summit	01	01	Not achieved	Municipal wards have now launched their ward structures	The summit did not sit since the revival of youth structures (forums) were not yet launch, thus resulted in the summit not sit	Youth structures and capacity building of the forum members, before summit take place.	Report
	Career guidance	number of learners and schools participated in the 2012	1000 learners and 10 educators	1000 learners and 10 educators	1000 learners since its only stage once a year.	Achieved	16000 learners from 15 secondary and high school participated in the exhibition.	Presentation marquee was not able to accommodate 1600 learners who attendant career exhibition	Group schools into four groups for presentation to avoid stampede.	Attendance registers.
To ensure Institutionalization and mainstreaming of Youth Development in the municipality	Study Assistance Programme (Tertiary registration fees and Back to school campaign)	Percentage of budget spent on study assistance program	Registration fee assistance paid out for qualifying candidates	100%	100%	Achieved	55 learners provided with registration fees for January 2012.	Improper banking details and non reflection of registration fees.	The municipality to ensure beneficiaries produce letters of acceptance from relevant institutions with all required banking details and registration fees.	Copy of monthly budget expenditure (January 2012). report was also table to council for approval (minutes and resolution) (January)

National Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	Challenges	Planned corrective measures	Means of verification
HIV AND AIDS HCT Campaigns	To enhance promotion of healthy lifestyles and behavioural change especially among the youth	Number of HIV/AIDS programs initiated	Outreach programs on HIV/AIDS awareness	0	6	Achieved	Outreach programs were done in schools and communities.	The department of education not providing enough support in terms of promoting the HCT campaign in schools	To rope in the Department of education to partner in initiating programs in schools.	Report
Gender Programs. Male Medical Circumcision	To encourage males to be circumcised in order to limit the STDs	Number of males registered for circumcision and number of Clinics involved	Number of males circumcised (71)	0	300	Achieved	71 males circumcised in Kwa Jali clinics alone, in the month of June 2012	Men are scared and hesitating to do male Medical Circumcision	More awareness campaigns will be done in partnership with the department of Health	Report
Senior Citizens Luncheon Clubs	To encourage Senior Citizen to be involved in Sport Activities	Number of Senior Citizen participated	Number of Senior citizens qualified to represent the Municipality in District games	July to October 2012	none	Achieved	5 luncheon clubs visited and 30 new members joined	Many Senior Citizens don't have transport to visit luncheon clubs	To establish more clubs in order to lessen the burden of travelling.	Report

Responsible Department			Corporate Services							
Section			Human Resources, ICT, Administration, Library Services, Health Services (Clinic)							
			Performance Information for the year ended 30 June 2012							
Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets Q1 & Q2 (SDBIP)	Achieved milestones and Challenges	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
1st and 2nd quarters										
Municipal Transformation and Institutional Development	To ensure the provision of sound and efficient secretariat support to the organisation	Agendas & Minutes	Number of Agendas and minutes compiled	78	78	20	37	Adherence to schedule of meetings (council calendar) and controlled postponements	Copies of agenda and minutes	N/A
	To ensure the provision of sound and efficient secretariat support to the organisation	Circulation of resolutions	Number of circulated resolutions	Ongoing	5 days after a meeting	2	Ongoing updates to the resolutions register	circulate resolutions to HOD's on time	updated copy of resolutions register	N/A
	Improve customer service	Enquiries and complaints	Number of complaints attended or resolved within 14 days	N/A	Effective and efficient customer care system	Enquiries and complaints attended as they come	Introduced a suggestion box system	Complaints register	Report	N/A

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets Q1& Q2 (SDBIP)	Achieved milestones and Challenges	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
Municipal Transformation and Institutional Development	Improve internal communication of the department	Departmental meetings	Number of departmental meetings conducted	12	3	4	Departmental meetings sat regularly.	To ensure regular departmental meetings take place as per set targets.	Minutes of Meetings.	N/A
	Improve accountability of all municipal properties.	Municipal Property Audit	Number of Quarterly reports to Exco on Updated property register	4	4 reports on complete asset register	1	1	Develop land and property disposal policy	Report on the number of municipal buildings demolished or restored.	N/A
	Repairs & Maintenance of Buildings / Leased premises	Ensure buildings and rented office space is in sound state of repairs for organisational use	Number of buildings maintained		100% maintenance budget spent	25% spending of allocated funds	30% maintenance budget spent.	Speed up spending on the allocated budget	Sound state of municipal buildings and maintenance reports submitted to Council	R158178.90
	Ensure effective & efficient records management system.	Advertise for the appointment of a service provider	Date of implementation of the system	Call for proposals	Effective and efficient records management (easy retrieval of records)	Compilation of the new file plan in line with Archives Act and submission for approval to KZN archives	draft copy of registry procedure manual approved by KZN Archives	Migrating from the defunct Umsekeli file plan.	Copy of a draft file plan.	R19 998.00
Municipal Transformation and Institutional Development.	To ensure sustainable institutional capacity	IT Queries logged	Number of IT queries attended to.	N/A	50	All queries attended to within 1 day of call log.	A call logging template has been designed.	Set a realistic turnaround time to resolve IT queries	Call logging register / IT Reports register.	N/A
Municipal Transformation and	Develop internal capacity for effective	Strengthen the skills and human	Skills Development/	15	20	10	33 trained	none	Attendance register	R339 200.00

Institutional Development	governance	resource base	Training							
	<i>Ensure the municipality is fully capacitated with full compliments in human resources</i>	<i>Ensure the municipality is fully capacitated with full compliments in human resources</i>	<i>Recruitment of new staff</i>	<i>06</i>	<i>20</i>	<i>11</i>	<i>03 recruitments</i>	<i>none</i>	<i>employment contracts & update on the payroll system</i>	<i>nil</i>
Municipal Transformation and Institutional Development.	Ensuring Municipal policies are current and up to date	Ensuring Municipal policies are current and up to date	Number of policies reviewed	6	6	3	Council resolution	none	Council resolution	nil
Municipal Transformation and Institutional Development	Submission of Work Skills Plan to LGSETA	Implementation of Workplace Skills Plan	Date adoption of the Work Skills Plan.	01	30/06/2012	30/06/2012	Work Skills Plan was submitted to LGSETA and 70 % of the budget allocated was spent on the municipality's Work Skills Plan.	To ensure that 100% of the budget is utilised accordingly, within the financial year for capacity building.	Council resolution resolving on the reviewed WSP.	R339, 200.00
	Assist youth with on the job experience	Number of In-service trainees recruited	Number of In-service trainees recruited	10	10	10	10 In-service trainees were recruited on short term contracts.	none	Employment Contracts	
Municipal Transformation	Adherence to	Number of	8	10	10	6	1	adherence to schedule of	minutes of the meeting	N/A

<i>and Institutional Development.</i>	<i>the Collective Bargaining Agreement</i>	<i>meetings and minutes of the Local Labour Forum</i>						<i>meeting</i>		
3rd Quarter – January/March 2012										
Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets Q3 (SDBIP)	Achieved milestones and Challenges	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
<i>Municipal Transformation and Institutional Development</i>	<i>To ensure the provision of sound and efficient secretariat support to the organization</i>	<i>Agendas & Minutes</i>	<i>Number of Agendas and minutes compiled</i>	<i>78</i>	<i>78</i>	<i>20</i>	<i>31</i>	<i>To improve adherence to schedule of meetings (council calendar) and controlled postponements. and minimize special meetings</i>	<i>Copies of agenda and minutes</i>	<i>N/A</i>
	<i>To ensure the provision of sound and efficient secretariat support to the organization</i>	<i>Circulation of resolutions</i>	<i>Number of circulated resolutions</i>	<i>5 days after a meeting</i>	<i>5 days after a meeting</i>	<i>Within 5 days</i>	<i>updates to the resolutions register</i>	<i>Targets were met and resolutions to HOD's sent on time and EXCO members on time</i>	<i>updated copy of resolutions register</i>	<i>N/A</i>
<i>Municipal Transformation and Institutional Development.</i>	<i>Improve customer service</i>	<i>Enquiries and complaints</i>	<i>Number of complaints attended or resolved within 14 days</i>	<i>N/A</i>	<i>Effective and efficient customer care system</i>	<i>Enquiries and complaints attended as they come</i>	<i>Introduced a suggestion box system</i>	<i>updated Complaints register</i>	<i>% of resolved queries and implementation of public suggestions</i>	<i>N/A</i>
	<i>Improve internal communication of the department</i>	<i>Departmental meetings</i>	<i>Number of departmental meetings conducted</i>	<i>12</i>	<i>12</i>	<i>3 per quarter</i>	<i>Departmental meetings took place during both quarters.</i>	<i>to ensure constant departmental meetings</i>	<i>transparent administrative processes</i>	<i>N/A</i>

	Improve accountability of all municipal properties	Municipal Property Audit	Number of Quarterly reports to EXCO on Updated property register	4	4 reports on complete asset register	1	3rd quarter not achieved	Municipal audits to be performed against all fixed assets with a view to determining expired contracts or breach of conditions of the contracts. Land acquisition and disposal policy to be determined.	Minutes of the property audits. draft policy on land disposal	
Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets Q 3 (SDBIP)	Achieved milestones and Challenges	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
Municipal Transformation and Institutional Development.	Repairs & Maintenance of Buildings / Leased premises	Ensure buildings and rented office space is in sound state of repairs for organisational use	Number of buildings maintained		100%	100% spending of allocated funds	60% maintenance budget spent	Speed up spending on the allocated budget and devise a standard maintenance plan for all properties	expenditure reports on maintenance of buildings	R0
	Ensure effective & efficient records management system.	In-house compilation of the filling plan using prototype from National Archives	Draft file plan submitted to Provincial archives for evaluation	Approved file plan by Provincial Archives	Effective and efficient records management (easy retrieval of records)	Compilation of the new file plan in line with Archives Act and submission	Migration to the new filing system.	Migration from the defunct Umsekeli file plan.	Copy of a draft file plan	R0

						for approval to KZN archives				
Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets Q 3 (SDBIP)	Achieved milestones and Challenges	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
	To ensure sustainable institutional capacity.	IT Queries logged	Number of IT queries attended	800	900	N/A	Designed a call logging template	Set a realistic turnaround time to resolve IT queries	Call logging register	N/A
Municipal Transformation and Institutional Development.	Licenses obtained managed internally	Ongoing update of server and maintenance monitored quarterly	4 reports	Quarterly reports	1	not achieved	to ensure that quarterly reports are submitted to relevant portfolio committee	Audit of IT licence	Copies of reports submitted to portfolio committee.	N/A
	Ensure all communication equipments are in good working order	Upgrade of the switchboard facility	Date of completion of upgrade of switchboard	N/A	31/03/2012	31/03/201	Partially achieved	all procurement of goods and services to be in line with the period stipulated in the tender documents	MOA	
Municipal Transformation	strengthen the skills development and human resource base	skills development and training	number of staff attending and councillors attending training and workshops	15	20	5	35 19 councillors –budget 7councillors- SCOPA 9 staff	improve needs analysis in order to devise informed projections	Attendance registers	

							members			
Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets Q 3 (SDBIP)	Achieved milestones and Challenges	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure
updating of the organizational structure	tabling of the draft to Council	tabling of draft to different consultative forums	adoption of the organogram	1	31 March 2012	Council Resolution	draft served in various forums in before and in the month of March	Approval date to be aligned with the adoption of budget and IDP.	Minutes of all consultative meetings	
	Ensure the municipality is fully capacitated with full compliments in human resources.	Recruitment of new staff.	Number of vacant positions filled.	20	21	5	3 positions were filled during the third quarter.	Target to be revised.	HR Report	
	To promote a healthy and safe enviro that supports sustainable utilization of natural resources	Occupational Health and safety programme	Number of Health and safety initiatives under implementation	2	2	1	Not Achieved planned event was postponed	to capacitate members to understand their roles and responsibilities	HR Reports and minutes of Health and safety committee.	
Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Quarterly Targets Q 3 (SDBIP)	Achieved milestones and Challenges	Planned corrective actions	Means of verification	Budget by Vote and Actual Expenditure

Municipal Transformation and Institutional Development.	Encourage Fair and transparent processing of all disciplinary proceedings.	Reduction disciplinary cases backlog	Reduction number of pending cases	3	3	1	not achieved	Delays caused by the use of Prosecutors and Presiding Officers from other Municipalities.	HR Report	
To improve skills levels & performance of the municipality	To train Councillors & Officials	Skills trainings	A 100 % finished skills audit	0	100%	skills audit incomplete	compliance with the skills development act in terms of conducting skills audits	SDF and the Training committee to adhere to necessary procedure	A hard copy of the skills Audit document.	
	Reviewing the Municipal Work Skills Plan	Development and Implementation of Work Skills Plan.	A 100% finished WSP submitted to LGSETA	0		WSP in initial stages. 3rd quarter not achieve.	Compliance with the Act and the SDF to devise a proper plan outlining each activity in the process of compiling WSP.	Training committee to be trained regarding their responsibilities	A hard copy of the completed plan	

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	Challenges	Planned Corrective Actions	Means of Verifications.
Municipal Transformation and Institutional Development (HUMAN RESOURCES)	To ensure the provision of sound and efficient secretariat support to the organization	Agenda and minutes	Number of Agendas and minutes compiled	78	78	Achieved	85 Agendas were circulated	Nil	Nil	Copies of agenda and minutes
	To ensure the provision of sound and efficient secretariat support.	Turnaround time in Circulation of resolutions	Number of circulated resolutions	5 days after a meeting	5 days after a meeting	Achieved	NONE	NONE	updated copy of resolutions register	N/A
Municipal Transformation and Institutional Development	Improve customer service	Enquiries and complaints	Number of complaints attended or resolved within 14 days	0	100 %	Achieved	100% Attended as they come	Complaints are attended to, however, not responded to within 14 days	To attend to and respond to complaints within 14 days.	Complaints Register
	Improve internal communication of the department	Departmental meetings	Number of departmental meetings conducted	12	12	Not Achieved	Not Achieved. 10 meetings convened.	No Departmental meetings schedule available	Establishment of a Departmental schedule of monthly meetings	Agendas & Minutes
	Improve accountability of all municipal properties	Municipal Property Audit	Number of Quarterly reports to EXCO on Updated property register	4	4 reports on complete asset register	Not Achieved	1 report submitted to EXCO. Not achieved	No land & Property disposal Policy in place	To develop the land and property policy and implement it	Reports submitted
	Repairs & Maintenance of Buildings / Leased premises	Ensure buildings and rented office space is in sound state of repairs for organisational use	Number of buildings maintained	N/A	100%	Not Achieved	80% of budget spent only. 100% not achieved.	Human Resources' lack of Capacity	Ensure all municipal properties are maintained budget spent accordingly.	Report

Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Annual Achieved	Progress Made	Challenges	Planned Corrective Actions	Means of Verifications
	To ensure sustainable institutional capacity	IT Queries logged	Turn Around Time in attending to IT queries.	Within one day	Within one day	Achieved	IT Queries have been attended to as they arise and within set time	NIL	NIL	Call logging register
	Maintain an efficient and effective ICT system	IT Queries	Number of queries resolved as a % of total queries received	100%	100%	100%	All queries were attended to and resolved	NIL	NIL	IT Reports Register
	Server room and system back-up	Develop a proper back-up plan	Effective ICT service.	0	4 reports	not achieved, only one report submitted	NIL	The municipality did not have a proper backup plan in place	To develop a proper backup plan by installing a server	Quarterly reports
		Licenses obtained managed internally	Ongoing update of server and maintenance monitored quarterly	4 reports	Quarterly reports	Achieved	New abacus server installed and daily backups done.	Progress reports not submitted on a regular basis	to ensure that quarterly reports are submitted to relevant portfolio/committee	Audit of IT licenses
	Ensure all communication equipments are in good working order	Upgrade of the switchboard facility	Date of completion of upgrade of switchboard	N/A	31/03/2012	Not Achieved	New system installation only completed in August 2012	. 90% complete, new telephony system to be installed before end of August 2012	Timeous procurement of goods and services and in terms of the procurement plan	Letter of Award

Municipal Transformation	strengthen the skills development and human resource base	skills development and training	number of staff attending and councilors attending training and workshops	160	160	Not Achieved	73 skill training received	Interventions were not in line with the WSP	Training interventions to be in line with the WSP and DOi and to train more staff	HR Report
Key Performance Area	IDP Objective	Measurable Objective/Output	Key Performance Indicator	Baseline	Annual Targets (SDBIP)	Actual Achieved	Progress Made	Challenges	Planned Corrective Action Plans	Means of Verifications
Municipal Transformation & Institutional Development	updating of the organizational structure	tabling of draft to different consultative forums	adoption of the Organogram by Council		30/06/2012	Achieved	complete	NIL		Minutes of consultative forums and committee
	adherence to the collective agreement	Functional Local Labour Forum	Number of meetings and minutes of the Local Labour Forum	10	10	Not Achieved	Forum meetings have been included in the municipal schedule of meetings	Postponing of meetings	To ensure that members remain aware of meeting dates by circulating schedule of meetings to all members	Minutes
	Encourage fair and transparent processing of all disciplinary	Reduction disciplinary cases backlog	Reduction number of pending cases	3	3	Not achieved	NIL	Delays with service providers	To set up Disciplinary Tribunals for less serious cases.	Minutes
	To improve skills levels & performance of the municipality	To train Councillors & Officials	A 100 % finished skills audit	0	30/06/2012	Achieved	WSP sent to LG SETA	NIL	Nil	COPY OF THE Work Skills Plan

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
INFRASTRUCTURE AND BASIC SERVICE DELIVERY	<i>To create a sustainable institutional capacity and improve internal communication</i>	<i>Departmental Meetings</i>	<i>Number of meetings Conducted</i>	12	12	12	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Attendance registers</i>
	<i>Monitoring and evaluation reports</i>	<i>Prepare Reports to committees</i>	<i>Number of reports submitted to relevant portfolio committees Infrastructure, Planning</i>	12	12	12	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Copies of reports submitted</i>
	<i>Enquiries and Complains</i>	<i>Queries and complaints</i>	<i>Number of enquiries and complains attended and resolved</i>	10	100	141	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Report to portfolio committee</i>
	<i>Planning and managing environmental resources</i>	<i>Development of Disaster Management Plan</i>	<i>Date adoption of Disaster Management Plan</i>	n/a	30.06.12	<i>Draft plan</i>	<i>Not achieved</i>	<i>Payment dispute between the municipality and the service provider</i>	<i>The municipality is in the process of engaging with the service provider in</i>	<i>Council resolution adopting the policy</i>

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
									<i>an attempt to resolve the dispute and adopt the policy before 31/12/2012</i>	
PLANNING AND ENVIRONMENTAL MANAGEMENT	<i>Planning and managing environmental resources</i>	<i>Conduct Fire Fighting Campaigns</i>	<i>Number of campaigns training conducted</i>	20	10	6	<i>Not achieved</i>	<i>Insufficient capacity Within the municipality</i>	<i>The municipality would integrate the campaigns into other community outreach programmes</i>	<i>Reports to the relevant portfolio committee</i>
	<i>Planning and managing environmental resources</i>	<i>Fire inspections & compliance</i>	<i>Number of businesses inspected for compliance</i>	20	10	12	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Copies of compliance certificates</i>
	<i>Upgrading of Disaster management Centre</i>	<i>Upgrade of Disaster Centre</i>	<i>Date completion of upgrade of Disaster Centre</i>	n/a	30.06.2012	<i>Not completed</i>	<i>not achieved</i>	<i>Financial constraints</i>	<i>The municipality would endeavour to source funding from sector departments i.e department of transport</i>	<i>Progress and closeout reports</i>

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
INFRASTRUCTURE AND BASIC SERVICE DELIVERY	<i>To ensure infrastructure development</i>	<i>Greenfield Roads upgrade</i>	<i>Percentage of Greenfield road completed by 30/06/2012</i>	<i>n/a</i>	<i>100%</i>	<i>70%</i>	<i>Not achieved</i>	<i>There has been delays in the procurement of the service provider</i>	<i>The project is now planned for completion by 30 September 2012</i>	<i>Progress report Certificate of completion Payment certificates</i>
	<i>Ensure maintenance and upgrade of rural roads to speed up service delivery</i>	<i>Upgrade Xambu Road in Ward 2</i>	<i>No of km roads to be Upgraded</i>	<i>n/a</i>	<i>2.7 km</i>	<i>1.1km</i>	<i>Not achieved</i>	<i>Termination of contract by the municipality due to poor performance by service provider</i>	<i>The municipality would appoint a new contractor by 30 September 2012</i>	<i>Progress report Termination letter Manager PMU</i>
	<i>To Maintenance and upgrade roads infrastructure Maintenance and upgrade internal roads Small Town</i>	<i>Road connecting to Ncabhela School in Ward 9</i>	<i>No of km to be constructed (upgrade)</i>	<i>n/a</i>	<i>2.2 km</i>	<i>1.8 km</i>	<i>Not achieved</i>	<i>The municipality terminated contract with the initial contractor</i>	<i>New contractor was appointed in June 2012 and completion is scheduled for 30 September 2012</i>	<i>Progress report Manager PMU Letter of termination</i>

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
	<i>Rehabilitation</i>									
	<i>Upgrade Peter Makoba Access Road Ward 5</i>	<i>No of km to be upgraded (upgraded)</i>	<i>n/a</i>	<i>2.2 km</i>	<i>0km</i>	<i>Not achieved</i>	<i>Preliminary design have been approved but still awaiting MIG to approve funding</i>	<i>Awaiting feed back from MIG approval</i>	<i>Progress report And completion certificate</i>	<i>Upgrade Peter Makoba Access Road Ward 5</i>
	<i>Upgrade of Mlowleni to Skhulu Road in ward 9</i>	<i>Percentage of km upgraded</i>	<i>n/a</i>	<i>100%</i>	<i>76.6%</i>	<i>Not achieved</i>	<i>Slow progress by appointed contractor</i>	<i>The municipality would engage the contractor to complete the project by 30/09/2012</i>	<i>Progress report And completion certificate</i>	<i>Upgrade of Mlowleni to Skhulu Road in ward 9</i>
INFRASTRUCTURE AND BASIC SERVICES	<i>Upgrade of Hawkins Street in Town Harding</i>	<i>No of km to be upgraded</i>	<i>n/a</i>	<i>0.7 km</i>	<i>0.7km</i>	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Completion Certificate</i>	<i>Upgrade of Hawkins Street in Town Harding</i>

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
	Provision of access to social amenities	Construction of a community Mkhoba Hall	Percentage completion of preliminary designs	n/a	100%	100%	Achieved	Nil	Nil	Progress report
	Sufficient working space	Purchase of Park Home	Date Park Homes Procured	n/a	30/03/2012	30/03/2012	Achieved	Nil	Nil	Purchase order
	Ensure that traffic law enforcement	Acquisition of breathalysed machines	Number of breathalysed Machines	N/A	3	1	Not achieved	2 breathalyser Requested but only 1 was procured due to price escalation	3 breathalyser machines would be considered in the next financial year	Delivery note
INFRASTRUCTURE AND BASIC SERVICES	Acquisition of dragger machine	Date purchase of dragger machine 30/06/2012	n/a	30/06/2012	Not purchased	Target not achieved due to unavailability of funds	The municipality did not anticipate price escalation in the budget allocated	The municipality would allocate more funds for the machine in the next financial year	Purchase order	Acquisition of dragger machine

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
	<i>Ensure traffic laws enforcement and safety of communities on the roads</i>	<i>Upgrading of the traffic station Park home</i>	<i>Date of completion 30/06/12</i>	<i>n/a</i>	<i>30/06/12</i>	<i>Not upgraded</i>	<i>Not achieved</i>	<i>Delays in procurement processes</i>	<i>The upgrading project would be done in the next financial year and be completed by 31/12/2012</i>	<i>Closeout report</i>
	<i>Ensure traffic laws enforcement and safety of communities on the roads</i>	<i>Vehicle licensing</i>	<i>Amount of revenue received from motor licensing</i>	<i>n/a</i>	<i>R60000 per month</i>	<i>R 26 343.71</i>	<i>Not achieved</i>	<i>Enatis breakdown</i>	<i>3G has been introduced to try and address backlog.</i>	<i>Protection Services banking report</i>
	<i>Ensure traffic laws enforcement and safety of communities on the roads</i>	<i>Issuing of traffic fines</i>	<i>Number of fines issued</i>	<i>n/a</i>	<i>1500</i>	<i>449</i>	<i>Not achieved</i>	<i>Unavailability of traffic fines book</i>	<i>The municipality would order more fine books proportional to the anticipated traffic fines issuing</i>	<i>Record of traffic fines issues</i>

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
	<i>Ensure traffic laws enforcement and safety of communities on the roads</i>	<i>learner Licence Bookings</i>	<i>Number of bookings</i>	<i>6000</i>	<i>9500</i>	<i>1337</i>	<i>Not achieved</i>	<i>System failure</i>	<i>The municipality would ensure servicing of the system and conduct community awareness campaigns</i>	<i>Protection Services record of books</i>
	<i>Ensure traffic laws enforcement and safety of communities on the roads</i>	<i>Drivers licence bookings</i>	<i>Number of bookings</i>	<i>4000</i>	<i>6000</i>	<i>3230</i>	<i>Not achieved</i>	<i>Enatis failure</i>	<i>The municipality would engage with the enatis service providers to ascertain mechanisms to ensure zero system failure by 30/09/2012</i>	<i>Records of drivers licence bookings</i>
	<i>Ensure traffic laws enforcement and safety of communities on the roads</i>	<i>Road safety campaign</i>	<i>Number of campaigns Conducted</i>	<i>4</i>	<i>10</i>	<i>10</i>	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Attendance registers and Protection Services report</i>

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES

ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012

KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
	<i>Ensure provision of safe environment through reduction of crime</i>	<i>Crime consultative meetings</i>	<i>Number of crime consultative meetings</i>	<i>5</i>	<i>10</i>	<i>10</i>	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Attendance registers</i>
	<i>Ensure provision of human settlement to communities</i>	<i>Construction of Low cost Houses in Kwajali</i>	<i>Number of Houses to be constructed</i>	<i>n/a</i>	<i>890</i>	<i>742</i>	<i>Not achieved</i>	<i>Approval of budget allocation 2 was delayed by the Department of Human Settlement</i>	<i>The municipality would liaise with the department of human settlement to ensure timeous release of funds</i>	<i>Progress; completion certificate and closeout report</i>
	<i>Ensure provision of human settlement to communities</i>	<i>Construction of Low cost Houses in Bashaweni</i>	<i>Number of Houses constructed</i>	<i>n/a</i>	<i>1000</i>	<i>250</i>	<i>Not achieved</i>	<i>Approval of budget allocation 2 was delayed by the Department of Human Settlement</i>	<i>The municipality would liaise with the department of human settlement to ensure timeous release of funds</i>	<i>Progress; completion certificate and closeout report</i>
	<i>To ensure compliance with building standards and</i>	<i>Conduct building inspections</i>	<i>Number of building properties inspected</i>	<i>20</i>	<i>35</i>	<i>80</i>	<i>Achieved</i>		<i>Nil</i>	<i>Building inspection reports</i>

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
	<i>legislation</i>									
	<i>To ensure hygiene and a safe environment through waste management</i>	<i>Facilitate development of the integrated waste management plan</i>	<i>Date integrated waste management plan adopted</i>	<i>N/A</i>	<i>29/02/12</i>	<i>Not adopted</i>	<i>Not achieved</i>	<i>The municipality is awaiting the service provider to present it to Council</i>	<i>The municipality would engage Ugu and the service provider to complete the project by 30/09/2012</i>	<i>Council resolution</i>
	<i>To ensure hygiene and a safe environment through waste management</i>	<i>Purchase of skip bins</i>	<i>Number of skip bins Purchased</i>	<i>n/a</i>	<i>1</i>	<i>1</i>	<i>Achieved Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Purchase order</i>
	<i>To ensure hygiene and a safe environment through waste management</i>	<i>upgrading and registration of the existing landfill site</i>	<i>Date registration of the landfill site</i>	<i>n/a</i>	<i>30/06/2012</i>	<i>30/06/2012</i>	<i>Landfill site is not registered</i>	<i>Delays in procurement processes</i>	<i>The service provider has been appointed and the registration date has been rescheduled</i>	<i>Registration document</i>

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
									d to 31/12/2012	
	To ensure hygiene and a safe environment through waste management	Provide refuse collection service to all households and businesses in the CBD	Number of shops and households with access to refuse Removal in the CBD	461	461	115	Not achieved	Limited resources	The municipality would extend the service to other businesses and households in the next financial year, 2012/2013	Refuse removal billing Reports
	Ensure provision of electricity	Erection of electricity Mast	Date of erection of the electricity mast	n/a	30/06/2012	Not erected	Target not achieved	delays in procurement	To fast track procurement processes, a schedule meeting has been drafted for all bid committees to address these challenges	Closeout report
	To ensure improvement in the provision of services	Attend to electricity interruptions	Turnaround time taken to attend to electricity interruptions	Within 24 hours	Within 24 hours	Within 24 hours	Achieved	Nil	Nil	Record of interruptions reported and attended

RESPONSIBLE DEPARTMENT: TECHNICAL AND COMMUNITY SERVICES										
ANNUAL PERFORMANCE INFORMATION FOR YEAR ENDING JUNE 2012										
KEY PERFORMANCE AREA	IDP OBJECTIVE	MEASURABLE OUTPUT	KEY	BASE	ANNUAL	ACTUAL ANNUAL ACHIEVEMENT	PROGRESS MADE	CHALLENGES	PLANNED CORRECTIVE ACTION	MEANS OF VERIFICATION
	<i>Provision of free basic electricity</i>	<i>Provision of free basic electricity</i>	<i>Number of households receiving free basic electricity</i>	<i>2350</i>	<i>2350</i>	<i>2350</i>	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Record of beneficiaries and expenditure report</i>
	<i>Provision of alternative energy</i>	<i>Investigate feasibility of providing alternative source of energy provided (solar) heating)</i>	<i>Date investigation findings tabled to Council</i>	<i>n/a</i>	<i>30/06/2012</i>	<i>30/06/12</i>	<i>Achieved</i>	<i>Nil</i>	<i>Nil</i>	<i>Findings report</i>

REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND THE COUNCIL ON UMUZIWABANTU MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Umuziwabantu Municipality, set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and 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 these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2011 (Act No. 6 of 2011) (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 Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and 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 Umuziwabantu Municipality as at 31 March 2012, 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.

Irregular expenditure

8. As disclosed in note 40 to the financial statements, irregular expenditure to the amount of R2,161 million incurred as the expenditure incurred was in contravention of the municipal supply chain management regulations of 30 May 2005 (MSCMR).

Unauthorised expenditure

9. As disclosed in note 38 to the financial statements, unauthorised expenditure to the amount of R8,667 million incurred as a result of expenditure exceeding the approved budget for operating expenditure.

Restatement of corresponding figures

10. As disclosed in note 25 to the financial statements, the corresponding figures for 30 June 2012 have been restated as a result of an error discovered during 2012 in the financial statements of the Umuziwabantu Local Municipality for the year ended 30 June 2011.

Material losses

11. As disclosed in note 26 to the financial statements, material losses to the amount of R2,017 million were incurred as a result of electricity distribution losses.

Additional matters

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

Material inconsistencies in other information included in the annual report

13. I have not obtained the other information included in the annual report for my review and as such have not been able to identify any material inconsistencies with the financial statements.

Unaudited supplementary schedules

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

15. In accordance with the PAA and the *General Notice* issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

16. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages ... to ... of the annual report.
17. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned development priorities. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury *Framework for managing programme performance information*.

The reliability of the information in respect of the selected development priorities is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

18. There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Additional matter

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

Material adjustments to the annual performance report

20. *Material misstatements of 21% in the annual performance report were identified during the audit, all of which were corrected by management.*

Achievement of planned targets

21. *Of the total number of planned targets, only 77 were achieved during the year under review. This represents 45% of total planned targets that were not achieved during the year under review. This was mainly due to the fact that indicators and targets were not suitably developed during the strategic planning process*

Compliance with laws and regulations

22. I performed procedures to obtain evidence that the municipality had complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations, as set out in the *General Notice* issued in terms of the PAA, are as follows:

Annual financial statements

23. *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 capital assets, commitments, provisions, contingent liability, irregular expenditure and unauthorised expenditure identified by the auditors were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.*

Procurement and contract management

24. *Goods and services with a transaction value of between R10 000 and R200 000 were procured without obtaining written price quotations from at least three different prospective providers, as per the requirements of SCM regulation 17(a) and (c).*

25. *Goods and services of a transaction value above R200 000 were procured without inviting competitive bids as per the requirements of SCM regulation 19(a) and 36(1).*

26. *Construction contracts awarded to contractors that were not registered with the Construction Industry Development Board (CIDB) in accordance with the CIDB prescripts.*

27. *A contract was awarded to a supplier who was registered on the prohibited suppliers list of National Treasury, in contravention of Supply Chain management Regulation 38(1)(c).*

28. *Awards were made to service providers who are persons in the service of other state institutions or whose directors/ principal shareholders are persons in service of other state institutions, in contravention of SCM regulation 44. Similar awards were identified in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM process in accordance with SCM regulation 38(1).*

Expenditure management

29. *Money owing by the municipality was not always paid within 30 days of receiving an invoice or statement, as required by section 65(2)(e) of the MFMA.*

30. *The accounting officer did not take reasonable steps to prevent unauthorised expenditure and irregular expenditure, as required by section 62(1)(d) of the MFMA.*

Asset management

31. *The accounting officer did not take all reasonable steps to ensure that the municipality had and maintained a management, accounting and information system which accounts for the assets of the municipality as required by section 63(2)(a) of the Municipal Finance Management Act.*

Internal control

32. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

Financial and performance management

33. The accounting officer has not developed processes to ensure that all requirements of laws and regulations are complied with timeously and the chief financial officer did not adequately review the financial statements before submission for audit.

Pietermaritzburg

30 November 2012



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

NO	FINDING	CORRECTIVE ACTION	COMPLETION DATE	PROGRESS	RESPONSIBLE MANAGER
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Matters affecting the audit report : Non- Compliance with SCM Regulations

	<i>Non- Compliance with SCM Regulations</i>				
1.	<i>Three Quotations not obtained – irregular expenditure</i>	<i>Deviations has been reported to council</i>	<i>26 September 2012</i>	<i>Done</i>	<i>CFO</i>
2.	<i>The Supplier was paid more than the contract amount awarded & without a contract –irregular expenditure</i>	<i>Deviations has been reported to council</i>	<i>26 September 2012</i>	<i>Done</i>	<i>CFO</i>
3.	<i>Tender awarded to a prohibited supplier –irregular expenditure</i>	<i>AFS were amended and such has been disclosed</i>	<i>09 November 2012</i>	<i>Done</i>	<i>CFO</i>
4.	<i>Awards made to supplier who is in the service of the State –non Compliance</i>	<i>Block list has been created from the CAATS exercise conducted by the AG. Awaiting response from Provincial Treasury on the database to be created which will enable Municipalities to verify if members of companies are in the service of the state.</i>	<i>30 November 2012</i>	<i>On going</i>	<i>Manager: SCM/Expenditure</i>

5	<i>Expenditure: Invoices not paid within 30 days of receipt of invoice</i>	<i>A received stamp will be used to stamp all payments on receipt. On transmission to Finance the invoices will be recorded in a register of invoices and distributed to the respective Departments for certification before they are paid. A turnaround time for return has been communicated to all departments.</i>	<i>Immediate</i>	<i>Ongoing</i>	<i>Director Corporate Services/ CFO</i>
6	<i>Bank recon- non compliance with cash management policy</i>	<i>Compliance with cash management policy will be monitored and reconciliations done efficiently monthly. Implementation of a checklist for cash management policy compliance monitoring to easily identify stale cheques.</i>	<i>Immediate</i>	<i>Ongoing</i>	<i>Manager : Budgeting & Reporting</i>
7	<i>Old Asset still on asset register</i>	<i>Quarterly asset identification will be conducted and all obsolete or damaged assets will be identified for disposal</i>	<i>31 December 2012</i>	<i>Ongoing</i>	<i>CFO</i>
8	<i>Non-compliance with SCM Policy</i>	<i>Once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective services providers of goods and services to apply for being accredited on our Municipal database</i>	<i>30 June 2013</i>	<i>Ongoing</i>	<i>Manager : SCM/ Expenditure</i>
9.	<i>Leave accrued greater than 48 days</i>	<i>If an employee fails, refuses or neglects to take any leave in excess of 48 days will be forfeited.</i>	<i>31 December 2012</i>	<i>Not Done</i>	<i>Manager : Human Resources</i>

10.	<i>Expenditure - Projects not registered with Construction Industry Development Board (CIDB)</i>	<i>monthly update and compliance checklist to be compiled</i>	<i>31 December 2012</i>	<i>Not Done</i>	<i>PMU</i>
11.	<i>Understatement of the provision for Doubtful Debt</i>	<i>Credit and Debt Collection policy will be implemented and all accounts that have exceeded the 60 days have been handed over.</i>	<i>30 November 2012</i>	<i>Ongoing</i>	<i>Manager : Income</i>

Predetermined Objectives

12.	<i>Quarterly and Mid-year reviews are not performed on time</i>	<i>Management has already started performing quarterly reviews on time in the current financial year</i>	<i>16 October 2012</i>	<i>Ongoing</i>	<i>Manager Strategic Planning</i>
13.	<i>Shortcomings on the Performance Management System</i>	<i>The new framework has been developed and ready for adoption and implementation</i>	<i>31 January 2013</i>	<i>Ongoing</i>	<i>Manager Strategic Planning</i>
14.	<i>SDBIP was approved late by Council</i>	<i>SDBIP and IDP will be tabled to council for adoption simultaneously</i>	<i>31 May 2013</i>	<i>Ongoing</i>	<i>Manager Strategic Planning</i>

CHAPTER SIX

[6.1 Oversight Committee Report](#)

[6.2 Council Resolution](#)

[6.3 Minutes of Standing Committee on Public Accounts.](#)

