

# MKHAMBATHINI LOCAL MUNICIPALITY

## ANNUAL REPORT

2010-2011(DRAFT)



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## **MAYORS TEAM**



**Back Row (left to right)**

**Cllr SP Goqo; Cllr Cllr M R Nthuli; Cllr M K Mkhize ; Cllr B Zondi; Cllr T A Gwala; Cllr S Tovenrath; Cllr S Wanda; Cllr F J Ngubane; Cllr M E Ngcongco**

**Front Row (Left to right)**

**Cllr F P Msomi; Cllr M Nene; Cllr T E Maphumulo ( Honourable Mayor); Cllr E Ngcongco ( Deputy Mayor) ; Cllr T Z Maphumulo ( Speaker)**

## **VISION**

By the year 2020 Mkhambathini will be a sustainable developmental municipality with improved quality of life for its entire people in areas of basic services, social, economic and environmental development.

## **MISSION**

**Mkhambathini Municipality commits itself to the following:**

- Upholding our leadership vision,
- Working with integrity in an accountable manner towards the upliftment of the community
- Protecting and enhancing the interests of our clients at all times.
- Consistently performing our functions with transparency , honesty and dedication in dealing with clients,
- Responding promptly to the needs of our clients,
- Subscribing to the Batho Pele

## **DEVELOPMENT GOALS**

The following long-term development goals have been identified based on the above key performance areas:

- To build an efficient and sustainable local government structure.
- To promote an equitable access to infrastructure and basic services.
- To create a condition conducive to economic development.
- To promote sustainable social and economic development.
- To create a spatial framework that facilitates an equitable distribution of development.
- To promote sustainable and integrated land use pattern



## CHAPTER ONE

## **Chapter 1: Introduction and Overview**

### **1.1 Mayoral Foreword**



#### **CLLR T E MAPHUMULO** **HONOURABLE MAYOR**

I'm presenting this report, as the mayor of Mkhambathini Local Municipality, for the review period 2010/2011 to all stakeholders in the sector and the public in general .The Mkhambathini municipal council is unwavering in its commitment to achieve a sustainable, economically-successful and democratic community by striving to reduce poverty and providing good quality life for all.

The reporting period has been one of acknowledgeable challenges, but also of numerous achievements as we continue to focus momentarily on the provision of services to our people as part of our quest to explore prosperity and a better life for all. It should give our people a sense of hope and optimism that we are indeed serious about achieving our vision of exploring prosperity.

The Annual Report of Mkhambathini Local Municipality seeks to portray and demonstrate our activities during the review and is based on sound information and management systems. This report is presented in accordance with the provisions of Section 121 of the Municipal Finance Management Act, No.56 of 2003 and includes a generic core of demographic and geographic information that is relatively consistent from year to year.

Our single biggest concern remains the provision of basic housing and allied services to the poorest of our communities, however we are persistence in this matter will yield results very shortly. The year under review has been a challenging one, and in presenting this report, we acknowledge progress made during the 2010/2011 financial year as well as the challenges that lie ahead.



“As the Mayor, I will make sure that I serve every party in the Council as well as every resident.” Together we must work towards building the strongest municipality that will invite investors, business and labour movements to help create jobs and alleviate poverty.

We will continue to ensure our requisites in terms of the Constitution 108 of 1996 and other relevant Local Government legislation is utilized adequately and positively to create fairness, equity, reliability and consistency in improving consultation and involvement of our communities, political structures, internal structures, government sectors, and other interested organisations in the core business as a Local Municipality.

I would like to thank all members of Council, officials and the public for their support during a very challenging year, the new financial year will be equally, if not more challenging and I look forward to working with you all to achieve a better life for all citizens.

Let us work together as a team to address the challenges ahead of us, by working together we can do More. In the spirit of Batho Pele we hereby command all citizens of Mkhambathini to put their shoulder to the wheel to ensure that our municipality is able to build on the achievements scored during the course of the past financial year into the future.

A special thanks to the Speaker, members of the Municipal Council, the Municipal Manager and his team for the continued guidance and support.

## 1.2 Municipal Manager's Statement



### MR D A PILLAY MUNICIPAL MANAGER

As the Municipal Manager of Mkhambathini Local Municipality, I am privileged to have this opportunity in presenting the Annual Report of Mkhambathini Local Municipality for the 2010/2011 financial year. The report has been compiled as per the provisions of Section 46 of the Local Government: Municipal Systems 32 of 2000 and the Local Government: Municipal Finance Management act 56 of 2003.

This Report records progress made by the Municipality in fulfilling its objective as reflected in the Integrated Development Plan, the Budget, and the Service Delivery and Budget implementation Plan and in upholding the Council vision which is ***“By the year 2020 Mkhambathini will be a sustainable developmental municipality with improved quality of life for its entire people in areas of basic services, social, economic and environmental development*”**

Mkhambathini Local Municipality's nature of service is emphasized in its vision which is informed by the Batho Pele Principles, and with the implementation of a Performance Management System, it is anticipated that Mkhambathini will be in a better position to deliver on its developmental mandate as entrenched in the Constitution.

The focused attention on our institutional capacity has indeed yielded positive results, we have for the second consecutive year achieved an unqualified audit report, given to the quality of the Audit report is a benchmark of corporate governance in public administration, we can conclude that we have attained a measured sense of administrative and financial stability.

As Mkhambathini Local Municipality, we will challenge ourselves as administration to ensure that we fulfill on our developmental local government goals.



Lastly, it is also necessary to mention that we have tried to adhere to the principles of good Governance as we believe that good governance is integral to economic growth, the Eradication of poverty and for the sustainable development of the community we serve.

We table this report in the spirit of Batho Pele, putting our people and communities first, and this report bears our testimony to our commitment for setting platforms to achieving more desired outcomes for the years ahead. We will build on the achievements and draw lessons learnt from the challenges we came across, together with our community and stakeholders, we will ensure that a quality and sustainable delivery of municipal services is promoted by focusing on continual improvement.

I would like to thank the Mayor, members of the Executive Committee, all Councilors and staff for their contributions in making 2010/2011 a success.

### **1.3 Purpose of the Annual Report**

According to Section 121 (2) of the Municipal Finance Management Act (MFMA), read with MFMA Circular No 32, the purpose of an annual report of a municipality is to:

- Provide a record of activities of the Municipality;
- Provide information that supports the revenue and expenditure decisions;
- Provide a report on performance in service delivery against Budget; and
- Promote accountability to the Local community for the decisions made throughout the year by the Municipality.

### **1.4 Overview of the Mkhambathini Local Municipality**

Mkhambathini Local Municipality was established in terms of Section 155(1) (b) of the Constitution of the Republic of South Africa (1996) following the 2000 local government elections. It is one of the seven (7) category B municipalities comprising Umgungundlovu District Municipality. It shares municipal executive and legislative authority with Umgungundlovu District Municipality.

Mkhambathini Municipality has its offices in the town of Camperdown, it has several comparative advantages. It is well located in relation to Durban and Pietermaritzburg and adjoins Cato Ridge, a potential industrial node. The N3, which is identified in the Spatial Growth and Development Strategy as a Provincial Corridor, runs east west through the central part of the municipal area.

Significant portions of the municipality fall within the Valley of a thousand hills (with Table Mountain a major landmark), an area with high potential for eco-tourism, and in the Midlands Mist Belt, which has a well established agricultural economy.

Mkhambathini features the second highest concentration of poultry producers in the world, supported by a network of services suppliers, as well as pig and beef farming. Agricultural production includes vegetables, maize and sugar. Tourist attractions in the area include the Mkhambathini Table Mountain, Valley of a thousand hills, game reserves, Tala Game Reserve, Nagle Dam, cultural activities, Duzi canoeing, flying micro lights and strawberry picking.

### 1.4.1 Population Size

Mkhambathini Municipality is located within Umgungundlovu which is one of the fastest growing districts in the province in both demographic and economic terms. Below is a comparison of population Distribution per Local Municipality. The population is spread unevenly among the seven local municipalities with the majority being in the Msunduzi Municipality.

**Table 1: Population Distribution by Local Municipality**

| Municipality                            | 2003    | 2004    | 2005    | 2006    | 2007    |
|---|---------|---------|---------|---------|---------|
| KZN221: uMshwathi Local Municipality    | 108,842 | 108,866 | 108,854 | 108,677 | 108,445 |
| KZN222: uMngeni Local Municipality      | 77,603  | 78,004  | 78,344  | 78,529  | 78,645  |
| KZN223: Mpofana Local Municipality      | 39,082  | 39,754  | 40,352  | 40,825  | 41,225  |
| KZN224: Impendle Local Municipality     | 31,157  | 30,193  | 29,311  | 28,479  | 27,715  |
| KZN225: The Msunduzi Local Municipality | 565,870 | 567,748 | 569,353 | 570,033 | 570,381 |
| KZN226: Mkhambathini Local Municipality | 61,258  | 62,071  | 62,789  | 63,340  | 63,790  |
| KZN227: Richmond Local Municipality     | 62,094  | 61,485  | 60,912  | 60,301  | 59,710  |

Source: Adapted From raw data supplied by Global Insight Africa International 2008

The local municipalities that have experienced population growth have recorded economic growth. This growth could be due to two factors, that is retention of population or attraction of immigrants to areas of economic opportunity. Although Mkhambathini has the fourth smallest population in the district, it is one of the areas that have experienced a net population increase between the years 2003 and 2007. This is attributed to a number of factors including its strategic location in relation to Pietermaritzburg and Durban which creates opportunities for commuting between the municipal area and each of these economic centres. This emphasises the importance of rural urban linkages in addressing development at a district level and at a local level. Impendle and Mkhambathini are the most rural in nature of all municipalities in the District.

### 1.4.2 Gender Distribution

Mkhambathini Local Municipality's population is slightly imbalanced with females outnumbering their male counterparts. According to the 2007 Stats Community Survey data approximately 24525 of the total population are women while males accounts for only 22045 of the total population. This confirms the national and provincial trend that a higher proportion of women than men are found in rural areas. It also emphasises a need to mainstream gender issues in all development programs.

**Table 2: Gender Distribution**

|             | <b>KZN221:<br/>uMshwathi<br/>Local<br/>Municipality</b> | <b>KZN222:<br/>uMngeni<br/>Local<br/>Municipality</b> | <b>KZN223:<br/>Mpofana<br/>Local<br/>Municipality</b> | <b>KZN224:<br/>Impendle<br/>Local<br/>Municipality</b> | <b>KZN225:<br/>The<br/>Msunduzi<br/>Local<br/>Municipality</b> | <b>KZN226:<br/>Mkhambathini<br/>Local<br/>Municipality</b> | <b>KZN227:<br/>Richmond<br/>Local<br/>Municipality</b> |
|-------------|---|---|---|--|--|--|--|
| Male        | 52486   | 41550   | 15187   | 18185  | 298410   | 22045  | 28080  |
| Female      | 60566   | 43233   | 16336   | 21212  | 318319   | 24525  | 28693  |
| Grand Total | 113052  | 84783   | 31523   | 39397  | 616729   | 46569  | 56773  |

### **1.4.3 Employment Profile**

Mkhambathini Municipality is characterised by a high unemployment rate. The table below indicates the number of employees in Mkhambathini Local Municipality area. Approximately 8387 of the total working force are employed. Due to the high rate of illiteracy 6403 people are unemployed which constitutes to high rate of poverty.

**Table 3: Employment Status**

|  | Employed    | Unemployed  | Not economically active | Not applicable/Institutions | Grand Total  |
|--|-------------|-------------|-------------------------|-----------------------------|--------------|
| KZN221: uMshwathi Local Municipality           | 21697       | 11458       | 33785                   | 1135                        | 68074        |
| KZN222: uMngeni Local Municipality             | 30578       | 10531       | 12712                   | 3080                        | 56900        |
| KZN223: Mpofana Local Municipality             | 9565        | 3180        | 5993                    | 1035                        | 19774        |
| KZN224: Impendle Local Municipality            | 8026        | 3445        | 9187                    | 986                         | 21645        |
| KZN225: The Msunduzi Local Municipality        | 156565      | 97814       | 129887                  | 27382                       | 411648       |
| <b>KZN226: Mkhambathini Local Municipality</b> | <b>8384</b> | <b>6403</b> | <b>14441</b>            | <b>716</b>                  | <b>29944</b> |
| KZN227: Richmond Local Municipality            | 14846       | 4030        | 13945                   | 2003                        | 34824        |
| Grand Total                                    | 249661      | 136862      | 219950                  | 36337                       | 642810       |

Source: Stats SA Community Survey 2007

The overall unemployment level is higher than the current national estimates of unemployment, using the expanded definition, which is around 40%, it is below the district average of 46%.

#### **1.4.4 HIV/AIDS**

For agricultural sector to continue thriving in this HIV/AIDS age it need to shift its focus from being labour intensive capital intensive. The increase in the number of orphans and object poverty will eventually force the government to spend more on social activities rather than on capital infrastructure, which propels economic development. This will have a negative impact on the ability of the municipality and the locality, as investments rely heavily on the availability of capital infrastructure.

#### **Statistics**

- Estimated infection rate in the Mkhambathini Municipality area : 70%
- Estimated number of children who lost a parent : 85%
- Estimated number of children who lost both parent : 65%
- All wards are the worst hit.
- HIV patients that receive home based care : 40%

#### **Mkhambathini NGO'S**

- Makhalima
- Thembaletu
- Sinani
- Act of Grage

#### **Fact File**

- Ward HIV Forums had been established.
- LAC formed and launched on the 01 August 2008.
- Induction workshop on the 18 September 2008.
- Strategic Plan to be drafted at the HIV summit.

#### **HIV Education**

- HIV education is facilitated by Sinani NGO utilizing volunteers that they have been trained.
- HIV education is being implemented by the HIV co-ordinator to high schools.

#### **Challenges**

- There are no hospitals within the Municipality; there are 4 fixed clinics and mobile clinic visits at once per month.
- Mkhambathini is characterized by majority of its residents living in rural areas, and there is high illiteracy, poverty, unemployment and ignorance and that result to the HIV awareness and Education being ignored.

**Table 4: HIV and AIDS Profile, uMgungundlovu District Municipality relative to Local, Provincial and National Estimates**

| Locality              | Population 2007 | HIV Estimate 2003 | HIV Estimate 2007 | Difference 2003-2007 |
|-----------------------|-----------------|-------------------|-------------------|----------------------|
| District Municipality | 949,911         | 167,470           | 150,943           | -16,526              |
| Msunduzi LM           | 570,381         | 98,493            | 89,356            | -9,137               |
| uMgeni LM             | 78,645          | 13,563            | 12,315            | -1,247               |
| uMshwathi LM          | 108,445         | 19,851            | 17,697            | -2,155               |
| Mkhambathini LM       | 63,790          | 11,304            | 10,522            | -782                 |
| Richmond LM           | 59,710          | 11,801            | 10,175            | -1,626               |
| Mooi Mpofana LM       | 41,225          | 7,711             | 7,311             | -400                 |
| Impendle LM           | 27,715          | 4,747             | 3,567             | -1,179               |

Source: Global Insight Africa International 2008

The table above represents the HIV and AIDS profile of the uMgungundlovu District relative to the local, provincial and national estimates. It can be deduced from the table that Mkhambathini Local Municipality HIV and AIDS estimates are large.

#### **1.4.5 Tourism**

The municipality has a number of cultural, historical and natural assets, which have begun to form the basis of an emergent tourism industry. The main features of the existing tourism sector are:

- Eco-tourism: Private Game ranches offering up-market accommodation and wildlife trails for Local and International visitors (including Tala Game Reserve, Ntsingisi Game Lodge and Spa and Gwa Humbe Game Reserve) and wildlife sanctuaries (African Bird of Prey Centre, the Lion Park and Natal Zoological Gardens).
- Agro-tourism: The Country Capers Tourism Route comprises several auto routes that meander through the municipality, linking it to adjacent areas ( Thornville, Baynesfield, Richmond, Ashburton, Byre Valley and Inchanga) and other tourism routes ( Albert falls Amble and 1000 Hills Tourism) offering farm style, self-catering, bed and breakfast and guest lodge accommodation, scenic views and peaceful retreats.
- Adventure Tourism: The area is host to a number of adventure and sporting activities including off-road motorcycle and car races, canoeing events on Nagle Dam, mountain bike races (cycling), microlighting, skydiving, waterskiing and hiking trails. Not to mention the Comrades Marathon and aMashovashova cycle race which also pass through the area. All of which bring National and International visitors to the area.

Tourism attractions are generally located close to the main roads traversing the municipality. Ownership of the tourism industry tends to be highly concentrated with little involvement by rural communities. Participants at community workshops called for the exploitation of undeveloped tourism potential in the municipality, their involvement in tourism development and related income-generating opportunities, as well as the need for education about the benefits and obligations of tourism.

Mkhambathini Municipality has unique destinations which combine the best of nature and agriculture environments. The diversity of facilities provides entertaining activities for the entire family. Key areas are as follows:

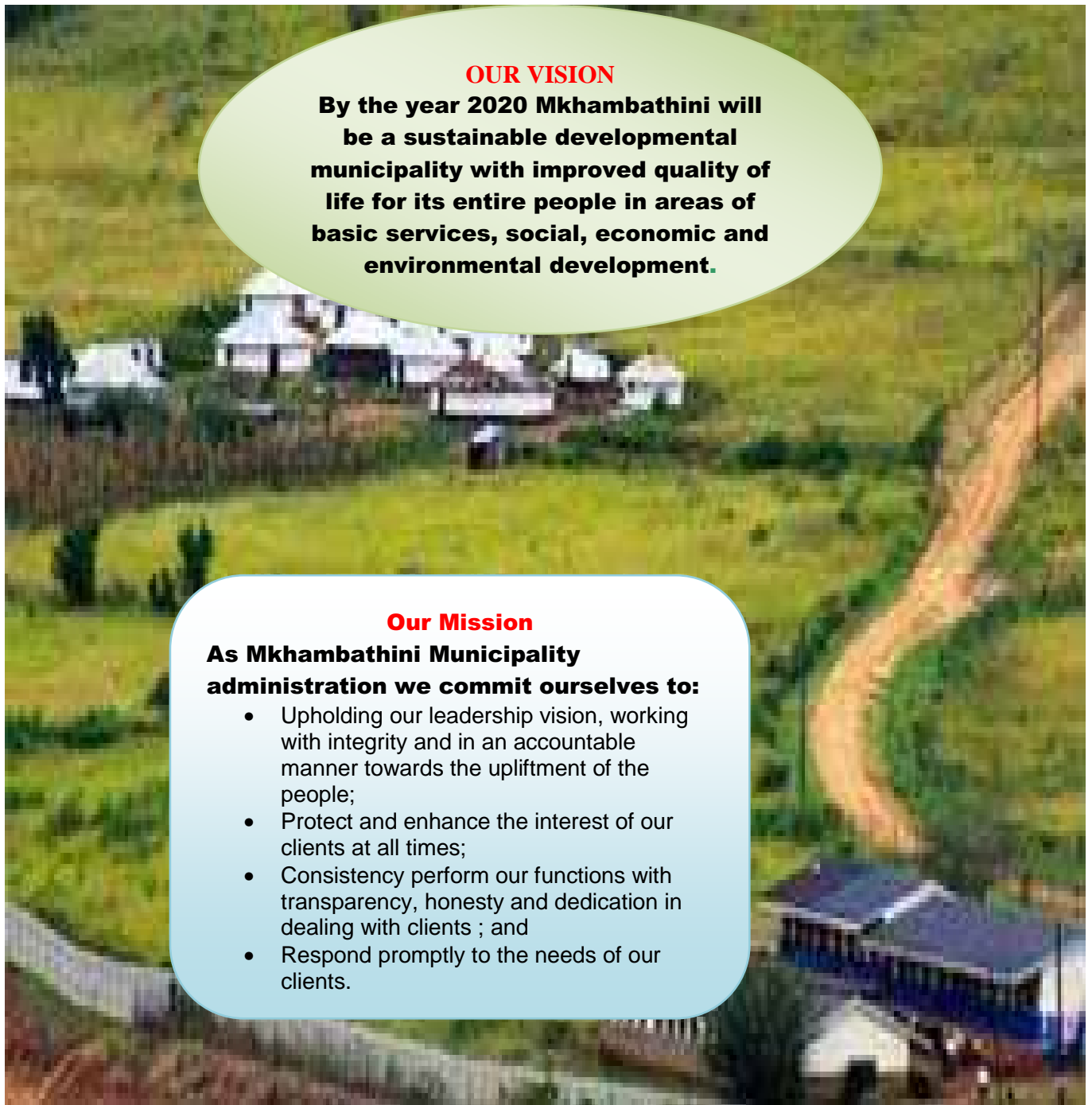
- Tala Valley
- Lion Park and Zoo
- African Bird of Prey Sanctuary
- Nagle Dam
- Table Mountain ( natural area)
- Rosie Antique barn
- Hot air Balloon in Tala Valley
- Guahumbe Game Reserve
- Emoyeni Micro lighting
- Wingfield Nature Reserve



**Ezigeni Poultry Project \_ Ward 5**

## 1.5 Executive Summary

### 1.5 1 Vision, Mission, Principle and Values



#### **OUR VISION**

**By the year 2020 Mkhambathini will be a sustainable developmental municipality with improved quality of life for its entire people in areas of basic services, social, economic and environmental development.**

#### **Our Mission**

**As Mkhambathini Municipality administration we commit ourselves to:**

- Upholding our leadership vision, working with integrity and in an accountable manner towards the upliftment of the people;
- Protect and enhance the interest of our clients at all times;
- Consistency perform our functions with transparency, honesty and dedication in dealing with clients ; and
- Respond promptly to the needs of our clients.



### **Our Principle and Values**

**The Mkhambathini Municipality subscribes to and applies the following Batho Pele Principles in the delivery of its mandate:**

1. Consult customers on their service delivery needs
2. Inform customers on the level and quality of services they are entitled to receive
3. Improve access to services
4. Treat Customers with courtesy and respect
5. Provide customers with full and accurate information about services
6. Be open and transparent with regard to the management of the Municipality
7. Deal with complaints promptly and take remedial action to improve services
8. Provide value for money services

### **Legislative Mandates**

The primary legislative mandate of the municipality systems from chapter 7, section 151 (2) of the Constitution of the Republic of South Africa, which states that –  
The municipality must strive within its administrative and financial capacity, to meet the objects of local government which are to:

- Provide democratic and accountable government for local communities  
Ensure sustainable provision of services to communities;
- Promote a safe and healthy environment; and to
- Encourage communities to become involved in local government matters.

The constitution also requires municipalities to structure and manage their administrations, budgeting and planning processes in such a manner as to:

- Prioritize the basic needs of the communities;
- Promote the social and economic development; and
- Participate in national and provincial development programmes.

These constitutional stipulations are also reinforced in section 73(1) of the Local Government: Municipal Systems Act No. 117 of 1998.

The constitution is further supported by the following Acts which were created solely for the furtherance of the municipalities' constitutional mandate:

- Local Government: Municipal Structures Act No. 117 of 1998
- Local Government: Municipal Systems Act No. 32 of 2000
- Local Government: Municipal Finance Management Act No. 56 of 2003
- Local Government: Municipal Property Rates Act No. 6 of 2004
- Division of Revenue Act  
Development Facilitation Act

**Section 84(1) Powers and Functions not yet provided**

- Child Care Facilities
- Electricity Reticulation
- Water and Sanitation
- Municipal airport and Parking
- Municipal health services
- Municipal Public Transport and Pounds
- Pontoons and Ferries
- Beaches and amusement facilities
- Billboards and the display of advertisements in public places
- Markets, Municipal Abattoirs
- Environmental Health



## CHAPTER TWO

## **Chapter 2: Performance Highlights**

### **2.1 Services provided by Mkhambathini Municipality**

The main responsibilities of Departments during 2010/2011 are reflected below:

#### **Office of the Municipal Manager**

- Provide strategic direction in pursuance of mandates
- IDP review and implementation
- Internal Audit/External Audit
- Implementation of special mayoral projects
- Legal compliance
- Service delivery improvement
- Municipal Electoral Management
- Sound Labour Relations
- Public participation
- Anti-corruption Strategy
- Performance Management
- Powers and functions of an Accounting Officer

#### **Department of Technical Services**

- Access to water
- Access to sanitation
- Access to electricity
- Roads and storm water management
- Waste management
- Sustainable human settlement
- Land use management
- Provision of public facilities
- Development Planning
- Building Control

### **Department of Financial Services**

- Implementation of the MFMA
- Budgeting and Reporting
- Income Control
- Expenditure Control
- Supply Chain Management
- MPRA
- Municipal Property Rates
- Asset Management

### **Department of Administration and Corporate Services**

- Human resource management
- Information communications technology
- General Administration
- Secretarial services to committees
- Document management(Archives)
- Library services
- Motor licensing
- Learners License

### **Department of Community Services**

- Core functions
  - Local economic growth
  - HIV/AIDS
  - GDYC( Gender, Disability, Youth & Early Child Development)
  - Tourism
  - Arts & Culture
  - Sports & Recreation
  - Pauper Burial
  - Waste Removal
  - Disaster Management
  - Management of Indigent Register
  
- Non-core functions
  - Promote literacy
  - Improve the standard of health
  - Improve social security
  - Reduce crime
  - Promote land reform
  - Environmental health



## CHAPTER THREE



## **CHAPTER 3: Human Resource and Organisational Management**

### **3.1 Functional and organisational structure**

#### **3.1.1 Organogram**

**Refer to Annexure A**

**3.1.2 Political Structures**

**MKHAMBATHINI LOCAL MUNICIPALITY  
COUNCIL  
REPRESENTED BY**

HER WORSHIP, THE MAYOR  
COUNCILLOR  
T E MAPHUMULO

HIS WORSHIP, THE DEPUTY MAYOR  
COUNCILLOR  
E NGCONGO

THE HONOURABLE SPEAKER  
COUNCILLOR  
T Z MAPHUMULO

EXCO MEMBER  
COUNCILLOR  
F P MSOMI



**COUNCILLORS**

|                   |                 |
|-------------------|-----------------|
| Cllr.T.A Gwala    | Ward Councillor |
| Cllr.F.J. Ngubane | PR Councillor   |
| Cllr.S.P Goqo     | Ward Councillor |
| Cllr.M.Nene       | Ward Councillor |
| Cllr.M.E.Ngcongo  | PR Councillor   |
| Cllr.E Ngcongo    | Ward Councillor |
| Cllr.M.R.Ntuli    | Ward Councillor |
| Cllr.M.K.Mkhize   | PR Councillor   |
| Cllr.B.Zondi      | PR Councillor   |
| Cllr.S.Tovenrath  | PR Councillor   |

### **COMMITTEES**

|   |                          |
|---|--------------------------|
| Political Liaison Committee                 | Finance Committee        |
| Economic Development and Planning Committee | Local Labour Forum       |
| Audit Committee                             | Human Resource Committee |
| Executive Committee                         | Housing Committee        |

### **CLUSTERS**

|                             |                                |
|-----------------------------|--------------------------------|
| Technical Cluster Committee | Financial Cluster Committee    |
| Disaster Cluster Committee  | Local Sports Cluster Committee |
| Planning Cluster Committee  |                                |

## **3.2 Municipal Transformation and Institutional Development**

### **WORKPLACE SKILLS PLAN:**

- A workplace skills plan is a plan that is approved by LGSETA and it outlines the training and development in an organization for the period of one year.
- It also requires information such as the number of people trained in the organization by their job type and race, organization strategic priorities for skills development, details of the education and training needed to achieve these priorities.

### **EMPLOYMENT EQUITY PLAN**

- This plan represents the critical link between the current workforce and the possible barriers of employment policies and procedures.
- The employment equity plan also indicates remedial steps to ultimately result in employment equity in the workplace.

## **POLICIES**

### **HIV/AIDS POLICY**

- This policy ensures that no one is deprived the right to employment although he/she is HIV infected or positive.

### **EMPLOYMENT EQUITY POLICY**

- The objective of this policy is to continuously create an environment that permits equal opportunity for advancement,
- In order to redress past imbalances and to eliminate the conditions of individuals and groups who have been previously disadvantaged on the grounds of race, gender or disability.

### **LEAVE POLICY**

- The objective of this policy is to regulate all forms of leave that are accrued and due to employees as a benefit and to outline procedures to be followed for granting and taking of such leave.

### **RECRUITMENT & SELECTION POLICY**

- This policy ensures that the candidate who bests meets the selection criteria is appointed.

a) Number of staff employed per organisational component and function

| Organisational component / function               | Total approved posts | No of vacant posts |
|---|----------------------|--------------------|
| <b>Office of the Municipal Manager</b>            |                      |                    |
| • Municipal Manager                               | 1                    | 0                  |
| • Personal Assistant                              | 1                    | 0                  |
| • Administration Officer to the Municipal Manager | 1                    | 0                  |
| <b>Mayors Parlour</b>                             |                      |                    |
| • Honourable Mayor                                | 1                    | 0                  |
| • Personal Assistant                              | 1                    | 0                  |
| • Deputy Mayor                                    | 1                    | 0                  |
| • Personal Assistant                              | 1                    | 0                  |
| • Speaker   | 1                    | 0                  |
| <b>Department of Community Services</b>           |                      |                    |
| • Community Services Manager                      | 1                    | 0                  |
| • Personal Assistant                              | 1                    | 0                  |
| • Disaster Management                             | 1                    | 0                  |
| • Senior Community Services Officer               | 1                    | 0                  |
| • Local Economic Officer                          | 1                    | 0                  |
| • Tourism Officer                                 | 1                    | 0                  |
| • Community Liaison Officer                       | 1                    | 0                  |
| • Youth Co-ordinator                              | 1                    | 0                  |
| <b>Department of Technical Services</b>           |                      |                    |
| • Technical Services Manager                      | 1                    | 0                  |
| • Personal Assistant                              | 1                    | 0                  |
| • Development Planning Officer                    | 1                    | 0                  |
| • Building Control                                | 0                    | 1                  |
| • Senior Technician                               | 0                    | 1                  |
| • Assistant Town Foreman                          | 1                    | 0                  |
| • Bricklayer                                      | 1                    | 0                  |
| • Handyman  | 2                    | 0                  |
| • Handyman Assistant                              | 1                    | 0                  |
| • Carpenter                                       | 0                    | 1                  |
| • Workshop Assistant                              | 1                    | 0                  |
| • Street/ Toilet Cleaner                          | 1                    | 0                  |
| • Plumber   | 0                    | 1                  |
| • GIS Officer                                     | 0                    | 1                  |
| • Housing Officer                                 | 0                    | 1                  |

|   |   |   |
|---|---|---|
| • PMU Officer                           | 0 | 1 |
| <b>Department of Financial Services</b> |   |   |
| • Chief Finance Manager                 | 1 | 0 |
| • Personal Assistant                    | 1 | 0 |
| • Income Accountant                     | 1 | 0 |
| • Expenditure Accountant                | 1 | 0 |
| • Accountant Payroll                    | 1 | 0 |
| • Assistant Accountant Income           | 1 | 0 |
| • Cashier                               | 1 | 0 |
| • Budget Intern                         | 5 | 0 |
| • Supply Chain Practitioner             | 0 | 1 |
| • Assistant Procurement Officer         | 0 | 1 |
| • Asset management Officer              | 0 | 1 |
| <b>Department of Corporate Services</b> |   |   |
| • Administration/Corporate Manager      | 1 | 0 |
| • Personal Assistant                    | 1 | 0 |
| • Senior Administration Officer         | 1 | 0 |
| • Committee Officers                    | 2 | 0 |
| • Receptionist                          | 1 | 0 |
| • Cleaners                              | 3 | 0 |
| • Driver                                | 1 | 0 |
| • VIP Protection                        | 3 | 0 |
| • Records Officer                       | 0 | 1 |
| • Interpreter                           | 0 | 1 |
| • Registry Clerk                        | 2 | 0 |
| • Motor Licensing Supervisor            | 1 | 0 |
| • Learners License Examiner             | 3 | 0 |
| • Motor Licensing Clerks                | 2 | 0 |
| • Motor Licensing Filing Clerk          | 1 | 0 |
| • Human Resource Officer                | 1 | 0 |
| • Human Resource Clerk                  | 1 | 0 |
| • Librarian                             | 1 | 0 |
| • Assistant Librarian                   | 1 | 0 |
| • IT Co-ordinator                       | 0 | 1 |
| • Cyber Cadet                           | 1 | 0 |

**b) Skills or levels of education attained**

**SKILLS OR LEVELS OF EDUCATION ATTAINED**

**NUMBER OF STAFF EMPLOYED THAT ARE:**

**GRADUATES - 19**  
**ARTISANS - 0**  
**UNSKILLED - 15**  
**TOTAL - 34**

**PERSONNEL EXPENDITURE OVER THE LAST THREE YEARS**

**PERSONNEL BUDGET**

**2008/2009 – R10,641,346.06**  
**2009/2010 – R11,395,638.32**  
**2010/2011 – R12,589,311.93**

**PENSION AND MEDICAL AID SCHEME MEMBERSHIP**

**EMPLOYEE MEMBERSHIP OF PENSION SCHEMES**

**Natal Joint Municipal Pension Fund- 23**  
**Natal Joint Municipal Provident Fund- 43**  
**Natal Joint Municipal Retirement Fund – 2**  
**Government Employees Pension Fund -0**  
**TOTAL -68**

**EMPLOYEE MEMBERSHIP OF MEDICAL AID SCHEMES**

**KEY HEALTH – 3**  
**SAMWUMED –8**  
**LA HEALTH –15**  
**BONITAS –10**  
**HOSMED –0**  
**TOTAL -36**



**MONIES OWED:**

OWED BY STAFF – 0

OWED BY COUNCILLORS - 0

**EMPLOYMENT STATUS OF ALL STATUS**

Permanent employees - 83

Contract employees - 2

Section 57 employees - 5

Learnerships and interns - 3

Temporary employees - 62

**DEMOGRAPHIC PROFILE OF PERMANENT EMPLOYEES**

| Occupational level | Female    |          |          |          | Male      |          |          |       | Total     |
|--------------------|-----------|----------|----------|----------|-----------|----------|----------|-------|-----------|
|                    | African   | Coloured | Indian   | White    | African   | Coloured | Indian   | White |           |
| Section 57         | 2         |          |          |          | 2         |          | 1        |       | 5         |
| Middle management  |           |          |          |          |           |          |          |       |           |
| Other staff        | 37        |          | 3        | 2        | 34        | 1        |          |       | 78        |
| <b>Total</b>       | <b>39</b> |          | <b>3</b> | <b>2</b> | <b>36</b> | <b>1</b> | <b>1</b> |       | <b>83</b> |

**DISCLOSURES CONCERNING REMUNERATION OF POLITICAL OFFICE BEARERS  
AND SECTION 57 MANAGERS**

|  | Normal           |                           | Pensions                     | Medical Aid | Other            | Travel & motor car                      |
|--|------------------|---------------------------|------------------------------|-------------|------------------|---|
| Mayor, Executive Councillors and S 57 managers | Salaries & Wages | Medical aid contributions | Travel & Motor Car allowance | Subsistence | Housing Benefits | Other benefits & allowance<br>Cellphone |
| <b>MAYOR</b>                                   | 388654.31        | 7287.96                   | 115862.06                    | 826.00      |                  | 17661.00                                |
| <b>EXCO</b>                                    | 782793.67        |                           | 233171.72                    |             |                  | 46336.00                                |
| <b>MANAGERS</b>                                | 1355584.38       |                           | 154000.00                    | 13403.44    | 111000           | 25748.20                                |

**3.4.1 PERFORMANCE REPORT INCLUDING MEASURES TO IMPROVE PERFORMANCE**

The Mkhambathini Municipality has five departments and each department is headed by a Manager that is accountable to the Municipal Manager, Listed below are the key objectives pertinent to each department as per their performance agreement.

**ADMINISTRATION DEPARTMENT**

| Key Objectives   | Key performance indicators                        | Performance targets   | Performance Achieved & measures to improve performance |
|--|---|---|--|
| <b>KPA: Institutional development and transformation</b>                         |   |   |  |
| 1. To ensure implementation of the Batho Pele policy in order to improve service | Obvious service delivery improvements implemented | Obvious service delivery improvements implemented 31 Dec 2010 | Addressed obvious areas of improvement timeously       |

|  |  |  |  |
|--|--|--|--|
| 2. To improve the overall performance of the municipality      | Revised Policy Framework                             | Revised Policy Framework submitted for approval 31 March 2011  | A PMS Framework does exist , measures will be taken to revise it in the new financial year |
|  | Completed SDBIPs                                     | Revised SDBIPS submitted for approval 31 June 2011   | SDBIP's was adopted by Council and submitted timeously                                     |
|  | Completed individual performance appraisals          | Individual performance appraisals completed in line with approved policy framework and within one month of the close of the financial year | Performance agreements were adopted by Council and signed by all Section 57 managers       |
| 3. To develop internal capacity for effective local governance | Aligned organizational structure with the IDP        | Structure aligned and submitted for approval by 31 March 2011  | Aligned organisational structure   |
|  | Completed Skills Development Review Plan             | Completed Skills Development Review Plan by 30 June 2011   | Complete   |
|  | Completed Employment Equity Plan                     | Employment Equity Plan by 1 October 2011   | Complete   |
|  | Review, update and implement human resource policies | All policies reviewed and updated as required  | Complete   |
| 4. To maintain an efficient and effective ICT system           | Effective ICT service in place                       | Effective ICT service in place throughout the year   | Complete   |
| 5. Committees: To produce accurate and timeous                 | Compliance to approved rules                         | Full compliance with approved procedures for each meeting  | Attending meetings regularly   |

|   |   |   |   |
|---|---|---|---|
| documentation to relevant stakeholders  |   |   |   |
| 6. Registry: To manage a reliable document management system  | Municipal Filing System completed             | Municipal Filing System finalized by 30 June 2011   | Still in progress, delayed by the unavailability of the consultants, and lack of capacity to continue, but it is a working progress |
| 7. Library: To broaden the usage of the library for the community   | Operational community resource                | Operational community information resource centre by 31 Dec 2011  | Operational Community resource Library  |
| 8. Licensing: To provide an efficient and effective licensing service   | Compliance to the Transport service standards | Full compliance to the transport service standards by 30 June 2011  | Already in compliance   |
| <b>Financial management</b>   |   |   |   |
| 9. To manage the budget and ensure that objectives are pursued in an economical, efficient and effective and manner | Economical, efficient and effective results   | Economical - cost-benefit analysis conducted by managers analysed on a quarterly basis and feedback given | Done accordingly and reported on at management meetings   |
|   |   | Efficient - Initiatives introduced to increase productivity and / or combat fruitless expenditure         | To combat expenditure, no overtime was paid and money to utilize the telephone was reduced.   |
|   |   | Effective - works towards 100 % achievement of SDBIP objectives   |   |
| <b>People management and empowerment</b>  |   |   |   |
| 10. To lead , direct and  | An “employer of choice” environment created   | Facilitates a friendly working  | Is practised daily  |

|  |  |  |                           |
|--|--|--|---------------------------|
| <p>manage staff so that they meet their objectives</p> |  | <p>environment where employees:</p> <p>Cooperate and communicate;</p> <p>Do their share of the work;</p> <p>Help out in times of crises;</p> <p>Support decisions taken;</p> <p>Are used to their full potential;</p> <p>Continuously develop; and</p> <p>Are encouraged to be innovative.</p>               |                           |
| <b>Client orientation and customer focus</b>           |  |  |                           |
| <p>11. To promote a customer friendly service</p>      | <p>Implemented <i>Batho Pele</i> Programme</p> | <p>Customers are consulted and their suggestions are implemented</p> <p>Performance is measured against service standards</p> <p>Steps are taken to improve access to services</p> <p>A Code of Conduct on Customer Care is implemented</p> <p>A Service Commitment Charter is in place</p> <p>An Annual</p> | <p>Is Practised Daily</p> |

|  |  |   |  |
|--|--|---|--|
|  |  | Performance Report is provided to customers |  |
|--|--|---|--|

### 3.4.2 COMMUNITY SERVICES DEPARTMENT

| Key Objectives   | Key performance indicators             | Performance targets   | Performance Achieved & measures to improve performance                                  |
|--|--|---|---|
| <b>KPA : Social development services</b>   |  |   |   |
| 1. To promote literacy   | Established a Local Education Forum    | All meetings attended accordingly to schedule   | All meetings were attended to accordingly   |
| 2. To deal with all disaster related matters informed by the district's Disaster Management Plan | Implementable disaster management plan | Implementable plan submitted to Council for adoption by 31 July 2011                      | In progress, there is a financial constraint, as money is required to develop the plan. |
|  | Contingency Plan developed             | Contingency Plan developed in consultation with the District and stakeholders by Aug 2011 | In progress as meetings are conducted with the District are ongoing                     |
|  | Establish disaster management forum    | Established Disaster Management forum representing stakeholders by 30 June 2011           | Established a Disaster management forum and it is effective.                            |
| 3. To promote the interests of gender, disability, youth and children (GDYC)                     | Implemented Programme                  | Implemented Programme by 30 June 2011   | Budget constraints, the municipality will develop measures in the new financial year    |
| 4. To develop talent in all sports codes within communities                                      | SALGA-KZN Sports Programme implemented | SALGA-KZN Sports Programme implemented by 30 June 2011                                    | Sports programme was implemented accordingly.   |

|  |  |   |  |
|--|--|---|--|
|  | Sports Forum established                               | Established sports forum representing stakeholders by 30 June 2011    | Sports Forum was established.  |
| 5. To combat HIV and Aids  | Implement an HIV and AIDS Plan                         | HIV and Aids Plan implemented by 30 June 2011                         | HIV and AIDS plan was adopted by Council and it is been implemented accordingly. |
| 6. To manage and effective utilization of all community facilities   | Clean and usable facilities                            | Clean and usable facilities throughout the year                       | Clean and usable facilities are available throughout the year                    |
| 7. To promote arts & culture within the municipal area   | Calendar of events                                     | Calendar of events implemented by 31 Aug 2011                         | Arts and Culture events were held accordingly                                    |
| 8. To promote an environmentally healthy municipality by systematically addressing environmental health issues | Monthly Programmes executed                            | Complete monthly programmes and submission of monthly reports         | Completed monthly programmes and submission of monthly reports                   |
| 9. To conduct waste management in line with the District's Integrated Waste Management Plan                    | Communication channels established                     | All enquiries from communities attended to within two week of receipt | All enquires were attended to accordingly  |
|  | Awareness campaign implemented                         | Awareness campaign implemented in 7 wards by 30 June 2011             | In Progress  |
| 10. To create employment through the promotion of  | Poverty Alleviation Programme implemented Cooperatives | Poverty Alleviation Programme implemented by 31 Oct 2010              | Financial Constraints  |



|  |   |  |                    |
|--|---|--|--------------------|
| Cooperatives & SMME's  | SMME's                                      |  |                    |
| <b>Financial management</b>  |   |  |                    |
| 11. To manage the budget and ensure that objectives are pursued in an economical, efficient and effective and manner | Economical, efficient and effective results | Economical - cost-benefit analysis conducted on most costly projects   | Done               |
|  |   | Efficient - Initiatives introduced to increase productivity and / or combat fruitless expenditure  |                    |
|  |   | Effective - works towards 100 % achievement of SDBIP objectives  |                    |
| <b>People management and empowerment</b>   |   |  |                    |
| 12. To lead , direct and manage staff so that they meet their objectives   | An "employer of choice" environment created | Facilitates a friendly working environment where employees:<br><br>Cooperate and communicate;<br><br>Do their share of the work;<br><br>Help out in times of crises;<br><br>Support decisions taken;<br><br>Are used to their full potential;<br><br>Continuously develop; and<br><br>Are encouraged to be innovative. | Is Practised Daily |
| <b>Client orientation and customer focus</b>   |   |  |                    |
| 13. To promote a customer friendly service   | Implemented <i>Batho Pele</i> Programme     | Customers are consulted and their suggestions are implemented<br><br>Performance is measured against service standards<br><br>Steps are taken to improve access to services<br><br>A Code of Conduct on Customer Care is   | Is Practised daily |

|  |  |   |  |
|--|--|---|--|
|  |  | <p>implemented</p> <p>A Service Commitment Charter is in place</p> <p>An Annual Performance Report is provided to customers</p> |  |
|--|--|---|--|

### 3.4.3 FINANCE SERVICES DEPARTMENT

| Key Objectives   | Key performance indicators   | Performance targets   | Performance Achieved & measures to improve performance |
|--|--|---|--|
| <b>KPA: Financial Management</b>                                 |  |   |  |
| 1. To constantly improve the standard of budgeting and reporting | Approved and implemented budgeting and reporting policies  | Approved and implemented budgeting related policies by 1 Dec 2010     | In the process of been reviewed                        |
|  | Approved budget  | Budget aligned to IDP and approved by 30 June 2011                    | Budget was aligned to the IDP and approved by Council  |
| 2. To improve income control and generation                      | Annual debtors collection rate (Payment level %) = (Last 12 months receipts)/ (Last 12 months billing) | Set norm by 31 Oct 2010   | In progress of improving income control                |
|  | Approved alternative sources of funding  | Revenue enhancement strategy developed and implemented by 31 Dec 2010 | In Progress of investigating new sources of funding    |
|  | Improved collection rate   | 95% of bills collected per month by 30 June 2011                      |  |
| 3. To constantly improve on the control of expenditure           | Lead-time for payment should agree to the Debt Settlement Policy                                       | Implement Debt Settlement Policy by June 2011                         |  |
|  | GRAP compliant financial statements  | Compliance by 30 June 2011  |  |
| 4. To fully  | Approved Supply  | Implement and Review  | In the process of                                      |

|   |  |   |   |
|---|--|---|---|
| implement the supply chain rules and regulations  | Chain Management Policies that are in line with the MFMA and Regulations   | policies and procedures annually  | reviewing policies                                      |
|   | Number of contracts awarded to SMME through Joint Ventures and Consortiums | 10% increase in contracts awarded to BEE companies  | Ongoing and it is in progress                           |
|   | Time between requisition received and order issued                         | 3 business days for purchase of goods   | Complete  |
|   |  | 25 business days for the finalisation of the tender process   | Complete  |
|   | Time between order issued and delivery of goods                            | Set time frames for delivery at order date with the supplier  | Timeframes are met timeously                            |
| <b>Financial management</b>   |  |   |   |
| 5. To manage the budget and ensure that objectives are pursued in an economical, efficient and effective and manner | Economical, efficient and effective results                                | Economical - cost-benefit analysis conducted by managers analysed on a quarterly basis and feedback given | Done accordingly and reported on at management meetings |
|   |  | Efficient - Initiatives introduced to increase productivity and / or combat fruitless expenditure         |   |
|   |  | Effective - works towards 100 % achievement of SDBIP objectives   |   |
| <b>People management and empowerment</b>  |  |   |   |
| 6. To lead , direct and manage staff so that they   | An “employer of choice” environment created                                | Facilitates a friendly working environment where employees:   | It is practised daily                                   |

|  |   |  |                 |
|--|---|--|-----------------|
| meet their objectives                        |   | <p>Cooperate and communicate;</p> <p>Do their share of the work;</p> <p>Help out in times of crises;</p> <p>Support decisions taken;</p> <p>Are used to their full potential;</p> <p>Continuously develop; and</p> <p>Are encouraged to be innovative.</p>   |                 |
| <b>Client orientation and customer focus</b> |   |  |                 |
| 7. To promote a customer friendly service    | Implemented <i>Batho Pele</i> Programme | <p>Customers are consulted and their suggestions are implemented</p> <p>Performance is measured against service standards</p> <p>Steps are taken to improve access to services</p> <p>A Code of Conduct on Customer Care is implemented</p> <p>A Service Commitment Charter is in place</p> <p>An Annual Performance Report is provided to customers</p> | Practised daily |

### 3.4.4 TECHNICAL SERVICES DEPARTMENT

| Key Objectives  | Key performance indicators                  | Performance targets   | Performance Achieved & measures to improve performance  |
|---|---|---|---|
| <b>KPA: Basic Service Delivery</b>  |   |   |   |
| 1. To facilitate access to efficient, affordable and sustainable water services to our consumers      | Meetings / correspondence with the District | All scheduled meetings attended and follow-up on resolutions dealt with before the next meeting | All scheduled meetings were attended and resolutions were dealt with before the next meeting.               |
|   | Liaison services established                | All enquiries from communities attended to within two weeks of receipt                          | Enquires were attended to accordingly   |
| 2. To facilitate access to efficient, affordable and sustainable sanitation services to our consumers | Meetings / correspondence with the District | All scheduled meetings attended and follow-up on resolutions dealt with before the next meeting | All scheduled meetings were attended and resolutions were dealt with before the next meeting.               |
|   | Liaison services established                | All enquiries from communities attended to within two week of receipt                           | Enquires were attended to accordingly   |
| 3. To provide basic electricity to households   | Meetings / correspondence Eskom             | All scheduled meetings attended and follow-up on resolutions dealt with before the next meeting | Eskom assists Mkhambathini Municipality with regard to electricity and meetings are attended to accordingly |
| 4. To implement the DOT, Council's and MIG funded roads and storm water projects                      | Meetings / correspondence with the District | All scheduled meetings attended and follow-up on resolutions dealt with before the next meeting | All scheduled meetings were attended and resolutions were dealt with before the next meeting.               |
|   | Meetings / correspondence with DOT          | All scheduled meetings attended and follow-up on resolutions dealt with before the next meeting | All scheduled meetings were attended and resolutions were dealt with before the next meeting.               |
|   | Liaison services established                | All enquiries from communities attended to within two week of receipt                           | Enquires were attended to accordingly   |

|   |   |   |   |
|---|---|---|---|
|   | Number and lengths of road maintained and / or improved | 5 roads and 3 km of roads maintained and / or improved 30 June 2011                             | 10.5 km of roads was maintained   |
| 5. To conduct waste management in line with the district's Integrated Waste Management Plan   | Meetings / correspondence with the District             | All scheduled meetings attended and follow-up on resolutions dealt with before the next meeting | All scheduled meetings were attended and resolutions were dealt with before the next meeting.   |
| 6. To provide sustainable human settlement  | Number of houses  | Stage one (Planning) for 500 houses per ward completed by 30 June 2011                          | Maqongqo Housing Project is under construction.<br><br>Mbambangalo Housing Project is under construction<br><br>KwaMahleka/ Njobokazi is under construction |
| 7. To promote a coordinated approach to land use management   | All meetings attended                                   | All meetings attended according to schedule   | Meeting attended to accordingly   |
|   | Land Use Management                                     | Two development applications processed per week   | development applications was approved by Council.   |
| 8. Co-ordinated development   | Bulk Infrastructure                                     | Sewerage works will facilitate better planning/encourage development                            | In progress   |
| <b>Financial management</b>   |   |   |   |
| 9. To manage the budget of the Department of Financial Services and ensure that objectives are pursued in an economical, efficient and effective and manner | Economical, efficient and effective results             | Cost-benefit analyses conducted by managers analysed on a quarterly basis and feedback given    | Done accordingly and reported on at management meetings   |
|   |   | Initiatives introduced to increase productivity and combat fruitless expenditure                |   |
|   |   | 80% of scorecard objectives achieved within budget by 30 June 2011                              |   |

| <b>People management and empowerment</b>                                 |   |   |                    |
|--|---|---|--------------------|
| 10. To lead , direct and manage staff so that they meet their objectives | An “employer of choice” environment created | <p>Facilitates a friendly working environment where employees:</p> <p>Cooperate and communicate;</p> <p>Do their share of the work;</p> <p>Help out in times of crises;</p> <p>Support decisions taken;</p> <p>Are used to their full potential;</p> <p>Continuously develop; and</p> <p>Are encouraged to be innovative.</p> | Is Practised daily |
| <b>Client orientation and customer focus</b>                             |   |   |                    |
| 11. To promote a customer friendly service                               | Implemented <i>Batho Pele</i> Programme     | <p>Customers are consulted and their suggestions are implemented</p> <p>Performance is measured against service standards</p> <p>Steps are taken to improve access to services</p> <p>A Code of Conduct on Customer Care is implemented</p> <p>A Service Commitment</p>   | Is practised daily |

|  |  |  |  |
|--|--|--|--|
|  |  | Charter is in place<br><br>An Annual Performance Report is provided to customers |  |
|--|--|--|--|

### 3.4.5 MUNICIPAL MANAGERS OFFICE

| Key Objectives  | Key performance indicators   | Performance targets  | Performance Achieved & measures to improve performance |
|---|--|--|--|
| <b>KPA: Good Governance and Public Participation</b>                                |  |  |  |
| 1. To ensure IDP review addresses developmental needs of Mkhambathini               | Aligned IDP / PMS / Budget   | Aligned IDP, PMS and Budget for 2011/2012  | Aligned accordingly and adopted by Council             |
|   | National and provincial priorities and sector departments projects included in IDP | National and provincial priorities and sector departments projects included in 2011/2012 IDP | Projects included in the IDP                           |
|   | IDP Process Plan   | IDP Process plan adopted and approved  | IDP process plan was adopted by Council                |
| 2. To provide additional assurance regarding the quality and reliability of the FMS | Internal Audit Programme implemented   | Internal Audit Programme implemented by 30 June 2011   | In Progress  |
| 3. To increase public participation in municipal decision-making                    | Effective ward committees  | Fully functional ward committees by 30 June 2011   | Ward Committees are functional                         |
| 4. To develop and implement sound operational policies that will guide operations   | Completed policy drafting and review programme                                     | 100 % of planned policy drafting and review programme completed by 30 June 2011              | Policies are in the process of been reviewed           |



|   |  |  |   |
|---|--|--|---|
| 5. To monitor and evaluate the performance of the Municipality  | Quarterly Municipal Performance Reports submitted to Council                                       | Quarterly Municipal Performance Reports submitted to Council within 30 days after the close of the quarter | Quarterly reports submitted to Council                                      |
| 6. To promote service delivery through cooperative governance   | Legal compliance   | Full participation in cooperative governance structures throughout the year                                | Full participation in cooperative governance structures throughout the year |
| <b>Financial Viability and Management</b>   |  |  |   |
| 7. To fulfil the responsibilities of the Accounting Officer in terms of the MFMA                                | Exercise the powers and functions assigned to an Accounting Officer                                | 100 % compliance   | 100% Compliance   |
|   | Provide guidance and advice on compliance with the MFMA to political structures and office bearers | 100 % compliance   | 100% Compliance   |
| <b>Institutional Development and Transformation</b>   |  |  |   |
| 8. Implement and comply with the Employment Equity Plan   | Staff composition representative of demographics of the municipal area                             | 80% of equity targets for the year achieved  | 80% of equity targets achieved for the year                                 |
| <b>Financial Management</b>   |  |  |   |
| 9. To manage the budget and ensure that objectives are pursued in an economical, efficient and effective manner | Economical, efficient and effective results  | Economical - cost-benefit analysis conducted by managers analysed on a quarterly basis and feedback given  | Done accordingly and reported on at management meetings                     |
|   |  | Efficient - Initiatives introduced to increase productivity and / or combat fruitless expenditure          |   |
|   |  | Effective - works towards 100 % achievement of SDBIP objectives  |   |
|   |  | Exercise effective budget control.   |   |

| <b>People Management and Empowerment</b>                                 |   |  |                    |
|--|---|--|--------------------|
| 10. To lead , direct and manage staff so that they meet their objectives | An “employer of choice” environment created | <p>Facilitates a friendly working environment where employees:</p> <p>Cooperate and communicate;</p> <p>Do their share of the work;</p> <p>Help out in times of crises;</p> <p>Support decisions taken;</p> <p>Are used to their full potential;</p> <p>Continuously develop; and</p> <p>Are encouraged to be innovative.</p>                            | Is Practised daily |
| <b>Client orientation and Customer Focus</b>                             |   |  |                    |
| 11. To promote a customer friendly service                               | Implemented <i>Batho Pele</i> Programme     | <p>Customers are consulted and their suggestions are implemented</p> <p>Performance is measured against service standards</p> <p>Steps are taken to improve access to services</p> <p>A Code of Conduct on Customer Care is implemented</p> <p>A Service Commitment Charter is in place</p> <p>An Annual Performance Report is provided to customers</p> | Is Practised Daily |

|  |  |  |  |
|--|--|--|--|
|  |  | Customers are advised on how to obtain best value services |  |
|  |  | A complaints system is implemented                         |  |

### **3.4.6 PERFORMANCE TARGETS SET FOR THE NEXT FINANCIAL YEAR**

#### **PROJECTS/ACTIONS NEEDED TO MEET STRATEGIC OBJECTIVES SET UNDER NATIONAL KEY PERFORMANCE INDICATORS**

##### **NATIONAL KEY PERFORMANCE AREA A: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT**

#### **Strategic Objective A1: To provide effective and efficient Human Resources Management Services**

Project A1.1: Annual employment equity plan preparation/review and quarterly analysis (corporate services)

Project A1.2: Annual workplace skills development plan preparation and quarterly analysis (corporate services)

Project A1.3: Quarterly analysis of efficiency and effectiveness of internal decision making process. (Corporate Services)

#### **Strategic Objective A2: To provide a protection service to the Honorable Mayor**

Project A2.1: VIP service, quarterly analysis of hours (operations)

#### **Strategic Objective A3: To ensure effective administrative Support Services**

Project A3.1: Annual document management system analysis (Corporate Services)

Project A3.2: Annual utilization and maintenance of municipal fleet analysis (Finance Services)

#### **Strategic Objective A4: To encourage good labour relations within the Institution**

Project A4.1: Quarterly analysis of disciplinary cases (Corporate Services)

#### **Strategic Objective A5: To contribute meaningfully to the wellness of employees**

Project A5.1: EAP Programmes annual impact report (Corporate Services)

#### **Strategic Objective A6: To provide effective secretariat support services**

Project A6.1: Quarterly analysis of Council, Committees and MANCO secretariat service (Corporate)

**Strategic Objective A7: To conform to the Batho Pele Principles**

Project A7.1: At least one Annual survey to be conducted (Corporate Services/All)

**Strategic Objective A8: To ensure integrated development and environmental planning**

Project A8.1: Annual IDP review (MM)

Project A8.2: Annual Spatial Development Framework Review (Technical Department)

Project A8.3: Annual Disaster Management Plan Review (Community Services)

Project A8.4: Mid-term Expenditure Framework Preparation (Financial Services)

Project A8.5: Preparation of Environmental Management Plan (Community services department)

Project A8.6: Quarterly analysis of building control (Technical department)

Project A8.7: Establishment of the Development Planning Shared Services Unit (Technical Department)

Project A8.8: Preparation of Land Use Management System (Technical Department)

**Strategic Objective A9: To implement an effective organizational and individual performance management system**

Project A9.1: Annual Preparation/ Review of the Performance Management System (MM)

Project A9.2: Section 45 Performance Agreements (Office of the MM/ Corporate Services)

Project A9.3: Preparation of the Annual Report (Office of the MM)

Project A9.4: Annual Performance Report (Office of the MM)

**Strategic Objective A10: to develop and implement the Municipal Turn around Strategy**

Project A10.1: Prepare and implement Turnaround Strategy (Office of the mm/All)

Strategic Objective A11: To provide effective information communication technology solutions

Project A11.1: Communication Strategy preparation and implementation (Corporate)

Project A11.2: IT Strategy (MSP) preparation and annual review of systems (Corporate)

**NATIONAL KEY PERFORMANCE AREA B: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

**Strategic Objective B1: To provide access to Water, Sanitation, Electricity, Solid Waste, Roads**

Project B1.1: Annual analysis of Basic Service Delivery (Technical Services/ District)

Project B1.2: Annual analysis of Electricity Division (Technical Services/Eskom)

Project B1.3: Road Construction (Technical Services)

Project B1.4: Storm water systems (Technical Services)

Project B1.5: Road Maintenance (Technical Services)

Project B1.6: Identification of the land fill site (Technical Services/ Community Services)

Project B1.7: Refuse Collection (Community Services Department)

**Strategic Objective B2: To construct new Community and Public facilities and maintaining existing structures**

Project B2.1: Annual analysis of facilities provided and upgraded (Technical Services)

Project B2.2: Maintenance of verges and public open spaces and monitoring performance in this regard (Technical Services)

**Strategic Objective B3: To reduce the number of individuals in informal settlements**

Project B3.1 Quarterly analysis of new low income houses in progress (Technical Services/Dept of Housing)

**Strategic Objective B4: To avoid deterioration of existing infrastructure network**

Project B4.1: Quarterly analysis of maintenance Budget (Technical Services/Finance)

**National Key Performance Area C: Local Economic Development**

**Strategic Objective C1: To stimulate economic growth**

Project C1.1: Annual analysis of jobs created through the municipality (Community/ Technical)

Project C1.2: Review of the LED Strategy (Community Services)

**Strategic Objective C2: To pursue special projects that will; act as catalysts for development**

Project C2.1: Green House proposal developed and implemented (Community)

**Strategic Objective C3: To facilitate and co-ordinate agricultural development**

Project C3.1: Draft Agricultural Development Strategy in accordance with milestones set and annual analysis of achievements (Community)

**National Key Performance Area D: Good Governance, Community Participation and Ward Committee Systems**

**Strategic Objective D1: To implement Public Participation Programmes**

Programme D1.1: Undertake and annual analysis of Imbizo's (IDP/Budget) at ward level (MM/Corporate/all)

Project D1.2: Conduct at least one community outreach Programmes per year (Corporate/All)

Project D1.3: Conduct Quarterly ward committee meetings and prepare a response plan to issues raised (Corporate/All)

**Strategic Objective D2: To ensure alignment between National, Provincial, Local Government and Public Entities**

Project D2.1: Conduct at least 2 IDP forum meetings per year ( MM /All)

Project D2.2: Attend monthly District Cluster Forum meetings ( MM/All)

Project D2.3: Hold monthly stakeholders forum meetings ( Community, Office of the Mayor)

Project D2.4: Attend quarterly Provincial Liaison forum meetings ( Corporate/All)

**Strategic Objective D3: To formulate, implement and review policies, procedures and by-laws**

Project D3.1: Develop new policies, procedures and by-laws where necessary (All)

Project D3.2: Review existing Policies, procedures and by laws (All)

Project D3.3: Implementation of all legal prescripts, policies, procedures and by-laws (All)

**Strategic Objective D4: To ensure functional shared Internal Audit Activity and Audit Committee**

Project D4.1: Preparation of Annual Audit Plan and analysis of achievement of such Plan (Internal Audit)

Project D4.2: Preparation and approval of a risk profile (Finance Services)

Project D4.3: Quarterly reports on risk management strategy (Financial Services/ All)

Project D4.4: Ensuring functional Audit Committee and holding quarterly meetings (Internal Audit)

Project D4.5: Ensuring functional Performance Audit Committee and holding of quarterly meetings (Internal Audit)

**Strategic Objective D5: To implement an effective Anti-Corruption Strategy**

Project D5.1: Preparation of Anti-Corruption Strategy/Fraud Prevention Plan and ensure awareness within the municipality (Internal Audit)

**National Key Performance Area 5: Financial Viability and Financial Management (Financial Services)**

**Strategic Objective E1: To ensure that all revenue of the municipality is accounted for**

Project E1.1: Invoicing and Billing of customers of services rendered and analysis on an annual basis (Finance)

Project E1.2: Collection of cash from customers striving for collection within 90 days, and analysis on a quarterly basis (Finance)

Project E1.3: Determination of debt coverage ratio, outstanding services debtors to revenue, cost coverage ratio (Finance)

Project E1.4: Maintenance of valuation roll and analysis of objectives/appeals (Finance)

**Strategic Objective E2: To ensure compliance with all financial management requirements**

Project E2.1: Keep records of revenue from grants and subsidies as per DORA (Finance)

Project E2.2: Keep records grants & Subsidies expenditure and report quarterly (Finance)

Project E2.3: Ensure audit opinion obtained and strive for unqualified audit (Finance/All)

**Strategic Objective E3: To ensure preparation and implementation of budgeting and reporting requirements**

Project E3.1: Recording of operating budget expenditure and quarterly analysis (Finance)

Project E3.2: Analysis of salaries and wages expenditure on quarterly basis (Finance)

Project E3.3: Recording and analysis of own revenue in relation to the total budget on a quarterly basis  
(Finance)

Project E3.4: Assessing quarterly compliance with MFMA requirements (Finance/ MM)

**Strategic Objective E4: To ensure that all expenditure is managed in terms of all financial legislation**

Project E4.1: Fixed asset register reconciled with ledger on quarterly basis (Finance)

Project E4.2: Compliance with GRAP analyzed on a quarterly basis (Finance)

Project E4.3: Creditors invoices to be checked and strive for payment within 30 days, quarterly analysis of payments of creditors (Finance)

Project E4.4: Analysis of variance of actual expenditure vs Budget on a quarterly basis (Finance)

**Strategic Objective E5: To ensure compliance with all supply chain management regulations, Policies, PPPFA, BEE Requirements**

Project E5.1: Undertake Procurement Planning By June (Finance)

Project E5.2: Monthly SCM reporting (Finance)

Project E5.3: Ensuring functional Bid Committees set up and strives for decisions to be taken within 30 days, quarterly analysis (Finance)

Project E5.4: assess compliance with SCM regulations on a quarterly basis (Finance)

**Strategic Objective E6: To ensure that all revenue due to the municipality is collected**

Project E6.1: Pursue debt recovery and report quarterly (Finance)

**National Key Performance Area F: Community and Social Development Services**

**Strategic Objective F1: To manage health issues**

Project F1.1: Assessment of number of individuals infected and affected by HIV/AIDS on a quarterly basis (Community Services)

**Strategic Objective F2: To contribute to a safe and secure environment**

Project F2.1: Ensure functioning Community Safety Forum to meet and report on a quarterly basis (Community Services/MM)

**Strategic Objective F3: To improve literacy Internal /External**

Project F3.1: Undertake at least one outreach programmes per year (Community Services/Corporate Services)

Project F3.2: Ensure effective management of libraries and strive for a 5% increase in patrons, patron numbers to be reported quarterly (Community Services/ Corporate)

**Strategic Objective F4: To ensure safe and healthy environment in all communities**

Project F4.1: Strive to attend to complaints within 7 days, report on a quarterly basis (Community Services)

Project F4.2: To analyze compliance with legal prescripts on a quarterly basis (Community Services/ UMDM)

**Strategic Objective F5: To facilitate the Provision of formal housing**

Project F5.1: To strive for full compliance with the National Housing Act, and to analyze compliance on a quarterly basis (Technical/ MM)

Project F5.2: Strive to reduce the number of people living in informal structures and report on a quarterly basis (Community Services/Technical)

**Strategic Objective F6: To manage learner licenses and motor licensing**

Project F6.1: To manage learner license testing and strive for less than 6 months between booking and testing, to monitor on a quarterly basis (Corporate Services)

Project F6.2: To process motor licenses effectively, and to monitor on a quarterly basis (Corporate Services)

**Strategic Objective 7: To facilitate the development of Sport**



Project F7.1: To strive to cover 14 codes per annum monitoring progress on a quarterly basis (Community Services)

**Strategic Objective F8: To facilitate synergetic partnership between traditional leadership and the municipality**

Project F8.1: Develop the Business Plan and report achievement on a quarterly basis (Community Services)

**Strategic Objective F9: To facilitate alignment and integration of special programmes**

Project F9.1: Undertake youth programmes and report on a quarterly basis (Community Services)

Project F9.2: Formulation and implementation of a gender equity plan and monitor on a quarterly basis  
(Community/ Corporate services)

Project F9.3: Under take disability programmes and report on a quarterly basis (Community Services)

Project F9.4: Rights of a child programme to be compiled with and reporting undertaken on a quarterly basis (Community Services)

Project F9.5: To manage health issues ( HIV/AIDS Strategy) ( Community Services)

## COMPOSITION OF THE AUDIT COMMITTEE

Mkhambathini Municipality has developed an Audit Committee, and also is part of the uMgungundlovu District IGR Structures such as:

- Mayors Forum;
- Municipals Managers Forum;
- Planning and Economic Cluster; and
- IDP Alignment sub-committee.

Mkhambathini Municipality Audit Committee members with the assistance of uMgeni Municipality are :

- Mr.Vukani Dlamini - Chairperson
- Mr Skhumbuzo Kunene – Audit Committee Member
- Mr Joel Nkosinati Mathobela – Audit Committee Member

| AUDIT COMMITTEE MEMBER             | QUALIFICATIONS   |
|------------------------------------|--|
| <b>Mr Vukani Dlamini</b>           | Senior Certificate                                     |
|                                    | Honours bachelor of Commerce                           |
|                                    | Bachelor Of Commerce                                   |
|                                    | Certified Internal Auditor Certificate                 |
|                                    | Certified Government Auditing Professional Certificate |
|                                    | Certification in Control Self-Assessment               |
| <b>Mr Skhumbuzo Kunene</b>         | Senior Certificate                                     |
|                                    | Bachelor of Commerce Degree                            |
|                                    | Diploma in Financial Accounting                        |
|                                    | Post-graduate Diploma in Business Management           |
| <b>Mr Joel Nkosinati Mathobela</b> | Senior Certificate                                     |
|                                    | Bachelor Of Commerce                                   |
|                                    | CPIR   |
|                                    | Advanced Business Programme (ABP)                      |
|                                    | B.Tech ( Management)                                   |

## **INTERNAL AUDIT**

Mkhambathini Local Municipality utilizes a shared service of Internal Auditors with umgeni local municipality. The Audit Unit achieved a full compliment of staff for the current year of assessment.

## **EMPLOYEE ASSISTANCE PROGRAMME**

The employee assistance programme offers specific interventions to employees experiencing problems in the following areas:

- ❖ Martial, family and relationship problems;
- ❖ HIV/AIDS Counseling;
- ❖ Psychological Problems;
- ❖ Stress( Family, social, job);
- ❖ Sexual Harassment;
- ❖ Work Related Conflicts.

The Programme through the afore mentioned interventions afford employees the following benefits:-

- ❖ Addressing problems early preventions complications that negatively affect both work performance and life in general.
- ❖ Sustained optimal functioning of staff leads to a greater productivity and improved quality of life for individuals and their families.

## **PERFORMANCE MANAGEMENT**

Performance Management is a holistic process that incorporates strategic planning, developing an execution plan, and ultimately reporting on the business operations against the operational plan.

Mkhambathini Local Municipality has adopted a performance management framework and a policy, which is implemented through the municipality's scorecard. The scorecard is designed to be the key strategic management tool that identifies the municipality's annual priorities,, establishes indicators and targets, and serves delivery against objectives.

The Municipal Systems Act 32 of 2000, the Local Government: Municipal Planning and the Performance Management Regulations 2001, require municipalities to adopt a performance management system, once the Integrated Development Plan and the budget have been prepared and approved, the municipality prepares the Service Delivery and Budget Implementation Plan in accordance with the MFMA and MFMA Circular 13.

The Service Delivery and Budget Implementation Plan indicate quarterly performance targets, financial performance targets and assigns responsibility to execute the respective performance targets.

Mkhambathini Local Municipality assessed its performance on a quarterly basis and reported progress on performance against targets set to Council and ultimately presents the annual performance in this annual report.



## CHAPTER FOUR

## Chapter 4: Functional Area Service Delivery Reporting

### 4.1 Actual Service Delivery

#### Performance against IDP targets

All business units made inputs into the IDP and communities were consulted on these inputs through the IDP structures. The planned IDP deliverables were then incorporated into the Service Delivery and Budget Implementation Plans (SDBIP's), which serve as a contract between the Administration, Council and the Communities expressing these deliverables as quantifiable outcomes and outputs. The SDBIP provides the basis for measuring and reporting performance in service delivery and the result of this process is set out below.

#### 4.1.1 Key Performance Area: Basic Service Delivery

| Planned outputs  | Completed | Challenges and / or planned improvements |
|--|-----------|--|
| <b>Access to water</b>   |           |  |
| 1. All scheduled meetings with the District attended and follow-up on resolutions dealt with before the next meeting | 100%      | <b>District Function</b>                 |
| 2. All enquiries from communities attended to within two weeks of receipt  | 100%      | <b>District Function</b>                 |
| <b>Access to sanitation</b>  |           |  |
| 3. All scheduled meetings with the District attended and follow-up on resolutions dealt with before the next meeting | 100%      | <b>District Function</b>                 |
| <b>Access to electricity</b>   |           |  |
| 4. All scheduled meetings with the District attended and follow-up on resolutions dealt                              | 100%      |  |

|  |      |  |
|--|------|--|
| with before the next meeting   |      |  |
| 5. All enquiries from communities attended to within two week of receipt   | 100% | All enquiries from communities are attended to timeously |
| 6. 1000 households supplied with interim alternative energy sources by 30 June 2011  | -    |  |
| <b>Access to Roads and Storm Water</b>   |      |  |
| 1. All scheduled meetings with the District and Department of Transport attended and follow-up on resolutions dealt with before the next meeting | 100% | All scheduled meetings attended                          |
| 2. All enquiries from communities attended to within two weeks of receipt  | 100% |  |
| 3. 5 roads and 3 km of roads maintained and / or improved 30 June 2010   | 50%  |  |
| <b>Telecommunications</b>  |      |  |
| 1. Community communication needs established in all 7 wards by 30 June 2010  | 0%   | No known needs, done by Telkom                           |
| 2. List of documented needs in 7 wards included in the Service Provider's plans by 30 June 2010  | 0%   | No documented needs                                      |
| <b>Solid Waste Management</b>  |      |  |
| 1. All scheduled meetings with the District attended and follow-up on resolutions dealt with before the next meeting                             | 100% |  |
| 2. All enquiries from communities attended to within two week of receipt   | 80%  | Depends on the impact of the situation                   |

|  |      |                                |
|--|------|--------------------------------|
| 3. Awareness campaign implemented in 7 wards by 30 June 2011             | 40%  | Awareness Campaign in progress |
| <b>Sustainable Human Settlement(Housing)</b>                             |      |                                |
| 1 Stage one (Planning) for 500 houses per ward completed by 30 June 2011 | 70%  |                                |
| 2. Planning for implementing of basic services completed by 30 June 2011 | 100% | District                       |
| <b>Land Use Management System</b>  |      |                                |
| 1. All meetings with the District attended according to schedule         | 100% |                                |
| 2. Two development applications processed per week                       | 100% |                                |
| <b>Community and Public Facilities</b>                                   |      |                                |
| 1. 4 facilities provided by 30 June 2011                                 | 70%  |                                |
| 2. 7 community and public facilities maintained by 30 June 2011          |      |                                |

#### 4.1.2 Key Performance Area: Local Economic Development

| Planned outputs                                    | Completed | Challenges and / or planned improvements                                |
|--|-----------|---|
| <b>Local Economic Development</b>                  |           |   |
| 1. 100% implementation of projects by 30 June 2011 | 0%        | The implementation of projects was stopped due to financial constraints |
| <b>Tourism</b>                                     |           |   |
| 2 100% implementation of projects by 30 June 2011  | 0%        | Due to financial constraints  |
| <b>Agricultural Development</b>                    |           |   |
| 1. Implementable plan submitted to Council for     |           |   |



|   |     |   |
|---|-----|---|
| adoption by 30 June 2011  |     | Run concurrently with LED                   |
| 2. All enquiries from communities attended to within two weeks of receipt | 80% | Depends on the seriousness of the situation |
| <b>Co operatives and SMME's</b>   |     |   |
| 1. Implementable plan submitted to Council for adoption by 30 June 2011   | 0%  | Delay due to financial constraints          |
| <b>Public Private Partnerships</b>  |     |   |
| 1. PPP Policy adopted by 30 June 2011                                     | 50% | Business Forum/ Tourism                     |
| <b>Business Support Development</b>                                       |     |   |
| 1. Reviewed strategy by Council by 31 Dec 2011                            | 20% | Awaiting to establish Business Forum        |
| 2. Implemented Business Support and Development Strategy by 30 June 2011  | 0%  | None  |

#### 4.1.3 Key Performance Area: Social Development Services

| Planned outputs   | Completed | Challenges and / or planned improvements   |
|---|-----------|--|
| <b>Education</b>  |           |  |
| 1. Implementable plan submitted to Council for adoption by 30 June 2011         | 100%      |  |
| 2. Established education forum representing stakeholders by 30 June 2011        | 100%      | Done at ward level   |
| 3. Established ABET Programme in consultation with stakeholders by 30 June 2011 | 40%       | Masfundisane currently operating in all wards, ABET Programme is included in the WSP to extend for funding from the community. |
| <b>Health</b>   |           |  |
| 1. Implementable plan submitted to Council for adoption by 30 June 2011         | 0%        | Liaise with the Department of Health   |
| 2. Established health care forum representing stakeholders by 30 June 2011      | 100%      | Run concurrently with HIV/AIDS   |

|   |  |      |   |
|---|--|------|---|
| <b>Social Security</b>  |  |      |   |
| 1. Social security needs identified and conveyed to Technical Services for incorporation in the Plan by 28 Feb 2011 |  | 0%   | Liaise with South African Police  |
| <b>Disaster Management</b>  |  |      |   |
| 1. Implementable plan submitted to Council for adoption by 30 June 2011   |  | 45%  | Disaster Management Plan in progress in conjunction with the uMgungundlovu District Municipality                      |
| 2. Contingency Plan developed in consultation with the District and stakeholders by Aug 2011                        |  | 100% | Liaise with the District in case of Emergency   |
| 3. Established Disaster Management forum representing stakeholders by 30 June 2011                                  |  | 100% | Existing Disaster Management Forum  |
| <b>Youth, Gender And People with Disability</b>   |  |      |   |
| 1. Implementable plan submitted to Council for adoption by 30 June 2011   |  | 100% | Youth Development Strategy approved by Council.   |
| <b>Sports and Recreation</b>  |  |      |   |
| 1. Implementable plan submitted to Council for adoption by 30 June 2011   |  | 70%  | In Progress of finalising the plan  |
| 2. Established sports forum representing stakeholders by 30 June 2011   |  | 100% | Forums are in function and performing well in their duties and consisting of representatives from each of the 7 wards |
| <b>HIV and Aids</b>   |  |      |   |
| 1. Implementable plan submitted to Council for adoption by 30 June 2011   |  | 100% | Modification of HIV/AIDS 3 year plan has been completed and approved by the Local Aids Council                        |
| <b>Environmental Sustainability</b>   |  |      |   |
| 1. Projects identified and resourced in consultation with DAEA and stakeholders by 30 June 2011                     |  | 100% | Through development planning applications   |

|   |      |   |  |
|---|------|---|--|
| <b>Arts and Culture</b>   |      |   |  |
| 1. Implementable plan submitted to Council for adoption by 30 June 2011 | 100% | The plan has been implemented and approved by Council |  |

#### 4.1.4 Good governance and public participation

| Planned outputs   | Completed | Challenges and / or planned improvements                                     |
|---|-----------|--|
| <b>Integrated Development Plan</b>  |           |  |
| 1. IDP Process Plan approved  | 100%      | IDP Process Plan was approved timeously.                                     |
| 2. Aligned IDP, Budget and PMS for 2011/2012  | 100%      | Completed Successfully   |
| 3. National and provincial priorities and sector departments projects included in 2011/2012 IDP | 100%      | Included   |
| <b>Public Participation</b>   |           |  |
| 1. Fully functional ward committees by 30 June 2011   | 100%      | Vacancies in ward committees that need to be filled constantly               |
| <b>Co operative Governance</b>  |           |  |
| 1. Full compliance with the Act by 30 June 2011   | 100%      | Issues required from Mkhambathini With other departments have been complied. |

#### 4.1.5 Key Performance Area: Transformation and Institutional Development

| Planned outputs  | Completed | Challenges and / or planned improvements                             |
|--|-----------|--|
| <b>Batho Pele</b>  |           |  |
| 1. 100% of the interventions implemented by 30 June 2011         | 60%       | Progress made but hindered due to financial constraints and capacity |
| 2. Obvious service delivery improvements implemented 31 Dec 2011 | 90%       | Resource limitations, Financial constraints                          |
| <b>Performance Management</b>                                    |           |  |
| 1 Revised Policy Framework submitted for approval 31 March 2011  | 100%      | Policy framework adopted by Council                                  |

|   |      |   |
|---|------|---|
| 2. Revised SDBIPs submitted for approval by 31 June 2011  | 100% |   |
| 3. Individual performance appraisals completed in line with approved policy framework and within one month of the close of the financial year | 100% |   |
| <b>Human Resource Management</b>  |      |   |
| 1. Completed HR Audit by 30 Sept 2011   | 100% | <b>Co operation from all staff members</b>  |
| 3. Structure aligned to the organisational structure by 31 March 2011   | 100% |   |
| 4. Completed Skills Development Review Plan by 31 June 2011   | 100% |   |
| 5. Completed Employment Equity Plan by 30 September 2011  | 100% |   |
| 6. All policies reviewed and updated by 30 June 2011  | 70%  | <b>In Progress</b>  |
| <b>Information Technology</b>   |      |   |
| 1. Effective ICT service in place throughout the year   | 100% | <b>Engaging in shared services with the uMgungundlovu District, integrated ICT System</b> |
| <b>General Administration</b>   |      |   |
| 1. Procedure manual submitted for approval by 31 Dec 2010   | 100% |   |
| <b>Committees</b>   |      |   |
| 1. Full compliance with approved procedures for each meeting  | 100% |   |
| <b>Registry</b>   |      |   |
| 1. Municipal filing system finalised by 30 June 2011  | 90%  |   |
| <b>Library</b>  |      |   |

|  |      |
|--|------|
| 1. Operational community resource centre by 31 Dec 2010                | 100% |
| <b>Licensing</b>   |      |
| 1. Full compliance to the Transport Services Standards by 30 June 2011 | 100% |

#### 4.1.6 [Key Performance Area: Financial Viability and Management](#)

| Planned outputs  | Completed | Challenges and / or planned improvements        |
|--|-----------|---|
| <b>Budgeting and Reporting</b>   |           |   |
| 1. Approved and implemented budgeting and reporting policies by 31 Dec 2010      | 100%      | Submitted on a new format                       |
| 2. Budget aligned to IDP and approved by 30 June 2011                            | 100%      | Refer to the Budget                             |
| <b>Income Control</b>  |           |   |
| 1. Revenue enhancement strategy developed by 31 Dec 2011                         | 100%      | Implemented the strategy                        |
| 2. 95% of bills collected per month by 30 June 2011                              | 70%       | Implementation of MPRA                          |
| <b>Expenditure Control</b>   |           |   |
| 1. Acquired Creditors Module and approved Debt Settlement Policy by 30 June 2011 | 100%      |   |
| 2. Compliance by 30 June 2011  | 100%      |   |
| <b>Supply Chain Management</b>   |           |   |
| 1. Policies and procedures developed by 31 March 2011                            | 100%      | Completed in July 2010 and is reviewed annually |
| 2. 10% increase in contracts awarded to BEE companies                            | 100%      | All contracts are BEE                           |
| 3. 5 business days for purchase of goods   | 100%      |   |
| 4. 25 business days for the finalisation of the                                  | 70%       |   |

|   |      |                     |
|---|------|---------------------|
| tender process  |      |                     |
| 5. Set time frames for delivery at order date with the supplier | 100% | Delivery is on time |

#### 4.2 Service Delivery Highlights for the year ended 30 June 2011

##### 4.2.1 Community Services Department

- ❖ Reducing High Incidents of HIV and AIDS
- ❖ Improving Business Skills, SMME,s and co-operatives project
- ❖ Formulation of the Youth Strategy
- ❖ Arts and Culture Competition held in the month of September

#### **4.2.2 Administration Department**

- ❖ Learners License unit customized
- ❖ Workplace Skills Plan Developed, completed in-house and submitted on time to LGSETA
- ❖ Adoption and Gazetted By Laws of Mkhambathini
- ❖ Developed online support system named concerns reporting

#### **4.2.4 Technical Department**

- ❖ Municipal Property Rates Act Certificate
- ❖ GIS
- ❖ Spatial Planning and Land Use Management Bill
- ❖ Environmental Impact Assessment
- ❖ Planning Development Act Processing
- ❖ Infrastructure Projects, ie: Roads, Sports fields
- ❖ Building Control
- ❖ Removal of Restrictive Conditions of Title
- ❖ Special Consent
- ❖ Development Facilitation Act
- ❖ Extension of Security of Tenure Act
- ❖ National Environmental Management Act
- ❖ Less Formal Township Establishment Act
- ❖ Public Consultation

#### **4.2.3 Finance Department**

- ❖ Internal Audit was done in relation with the Provincial Treasury
- ❖ Submission of MFMA (Section 71) reports timeously
- ❖ Alignment of Budget to the IDP
- ❖ Budget approval 30 day before the beginning of the financial year, Adoption of budget by statutory deadline in terms of Section 24 of the Municipal Finance Management Act, Act 56 of 2003
- ❖ Submission of Annual Financial Statements by the due date to the Auditor General
- ❖ Adoption of Annual Financial Statements and submission to the Auditor-General by the statutory deadline in terms of Section 126 of the Municipal Finance Management Act, Act No 56 of 2003
- ❖ Unqualified Audit



### 4.3 [Action Plan of Annual Report 2010/2011](#)

#### ACTION PLAN FOR THE 2010/2011 ANNUAL REPORT AND THE OVERSIGHT PROCESS

| Project milestones  | Target dates | Responsibility  | Comments |
|---|--------------|-----------------|----------|
| <b>1. MANCO Approval</b>  |              |                 |          |
| 1.1 Action Plan approved by MANCO   | 02/08/2011   | MANCO           |          |
| <b>2. Annual Report framework developed</b>                                   |              |                 |          |
| 2.1 Annual Report format and templates developed                              | 15/07/2011   | MM              |          |
| 2.2 Templates disseminated for completion                                     | 20/07 /2011  | MM              |          |
| <b>3. Completion of chapters</b>  |              |                 |          |
| 3.1 Chapter 1: Introduction and Overview completed                            | 10/08/2011   | MM              |          |
| 3.2 Chapter 2: Performance Highlights completed                               | 12/08/2011   | MM              |          |
| 3.3 Chapter 3: Human Resources and Organisational Management completed        | 13/08/2011   | Admin           |          |
| 3.4 Chapter 4: Mkhambathini Service Delivery                                  | 21/08/2011   | All HOD         |          |
| 3.5 Chapter 5: Audited Statements and Related Financial Information completed | 30/11/2011   | CFO             |          |
| 3.6 Chapter 6: Inputs to the Provincial Municipal Performance Report          | 26/08/2011   | All HOD         |          |
| 3.7. Chapter 7: Report Of the Audit Committee                                 | 23/01/2012   | Audit Committee |          |

|  |            |                 |  |
|--|------------|-----------------|--|
| 3.8 Collation of completed chapters              | 9/01/2012  | MM              |  |
| 3.9.Audit Committee Meeting                      | 23/02/2012 | MM              |  |
| 3.10. Report from Audit Committee                | 26/02/2012 | AUDIT COMMITTEE |  |
|  |            |                 |  |
| <b>4. Finalisation of document</b>               |            |                 |  |
| 4.1 Layout completed through desk top publishing | 26/02/2012 | MM              |  |
| 4.2 Submit to MANCO for in principle approval    | 26/02/2012 | MANCO           |  |

| Project milestones  | Target dates             | Responsibility | Comments |
|---|--------------------------|----------------|----------|
| <b>5. Tabling and appointment of Oversight Committee</b>  |                          |                |          |
| 5.1 Annual Report tabled and Council identifies non-executive councillors to serve on Oversight Committee | 22/01/2012               | Council        |          |
| 5.4 Advertise for public comments of Annual Report  | 16/01/2012/<br>7/02/2012 | MM             |          |
| 5.5 Appoint Oversight Committee   | 28/01/2012               | MM             |          |
|   |                          |                |          |

| <b>6. Conduct Oversight Committee of Annual Report</b> |             |                     |  |
|--|-------------|---------------------|--|
| 6.1 Orientate members of Oversight Committee           | 09/02/2012  | Oversight Committee |  |
| 6.2. Oversight Committee Meeting                       | 12 /02/2012 | Oversight committee |  |
|  |             |                     |  |

| <b>7. Finalisation of reporting process</b> |  |            |         |
|---|--|------------|---------|
| 7.1   | Write Report and place on Council agenda   | 26/02/2012 | Council |
| 7.2   | 2009/2010 Annual Report adopted in terms of recommendations made in the Oversight Report | 31/03/2012 | Council |
| 7.3   | Copies of all documents submitted to the, the MEC, A-G and the Provincial Treasury.      | 31/03/2012 |         |



## **CHAPTER FIVE**

## CHAPTER 5: MUNICIPAL PERFORMANCE REPORTING FRAMEWORK

| IDP Indicator or No. | National KPA                                     | Strategic Objective  | Measurable Objective/Output   | Performance Measure/Indicator               | NAME OF DEPARTMENT |               |               |               |               |               |               |               |               |               |               |               | Planned Measures For Improvement |               |
|----------------------|--|--|---|---|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------------------|---------------|
|                      |  |  |   |   | 2009/2010          |               |               |               |               |               | 2010/2011     |               |               |               |               |               |                                  |               |
|                      |  |  |   |   | Target             | Actual        | Target Q1     | Actual Q1     | Target Q2     | Actual Q2     | Target Q3     | Actual Q3     | Target Q4     | Actual Q4     | Target        | Actual        |                                  |               |
| IDP B1.4             | <b>Basic Service Delivery And Infrastructure</b> | Liaising with the district's Water Services Authority to ensure that Mkhambathini water services are included in the programme | All scheduled meetings attended and follow-up on resolutions dealt with before the next meeting | Meetings / correspondence with the District | 4                  | 4             | 1             | 1             | 1             | 1             | 2             | 2             | 1             | 1             | 1             | 1             | 4                                | UMDM FUNCTION |
|                      |  |  |   |   | UMDM FUNCTION      | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION                    | UMDM FUNCTION |
| IDP B1.4             |  | Provide a link between communities and the district WSA  | All enquiries from communities attended to within two weeks of receipt                          | Liaise on services established              | UMDM FUNCTION      | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION                    | UMDM FUNCTION |
|                      |  |  |   |   | UMDM FUNCTION      | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION                    | UMDM FUNCTION |
| IDP B1.4             |  | Liaising with the district's   | All scheduled meetings attended and   | Meetings / correspondence with the          | UMDM FUNCTION      | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION | UMDM FUNCTION                    | UMDM FUNCTION |

| NAME OF DEPARTMENT |              |  |   |   |           |        |                     |           |                       |           |                     |           |                                  |           |        |        |             |
|--------------------|--------------|--|---|---|-----------|--------|---------------------|-----------|-----------------------|-----------|---------------------|-----------|----------------------------------|-----------|--------|--------|-------------|
| IDP Indicat or No. | National KPA | Strategic Objective  | Measurable Objective/Output   | Performance Measure/Indicator or            | 2009/2010 |        | 2010/2011           |           |                       |           | Annual Perf. Report |           | Planned Measures For Improvement |           |        |        |             |
|                    |              |  |   |   | Target    | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |           |                                  | Target    | Actual |        |             |
|                    |              |  |   |   |           |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target Q3           | Actual Q3 | Target Q4                        | Actual Q4 | Target | Actual |             |
|                    |              | Water Services Authority to ensure that Mkhambathini Sanitation services are included in the programme | follow-up on resolutions dealt with before the next meeting             | District                                    |           |        | CTION               | CTION     | CTION                 | CTION     | CTION               | CTION     | CTION                            | CTION     | CTION  | CTION  | ON          |
| IDP B1.4           |              | Provide a link between communities and the district WSA to promote hygienic sanitation services        | All enquiries from communities attended to within two weeks of receipt  | Liaison services established                | UMDM      | UMDM   | UMDM                | UMDM      | UMDM                  | UMDM      | UMDM                | UMDM      | UMDM                             | UMDM      | UMDM   | UMDM   | FUNCTION ON |
| IDP B1.2           |              | Liaising with the district's Technical Services  | All scheduled meetings attended and follow-up on resolutions dealt with | Meetings / correspondence with the District | UMDM      | UMDM   | UMDM                | UMDM      | UMDM                  | UMDM      | UMDM                | UMDM      | UMDM                             | UMDM      | UMDM   | UMDM   | FUNCTION ON |

| NAME OF DEPARTMENT |              |  |  |  |           |          |                     |           |                       |           |                     |          |                                  |          |        |
|--------------------|--------------|--|--|--|-----------|----------|---------------------|-----------|-----------------------|-----------|---------------------|----------|----------------------------------|----------|--------|
| IDP Indicat or No. | National KPA | Strategic Objective  | Measurable Objective/Output  | Performance Measure/Indicator or   | 2009/2010 |          | 2010/2011           |           |                       |           | Annual Perf. Report |          | Planned Measures For Improvement |          |        |
|                    |              |  |  |  | Target    | Actual   | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |          |                                  | Target   | Actual |
|                    |              |  |  |  |           |          | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target              | Actual   |                                  |          |        |
|                    |              | department to ensure that Mkhambathini electrification needs are included in the district's plan | before the next meeting  |  |           |          |                     |           |                       |           |                     |          |                                  |          |        |
| IDPB1.2            |              | Provide a link between communities and the district technical services                           | All enquiries from communities attended to within two weeks of receipt           | Liaison services established   | UMDM      | UMDM     | UMDM                | UMDM      | UMDM                  | UMDM      | UMDM                | UMDM     | UMDM                             | UMDM     |        |
|                    |              |  |  |  | FUNCTION  | FUNCTION | FUNCTION            | FUNCTION  | FUNCTION              | FUNCTION  | FUNCTION            | FUNCTION | FUNCTION                         | FUNCTION |        |
| IDPB1.2            |              | To provide interim alternative energy sources in prioritized areas                               | 2000 households supplied with interim alternative energy sources by 30 June 2011 | Number of households supplied with interim alternative energy sources in prioritised areas | ESKOM     | ESKOM    | ESKOM               | ESKOM     | ESKOM                 | ESKOM     | ESKOM               | ESKOM    | ESKOM                            | ESKOM    |        |
|                    |              |  |  |  | FUNCTION  | FUNCTION | FUNCTION            | FUNCTION  | FUNCTION              | FUNCTION  | FUNCTION            | FUNCTION | FUNCTION                         | FUNCTION |        |

| NAME OF DEPARTMENT          |              |  |  |  |             |        |                     |        |                          |        |                        |        |  |        |  |
|-----------------------------|--------------|--|--|--|-------------|--------|---------------------|--------|--------------------------|--------|------------------------|--------|--|--------|--|
| IDP<br>Indicat<br>or<br>No. | National KPA | Strategic<br>Objective   | Measurable<br>Objective/Outp<br>ut   | Performance<br>Measure/Indicat<br>or                 | 2009/2010   |        | 2010/2011           |        |                          |        | Annual Perf.<br>Report |        | Planned<br>Measur<br>es For<br>Improv<br>ement |        |  |
|                             |              |  |  |  | Target      | Actual | Q1 & Q2 Performance |        | ½ Yearly Perf.<br>Report |        | Q3 & Q4 Performance    |        |  | Target | Actual   |
|                             |              |  |  |  |             |        | Target              | Actual | Target                   | Actual | Target                 | Actual | Target   | Actual |  |
| <b>IDP<br/>B1.5</b>         |              | Liaising<br>with the<br>district's<br>Technica<br>l Services<br>to ensure<br>that<br>Mkhamb<br>athini<br>roads &<br>stormwa<br>ter needs<br>are<br>included<br>in the<br>district's<br>Integrate<br>d Transpor<br>tation<br>Plan | All scheduled<br>meetings<br>attended and<br>follow-up on<br>resolutions<br>dealt with<br>before the next<br>meeting | Meetings /<br>correspondence<br>with the<br>District | <b>DONE</b> |        |                     |        |                          |        |                        |        |  |        | <b>DONE</b><br><b>TELEP</b><br><b>HONIC</b><br><b>ALLY</b> |
| <b>IDP<br/>B1.4</b>         |              | Liaise<br>with<br>DOT to<br>ensure<br>that<br>Mkhamb<br>athini<br>roads &<br>stormwa<br>ter needs<br>are<br>included<br>in the   | All scheduled<br>meetings<br>attended and<br>follow-up on<br>resolutions<br>dealt with<br>before the next<br>meeting | Meetings /<br>correspondence<br>with DOT             | <b>DONE</b> |        |                     |        |                          |        |                        |        |  |        | <b>DONE</b><br><b>TELEH</b><br><b>ONICA</b><br><b>LLY</b>  |



| NAME OF DEPARTMENT   |              |  |   |  |                               |        |                     |        |                       |                                       |                     |        |        | Planned Measures For Improvement      |
|----------------------|--------------|--|---|--|-------------------------------|--------|---------------------|--------|-----------------------|---------------------------------------|---------------------|--------|--------|---------------------------------------|
| IDP Indicator or No. | National KPA | Strategic Objective  | Measurable Objective/Output   | Performance Measure/Indicator or                     | 2009/2010                     |        | 2010/2011           |        |                       |                                       | Annual Perf. Report |        |        |                                       |
|                      |              |  |   |  | Target                        | Actual | Q1 & Q2 Performance |        | ½ Yearly Perf. Report |                                       | Q3 & Q4 Performance |        | Target |                                       |
|                      |              |  |   |  | Target                        | Actual | Target              | Actual | Target                | Actual                                | Target              | Actual | Target | Actual                                |
|                      |              | DOT Plan   |   |  |                               |        |                     |        |                       |                                       |                     |        |        |                                       |
| IDP B1.5             |              | Provide a link between communities and the district technical services | All enquiries from communities attended to within two weeks of receipt                          | Liaison services established                         | HOLD MEETINGS WITH RATEPAYERS | 4      | 1                   | 1      | 1                     | 2                                     | 1                   | 1      | 1      | 4                                     |
| IDP B1.5             |              | Maintenance and improvement of municipal roads                         | 5 roads and 3 km of roads maintained and / or improved by 30 June 2011                          | Number and lengths of roads maintained / or improved | 5ROADS 3KM MAINTAINED         |        |                     |        |                       | 5.5k m access roads under improvement |                     |        |        | 5.5k m access roads under improvement |
| IDP B1.7             |              | Liaising with the District Technical Services department to ensure     | All scheduled meetings attended and follow-up on resolutions dealt with before the next meeting | Meetings / correspondence with the District          | DONE TELEPHONICALLY           |        |                     |        |                       |                                       |                     |        |        |                                       |

| NAME OF DEPARTMENT |   |  |   |   |           |                            |                     |            |                       |            |                                  |                     |            |                     |                  |              |            |            |  |
|--------------------|---|--|---|---|-----------|----------------------------|---------------------|------------|-----------------------|------------|----------------------------------|---------------------|------------|---------------------|------------------|--------------|------------|------------|--|
| IDP Indicator No.  | National KPA  | Strategic Objective  | Measurable Objective/Output   | Performance Measure/Indicator                     | 2009/2010 |                            | 2010/2011           |            |                       |            | Planned Measures For Improvement |                     |            |                     |                  |              |            |            |  |
|                    |   |  |   |   | Target    | Actual                     | Q1 & Q2 Performance |            | ½ Yearly Perf. Report |            |                                  | Q3 & Q4 Performance |            | Annual Perf. Report |                  |              |            |            |  |
|                    |   |  |   |   |           |                            | Target Q1           | Actual Q1  | Target Q2             | Actual Q2  | Target                           | Actual              | Target Q3  | Actual Q3           | Target Q4        | Actual Q4    | Target     | Actual     |  |
|                    |   | that Mkhambathini waste management needs are included in the district's plan |   |   |           |                            |                     |            |                       |            |                                  |                     |            |                     |                  |              |            |            |  |
| IDP B1.1           |   | Liaise with the District about cemeteries and crematoria                     | All meetings attended and resolutions followed up before next meeting | Cemeteries and Crematoria Plan                    |           | <b>DONE TELEPHONICALLY</b> |                     |            |                       |            |                                  |                     |            |                     |                  |              |            |            |  |
| IDP A7.1           | <b>Institutional Development &amp; Transformation</b> | Address obvious areas of improvement around Batho Pele without delay         | Obvious service delivery improvements implemented 31 Dec 2010         | Obvious service delivery improvements implemented |           | <b>DEC</b>                 | <b>N/A</b>          | <b>N/A</b> | <b>DEC</b>            | <b>dec</b> | <b>N/A</b>                       | <b>DEC</b>          | <b>N/A</b> | <b>N/A</b>          | <b>N/A</b>       | <b>N/A</b>   | <b>DEC</b> | <b>DEC</b> |  |
| IDP D3.2           |   | Revise the current   | Revised policy Framework submitted for                                | Revised Policy Framework                          |           | <b>31 MARCH</b>            | <b>N/A</b>          | <b>N/A</b> | <b>N/A</b>            | <b>N/A</b> | <b>31 MAR CH</b>                 | <b>N/A</b>          | <b>0</b>   | <b>31 MAY ma</b>    | <b>32 MAR CH</b> | <b>11 ma</b> |            |            |  |

| NAME OF DEPARTMENT |              |   |  |   |               |        |                     |           |                       |           |                     |        |           | Planned Measures For Improvement |           |              |        |          |              |
|--------------------|--------------|---|--|---|---------------|--------|---------------------|-----------|-----------------------|-----------|---------------------|--------|-----------|----------------------------------|-----------|--------------|--------|----------|--------------|
| IDP Indicator No.  | National KPA | Strategic Objective                         | Measurable Objective/Output  | Performance Measure/Indicator               | 2009/2010     |        | 2010/2011           |           |                       |           | Annual Perf. Report |        |           |                                  |           |              |        |          |              |
|                    |              |   |  |   | Target        | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |        | Target    |                                  | Actual    |              |        |          |              |
|                    |              |   |  |   |               |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target              | Actual | Target Q3 | Actual Q3                        | Target Q4 | Actual Q4    | Target | Actual   |              |
|                    |              | policy framework                            | approval 31 March 2011   |   |               |        |                     |           |                       |           |                     |        |           |                                  |           |              |        |          | Year 2011    |
| IDP A9.1           |              | Develop and implement an organisational PMS | Revised SDBIP'S submitted for approval 31 March 2011   | Completed SDBIP                             | 31 March 2011 |        | N/A                 | N/A       | N/A                   | N/A       | N/A                 | N/A    | 31 March  | N/A                              | 31 March  | 29 JUNE 2011 |        | 31 March | 29 June 2011 |
| IDP A9.2           |              | Develop and implement an individual PMS     | Individual performance appraisals completed in line with approved policy framework and within one month of the close of the financial year | Completed individual performance appraisals | JUNE 2011     |        | N/A                 | N/A       | N/A                   | N/A       | N/A                 | N/A    | N/A       | N/A                              | JUNE      | JUNE         |        | JUNE     | JUNE         |
| IDP A1             |              | Review the organisational structure         | Structure aligned to the organisational structure by 31 March 2011   | Aligned organisational structure to the IDP | 31 MARCH      | 0      | N/A                 | N/A       | N/A                   | N/A       | N/A                 | N/A    | 31 March  | N/A                              | 31 March  | 11 MAY 2011  |        | 31 March | 11 MAY 2011  |
| IDP A1.2/A5        |              | Promote skills                              | Completed Workplace  | Completed Workplace                         | JUNE          | N/A    | N/A                 | N/A       | N/A                   | N/A       | N/A                 | N/A    | N/A       | N/A                              | JUNE      | JUNE         |        | JUNE     | JUNE         |

| NAME OF DEPARTMENT   |              |  |  |  |           |        |                     |           |                       |           |                     |        |           | Planned Measures For Improvement |           |           |          |          |   |
|----------------------|--------------|--|--|--|-----------|--------|---------------------|-----------|-----------------------|-----------|---------------------|--------|-----------|----------------------------------|-----------|-----------|----------|----------|---|
| IDP Indicator or No. | National KPA | Strategic Objective                                  | Measurable Objective/Output                                  | Performance Measure/Indicator                | 2009/2010 |        | 2010/2011           |           |                       |           | Annual Perf. Report |        |           |                                  |           |           |          |          |   |
|                      |              |  |  |  | Target    | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |        | Target    |                                  | Actual    |           |          |          |   |
|                      |              |  |  |  |           |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target              | Actual | Target Q3 | Actual Q3                        | Target Q4 | Actual Q4 | Target   | Actual   |   |
| .1                   |              | and development of staff                             | Skills Plan by 30 June 2011                                  | Skills Plan                                  | 2010      |        |                     |           |                       |           |                     |        |           |                                  |           |           |          |          |   |
| IDP A1.1             |              | Review of Employment Equity Plan                     | Completed review of Employment Equity Plan by 1 October 2010 | Completed Employment Equity Plan             | N/A       | N/A    | N/A                 | N/A       | OCT 2010              | OCT 2010  | N/A                 | N/A    | N/A       | N/A                              | N/A       | N/A       | OCT 2010 | OCT 2010 |   |
| IDP D3.2             |              | Review, update and implement human resource policies | All policies reviewed and updated as required                | Percentage of Reviewed and updated policies  | 100%      |        | 100%                | 20%       | 100%                  | 10%       | 100%                | 30%    | 100%      | 10%                              | 100%      | 20%       | 100%     | 60%      | DRAFT POLICES IN PLACE                    |
| IDP A11.2            |              | Liaise with the district around a shared-service     | Effective ICT service in place throughout the year           | Percentage of Effective ICT service in place | 100%      |        | 100%                | 20%       | 100%                  | 10%       | 100%                | 30%    | 100%      | 10%                              | 100%      | 10%       | 100%     | 70%      | MKHAMBATHINI SHARES AN ICT AGREEMENT WITH |

| NAME OF DEPARTMENT |              |   |   |  |           |        |                     |           |                       |           |                     |        |           | Planned Measures For Improvement |           |           |       |
|--------------------|--------------|---|---|--|-----------|--------|---------------------|-----------|-----------------------|-----------|---------------------|--------|-----------|----------------------------------|-----------|-----------|-------|
| IDP Indicator No.  | National KPA | Strategic Objective   | Measurable Objective/Output   | Performance Measure/Indicator              | 2009/2010 |        | 2010/2011           |           |                       |           | Annual Perf. Report |        |           |                                  |           |           |       |
|                    |              |   |   |  | Target    | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |        | Target    |                                  | Actual    |           |       |
|                    |              |   |   |  |           |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target              | Actual | Target Q3 | Actual Q3                        | Target Q4 | Actual Q4 |       |
| <b>IDP A6.1</b>    |              | Ensure the implementation and adherence to the Committee Division Management document | Full compliance with approved procedures for each meeting             | Percentage of Compliance to approved rules | 100%      | 100%   | 100%                | 100%      | 100%                  | 100%      | 100%                | 100%   | 100%      | 100%                             | 100%      | 100%      | UIMDM |
| <b>IDP A3.1</b>    |              | Finalize the development of the document management system                            | Municipal filing system finalised by 30 June 2011                     | Municipal filing system completed %        | 100%      |        | 100%                | 25%       | 100%                  | 25%       | 100%                | 100%   | 100%      | 0                                | 100%      | 0         | 50%   |
| <b>IDP A3</b>      |              | Research the feasibility of developing a community resource                           | Operational Community information resource centre by 31 December 2010 | Operational community resource             | DEC 2010  |        | n/a                 | N/A       | dec                   | DEC       | n/a                 | dec    | DEC       | n/a                              | n/a       | n/a       | DEC   |

| NAME OF DEPARTMENT |                            |   |  |  |           |        |                     |           |                       |           |                                  |                     |           |                     |        |        |                                |
|--------------------|----------------------------|---|--|--|-----------|--------|---------------------|-----------|-----------------------|-----------|----------------------------------|---------------------|-----------|---------------------|--------|--------|--------------------------------|
| IDP Indicat or No. | National KPA               | Strategic Objective   | Measurable Objective/Output  | Performance Measure/Indicator                                    | 2009/2010 |        | 2010/2011           |           |                       |           | Planned Measures For Improvement |                     |           |                     |        |        |                                |
|                    |                            |   |  |  | Target    | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           |                                  | Q3 & Q4 Performance |           | Annual Perf. Report |        |        |                                |
|                    |                            |   |  |  |           |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target Q3                        | Actual Q3           | Target Q4 | Actual Q4           | Target | Actual |                                |
| IDP A1:1           |                            | centre<br>Develop service standards and train staff accordingly | Full compliance to the Transport Services Standards by 30 June 2011    | Compliance to the Transport Services Standards                   | JUNE 2011 |        | n/a                 | N/A       | N/A                   | N/A       | N/A                              | N/A                 | JUNE      | June                | JUNE   |        |                                |
| IDPC1              | Local Economic Development | Implement projects in line with the district's LED strategy     | 100% implementation of planned projects                                | Implemented projects   | 100%      | 0%     | 100%                | 0%        | 100%                  | 0%        | 100%                             | 0%                  | 100%      | 0%                  | 100%   | 0%     | FINANCIAL CONSTRAINTS          |
| IDP C1:2           |                            | Develop a local tourism strategy                                | Identification and implementation of tourism development opportunities | Tourism Strategy and plan  | 0         | 0      | 0                   | 0         | 0                     | 0         | 0                                | 0                   | 0         | 0                   | 0      | 0      | TOUSRI AM OFFICE R POST VACANT |
| IDPC1              |                            | Conduct Tourism Awareness                                       | Community's full participation and understanding the benefits of       | Community's full participation and understanding the benefits of | 0         | 0      | 0                   | 0         | 0                     | 0         | 0                                | 0                   | 0         | 0                   | 0      | 0      | TOUSRI AM OFFICE R POST        |

| NAME OF DEPARTMENT          |              |  |  |                                      |           |        |                     |        |                          |        |  |        |        |        |                        |        |  |
|-----------------------------|--------------|--|--|--------------------------------------|-----------|--------|---------------------|--------|--------------------------|--------|--|--------|--------|--------|------------------------|--------|--|
| IDP<br>Indicat<br>or<br>No. | National KPA | Strategic<br>Objective                   | Measurable<br>Objective/Outp<br>ut                             | Performance<br>Measure/Indicat<br>or | 2009/2010 |        | 2010/2011           |        |                          |        | Planned<br>Measur<br>es For<br>Improv<br>ement |        |        |        |                        |        |  |
|                             |              |  |  |                                      | Target    | Actual | Q1 & Q2 Performance |        | ½ Yearly Perf.<br>Report |        | Q3 & Q4 Performance                            |        |        |        | Annual Perf.<br>Report |        |  |
|                             |              |  |  |                                      | Target    | Actual | Target              | Actual | Target                   | Actual | Target   | Actual | Target | Actual | Target                 | Actual |  |
|                             |              | Campaign                                 | tourism  | tourism                              |           |        |                     |        |                          |        |  |        |        |        |                        |        | VACAN<br>T                                     |
| IDP C1                      |              | Develop a tourism brochure               | Effective Tourism Marketing Brochure                           | Increase in tourists arrivals        | 0         | 0      | 0                   | 0      | 0                        | 0      | 0  | 0      | 0      | 0      | 0                      | 0      | TOUSRI<br>AM<br>OFFICE<br>R POST<br>VACAN<br>T |
| IDP C1                      |              | Develop a tourism route                  | Mkhambathini tourism route with an increase in tourist numbers | Effective Market Segmentation        | 0         | 0      | 0                   | 0      | 0                        | 0      | 0  | 0      | 0      | 0      | 0                      | 0      | TOUSRI<br>AM<br>OFFICE<br>R POST<br>VACAN<br>T |
| IDP C1                      |              | Formulation of a tourism forum committee | Fully Functional Tourism Body                                  | Tourism Forum Formulation            | 0         | 0      | 0                   | 0      | 0                        | 0      | 0  | 0      | 0      | 0      | 0                      | 0      | TOUSRI<br>AM<br>OFFICE<br>R POST<br>VACAN<br>T |
| IDP C1                      |              | Workshop local government on the         | Tourists projects stimulating the local communities            | Promote Tourism Development Budget   | 0         | 0      | 0                   | 0      | 0                        | 0      | 0  | 0      | 0      | 0      | 0                      | 0      | TOUSRI<br>AM<br>OFFICE                         |

| NAME OF DEPARTMENT |              |   |  |   |           |        |                     |        |                       |        |                     |        |        | Planned Measures For Improvement |                                |
|--------------------|--------------|---|--|---|-----------|--------|---------------------|--------|-----------------------|--------|---------------------|--------|--------|----------------------------------|--------------------------------|
| IDP Indicator No.  | National KPA | Strategic Objective   | Measurable Objective/Output  | Performance Measure/Indicator             | 2009/2010 |        | 2010/2011           |        |                       |        | Annual Perf. Report |        |        |                                  |                                |
|                    |              |   |  |   | Target    | Actual | Q1 & Q2 Performance |        | ½ Yearly Perf. Report |        | Q3 & Q4 Performance |        | Target |                                  | Actual                         |
|                    |              |   |  |   | Target    | Actual | Target              | Actual | Target                | Actual | Target              | Actual | Target | Actual                           |                                |
|                    |              | importance of tourism development   | economy  |   |           |        |                     |        |                       |        |                     |        |        |                                  | R POST VACANT                  |
| IDP C1             |              | Liaise with the dept of Agriculture & Environmental Affairs, Land Reform, RLCC and Farmers ASS. | Implementable plan submitted to Council for adoption by 30 June 2011   | Implementable Agricultural project plan   | 0         | 0      | 0                   | 0      | 0                     | 0      | 0                   | 0      | 0      | 0                                | TOUSRI AM OFFICE R POST VACANT |
| IDP C1             |              | Assist stakeholders in implementing and facilitating agricultural projects                      | All enquiries from communities attended to within two weeks of receipt | Liaison services established              | 0         | 0      | 0                   | 0      | 0                     | 0      | 0                   | 0      | 0      | 0                                | TOUSRI AM OFFICE R POST VACANT |
| IDP C1             |              | Liaise with DED to assist   | Poverty Alleviation Programme implemented                              | Poverty Alleviation Programme Implemented | OCT 2010  |        | N/A                 | N/A    | OCT                   | 0      | N/A                 | N/A    | OCT    | 0                                | FINANCIAL CONST                |



| NAME OF DEPARTMENT |                 |   |  |  |           |        |                     |           |                       |           |                                  |           |                     |           |        |        |        |
|--------------------|-----------------|---|--|--|-----------|--------|---------------------|-----------|-----------------------|-----------|----------------------------------|-----------|---------------------|-----------|--------|--------|--------|
| IDP Indicat or No. | National KPA    | Strategic Objective   | Measurable Objective/Output  | Performance Measure/Indicator  | 2009/2010 |        | 2010/2011           |           |                       |           | Planned Measures For Improvement |           |                     |           |        |        |        |
|                    |                 |   |  |  | Target    | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance              |           | Annual Perf. Report |           |        |        |        |
|                    |                 |   |  |  |           |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target Q3                        | Actual Q3 | Target Q4           | Actual Q4 | Target | Actual |        |
|                    |                 | stakeholders in participating fully in developing Cooperatives & SMME's in the municipal area | by 31 Oct 2010   | Cooperatives and SMMEs   |           |        |                     |           |                       |           |                                  |           |                     |           |        |        | RAINTS |
| IDP D1.1           | Good Governance | Process planning and management   | IDP Process Plan adopted & Approved by aug 2010                                | IDP Process Plan   | AUG       |        | AUG                 | N/A       | N/A                   | N/A       | AUG                              | N/A       | N/A                 | N/A       | AUG    | AUG    |        |
| IDP D1.1           |                 | Alignment of IDP, PMS, budget and organogram  | Aligned IDP, Budget and PMS for 2010/2011 by june 2011                         | Aligned IDP, Budget and PMS  | JUNE      | 0      | N/A                 | N/A       | N/A                   | N/A       | JUNE                             | N/A       | N/A                 | MAY       | JUNE   | MAY    |        |
| IDP D2             |                 | Alignment of IDP with national & provincial   | National and provincial priorities and sector departments projects included in | National and provincial priorities and sector departments projects included in IDP | JUNE      | 0      | N/A                 | N/A       | N/A                   | N/A       | JUNE                             | N/A       | N/A                 | MAY       | JUNE   | MAY    |        |

| NAME OF DEPARTMENT |              |   |  |  |           |        |                     |           |                       |           |                     |        |           |           |           | Planned Measures For Improvement |   |
|--------------------|--------------|---|--|--|-----------|--------|---------------------|-----------|-----------------------|-----------|---------------------|--------|-----------|-----------|-----------|----------------------------------|---|
| IDP Indicator No.  | National KPA | Strategic Objective   | Measurable Objective/Output  | Performance Measure/Indicator                  | 2009/2010 |        | 2010/2011           |           |                       |           | Annual Perf. Report |        |           |           |           |                                  |   |
|                    |              |   |  |  | Target    | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |        | Target    | Actual    |           |                                  |   |
|                    |              |   |  |  |           |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target              | Actual | Target Q3 | Actual Q3 | Target Q4 | Actual Q4                        |   |
|                    |              | priorities & sector departments                               | 2010/2011 IDP by June 2011   |  |           |        |                     |           |                       |           |                     |        |           |           |           |                                  |   |
| IDP D1.3           |              | Provision of training to ward committees                      | Fully functional ward committees by 30 June 2011                     | Effective ward committees                      | JUNE      | 0      | N/A                 | N/A       | N/A                   | N/A       | JUNE                | N/A    | N/A       | N/A       | JUNE      | JUNE                             |   |
| IDP D2             |              | Compliance with the Intergovernmental Relations Framework Act | Full compliance with the Act by 30 June 2011                         | Legal compliance                               | JUNE      | 0      | N/A                 | N/A       | N/A                   | N/A       | JUNE                | N/A    | N/A       | N/A       | JUNE      | JUNE                             |   |
| IDP D2             |              | Participate on the district education forum                   | All meetings attended according to schedule of local education forum | Established Local Education Forum by June 2011 | JUNE      | 0      | N/A                 | N/A       | N/A                   | N/A       | JUNE                | N/A    | N/A       | N/A       | JUNE      | 0                                | DEPT OF EDUCATION OVERSEES THE EDUCATION FUNCTION |

| IDP Indicator or No. | National KPA | Strategic Objective   | Measurable Objective/Output  | Performance Measure/Indicator or           | 2009/2010   |        | 2010/2011           |           |                       |           | Planned Measures For Improvement |                     |        |                               |           |
|----------------------|--------------|---|--|--|-------------|--------|---------------------|-----------|-----------------------|-----------|----------------------------------|---------------------|--------|-------------------------------|-----------|
|                      |              |   |  |  | Target      | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           |                                  | Q3 & Q4 Performance |        | Annual Perf. Report           |           |
|                      |              |   |  |  |             |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 |                                  | Target              | Actual | Target Q3                     | Actual Q3 |
| IDP D2               |              | Introduce Masifundisane Programmes  | All Prioritised Programme milestones for the year achieved by March 2011               | Implementable Masifundisane Programme Plan | MARCH 2011  | N/A    | N/A                 | N/A       | N/A                   | N/A       | MARCH                            | 0                   | 0      | HELD BY THE DEPT OF EDUCATION |           |
| IDP F9.5             |              | Liaise with the Dept of Health to promote primary health care                                   | Meetings of Health Care Forum attended and resolutions followed up before next meeting | Promote health care practices              | 4 MEE TINGS | 4      | 1                   | 4         | 1                     | 4         | 4                                | 1                   | 4      |                               |           |
| IDP F9               |              | Develop local Disaster Management Plan which is aligned with the district's as well as province | Implementable plan submitted to Council for adoption .by 31 July 2010                  | Implementable Disaster Management Plan     | JULY        | 0      | 0                   | N/A       | N/A                   | N/A       | N/A                              | 0                   | 0      | FINANCIAL CONSTRAINTS         |           |
| IDP F9               |              | Draft Contingency   | Contingency Plan   | Contingency Plan developed                 | AUG         | 0      | 0                   | N/A       | N/A                   | N/A       | AUG                              | 0                   | 0      | FINANCIAL CONSTRAINTS         |           |

| NAME OF DEPARTMENT          |              |   |  |  |           |         |              |              |              |              |                        |              |  |              |  |
|-----------------------------|--------------|---|--|--|-----------|---------|--------------|--------------|--------------|--------------|------------------------|--------------|--|--------------|--|
| IDP<br>Indicat<br>or<br>No. | National KPA | Strategic<br>Objective  | Measurable<br>Objective/Outp<br>ut   | Performance<br>Measure/Indicat<br>or         | 2009/2010 |         | 2010/2011    |              |              |              | Annual Perf.<br>Report |              | Planned<br>Measur<br>es For<br>Improv<br>ement |              |  |
|                             |              |   |  |  | Target    | Actual  | Target<br>Q1 | Actual<br>Q1 | Target<br>Q2 | Actual<br>Q2 | Target<br>Q3           | Actual<br>Q3 |  | Target<br>Q4 | Actual<br>Q4   |
|                             |              | ny Plan<br>in<br>compliance with<br>the<br>Disaster<br>Management<br>Framework,<br>,            | developed in<br>consultation<br>with the<br>District and<br>stakeholders<br>by Aug 2010            |  |           |         |              |              |              |              |                        |              |  |              | AL<br>CONST<br>RAINTS  |
| IDP F9                      |              | Encourage<br>community<br>Members to<br>participate in the<br>Disaster<br>Forum                 | Establish<br>Disaster<br>Management<br>Forum<br>representing<br>Stakeholders<br>by 30 June<br>2011 | Establish<br>Disaster<br>Management<br>Forum |           | JUNE    | N/A          | N/A          | N/A          | N/A          | N/A                    | N/A          | JUNE<br>2011                                   | 0            | WILL<br>BE<br>DONE<br>IN THE<br>NEW<br>FINANC<br>IAL<br>YEAR |
| IDP D1                      |              | Develop<br>a<br>programme with<br>projects<br>and<br>events to<br>promote<br>targeted<br>groups | Implemented<br>programme by<br>30 June 2011  | Implemented<br>Programme                     |           | 30 JUNE | N/A          | N/A          | N/A          | N/A          | N/A                    | N/A          | JUNE   | 0            | WILL<br>BE<br>DONE<br>IN THE<br>NEW<br>FINANC<br>IAL<br>YEAR |

| IDP<br>Indicat<br>or<br>No. | National KPA | Strategic<br>Objective  | Measurable<br>Objective/Outp<br>ut                                 | Performance<br>Measure/Indicat<br>or   | 2009/2010 |        | 2010/2011           |              |              |                          |        |                     | Planned<br>Measur<br>es For<br>Improv<br>ement |              |                        |              |              |        |  |
|-----------------------------|--------------|---|--|--|-----------|--------|---------------------|--------------|--------------|--------------------------|--------|---------------------|--|--------------|------------------------|--------------|--------------|--------|--|
|                             |              |   |  |  | Target    | Actual | Q1 & Q2 Performance |              |              | ½ Yearly Perf.<br>Report |        | Q3 & Q4 Performance |  |              | Annual Perf.<br>Report |              |              |        |  |
|                             |              |   |  |  |           |        | Target<br>Q1        | Actual<br>Q1 | Target<br>Q2 | Actual<br>Q2             | Target | Actual              |  | Target<br>Q3 | Actual<br>Q3           | Target<br>Q4 | Actual<br>Q4 | Target | Actual   |
| IDP F7                      |              | Facilitate the implementation of the SALGA-KZN sports programme | SALGA-KZN Sports Programme implemented by 30 June 2011             | SALGA-KZN Sports Programme implemented | JUNE      | 0      | N/A                 | N/A          | N/A          | N/A                      | JUNE   | N/A                 | N/A  | N/A          | N/A                    | N/A          | June         | June   |  |
| IDP F7                      |              | Establish Sports Forum  | Established Sports Forum representing Stakeholders by 30 June 2011 | Sports Forum Established               | 30 JUNE   | 0      | N/A                 | N/A          | N/A          | N/A                      | JUNE   | N/A                 | N/A  | N/A          | N/A                    | N/A          | June         | June   |  |
| IDP F3                      |              | Embark on an education campaign in liaison with stakeholders    | HIV & Aids plan will be reviewed by 30 June 2011                   | Implementable HIV and Aids plan        | JUNE      | 0      | N/A                 | N/A          | N/A          | N/A                      | JUNE   | N/A                 | N/A  | N/A          | N/A                    | N/A          | 0            | 0      | WILL BE DONE IN THE NEW FINANCIAL YEAR, FINANCIAL CONSTRAINTS AT THE |

| NAME OF DEPARTMENT |              |   |  |  |  |        |                     |           |                       |           |                     |           |           | Planned Measures For Improvement |        |        |   |
|--------------------|--------------|---|--|--|--|--------|---------------------|-----------|-----------------------|-----------|---------------------|-----------|-----------|----------------------------------|--------|--------|---|
| IDP Indicator No.  | National KPA | Strategic Objective   | Measurable Objective/Output                            | Performance Measure/Indicator            | 2009/2010                              |        | 2010/2011           |           |                       |           | Annual Perf. Report |           |           |                                  |        |        |   |
|                    |              |   |  |  | Target                                 | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |           | Target    |                                  | Actual |        |   |
|                    |              |   |  |  |  |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target Q3           | Actual Q3 | Target Q4 | Actual Q4                        | Target | Actual |   |
|                    |              |   |  |  |  |        |                     |           |                       |           |                     |           |           |                                  |        |        | MOME<br>NT  |
| IDP D1             |              | Upkeep and clean facilities   | Clean & useable facilities throughout the year         | Percentage of Clean & useable facilities | 100%                                   |        | 100%                | 100%      | 100%                  | 100%      | 100%                | 100%      | 100%      | 100%                             | 100%   | 100%   |   |
| IDP F3             |              | Develop a calendar of events in consultation with relevant stakeholders | Calendar of events implemented by 31 Aug 2011          | Calendar of events                       | AUG 0                                  |        | AUG 0               | N/A       | N/A                   | N/A       | N/A                 | N/A       | N/A       | N/A                              | AUG 0  | 0      | WILL<br>BE<br>DONE<br>IN THE<br>NEW<br>FINANC<br>IAL<br>YEAR,<br>FINANC<br>IAL<br>CONST<br>RAINTS |
| IDP B1             |              | Liaise with the district on the promotion of environmental health       | Completed monthly programmes and submission of reports | Monthly programmes executed              | TELEPHO<br>NIC<br>ALL<br>Y<br>DON<br>E |        |                     |           |                       |           |                     |           |           |                                  |        |        | DONE<br>TELEP<br>HONIC<br>ALLY  |

| NAME OF DEPARTMENT |              |  |  |                                       |                               |        |                     |        |                       |        |                     |        |        | Planned Measures For Improvement |        |   |  |
|--------------------|--------------|--|--|---------------------------------------|-------------------------------|--------|---------------------|--------|-----------------------|--------|---------------------|--------|--------|----------------------------------|--------|---|--|
| IDP Indicator No.  | National KPA | Strategic Objective  | Measurable Objective/Output  | Performance Measure/Indicator         | 2009/2010                     |        | 2010/2011           |        |                       |        | Annual Perf. Report |        |        |                                  |        |   |  |
|                    |              |  |  |                                       | Target                        | Actual | Q1 & Q2 Performance |        | ½ Yearly Perf. Report |        | Q3 & Q4 Performance |        | Target |                                  | Actual |   |  |
|                    |              |  |  |                                       | Target                        | Actual | Target              | Actual | Target                | Actual | Target              | Actual | Target | Actual                           |        |   |  |
| IDP F4             |              | issues   |  |                                       |                               |        |                     |        |                       |        |                     |        |        |                                  |        |   |  |
|                    |              |  | Review the existing programme and provide new facilities accordingly | 6 facilities provided by 30 June 2011 | Number of facilities provided | JUNE   | 0                   | N/A    | N/A                   | N/A    | N/A                 | N/A    | N/A    | N/A                              | 0      | 0 | WILL BE DONE IN THE NEW FINANCIAL YEAR-FINANCIAL CONSTRAINTS |
| IDPB2.2            |              | Establish means of maintaining existing facilities through community involvement | 7 community and public facilities maintained by 30 June 2011         | Number of facilities maintained       |                               |        |                     |        |                       |        |                     |        |        |                                  |        |   | WILL BE DONE IN THE NEW FINANCIAL YEAR-FINANCIAL             |
|                    |              |  |  |                                       |                               | JUNE   | 0                   | N/A    | N/A                   | N/A    | N/A                 | N/A    | N/A    | N/A                              | N/A    | 0 | 0  |

| NAME OF DEPARTMENT          |                                  |  |   |  |           |        |                     |        |                          |        |  |                     |        |                        |   |
|-----------------------------|----------------------------------|--|---|--|-----------|--------|---------------------|--------|--------------------------|--------|--|---------------------|--------|------------------------|---|
| IDP<br>Indicat<br>or<br>No. | National KPA                     | Strategic<br>Objective                                 | Measurable<br>Objective/Outp<br>ut                        | Performance<br>Measure/Indicat<br>or   | 2009/2010 |        | 2010/2011           |        |                          |        | Planned<br>Measur<br>es For<br>Improv<br>ement |                     |        |                        |   |
|                             |                                  |  |   |  | Target    | Actual | Q1 & Q2 Performance |        | ½ Yearly Perf.<br>Report |        |  | Q3 & Q4 Performance |        | Annual Perf.<br>Report |   |
|                             |                                  |  |   |  | Target    | Actual | Target              | Actual | Target                   | Actual | Target   | Actual              | Target | Actual                 |   |
|                             |                                  |  |   |  |           |        |                     |        |                          |        |  |                     |        |                        | CONSTRAINTS                                     |
| IDP E1                      | Financial Viability & Management | Review budgeting and reporting policies and procedures | Implement budgeting and reporting policies by 31 Dec 2010 | Approved and implemented budgeting and reporting policies  | DEC 2010  |        | N/A                 | DEC    | 0                        | N/A    | N/A  | N/A                 | DEC    | MAY                    | MAY 2011  |
| IDP E3.1                    |                                  | Compile the budget                                     | Budget aligned to IDP and approved by 30 June 2011        | Approved budget  | JUNE      |        | N/A                 | N/A    | N/A                      | N/A    | N/A  | N/A                 | JUNE   | MAY                    |   |
| IDPE6.1                     |                                  | Regularise the annual debtors collection rate          | Set norm by 31 Oct 2010                                   | Annual debtors collection rate (Payment level %)<br>= (Last 12 months receipts) / (Last 12 months billing) | OCT       | 0      | N/A                 | OCT    | 0                        | N/A    | N/A  | N/A                 | OCT    | 0                      | NOT DONE WILL BE DONE IN THE NEW FINANCIAL YEAR |
| IDP E3.3                    |                                  | Enhance revenue  | Revenue enhancement strategy developed by 31 Dec 2010     | Approval alternative sources of funding  | DEC       | 0      | N/A                 | DEC    | 0                        | N/A    | N/A  | N/A                 | DEC    |                        | finance dept has strength                       |



| NAME OF DEPARTMENT |              |                                  |  |  |           |        |                     |           |                       |           |                     |        |                                  |                     |           |             |        |                                   |  |
|--------------------|--------------|----------------------------------|--|--|-----------|--------|---------------------|-----------|-----------------------|-----------|---------------------|--------|----------------------------------|---------------------|-----------|-------------|--------|-----------------------------------|--|
| IDP Indicator No.  | National KPA | Strategic Objective              | Measurable Objective/Output                      | Performance Measure/Indicator  | 2009/2010 |        | 2010/2011           |           |                       |           | 2010/2011           |        | Planned Measures For Improvement |                     |           |             |        |                                   |  |
|                    |              |                                  |  |  | Target    | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |        |                                  | Annual Perf. Report |           |             |        |                                   |  |
|                    |              |                                  |  |  |           |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target              | Actual | Target Q3                        | Actual Q3           | Target Q4 | Actual Q4   | Target | Actual                            |  |
|                    |              |                                  |  |  |           |        |                     |           |                       |           |                     |        |                                  |                     |           |             |        |                                   |  |
| IDP E1.1           |              | Improve collection rate          | 95% of bills collected per month by 30 June 2011 | Increased % of revenue collected                                     | JUNE      | 0      | N/A                 | N/A       | N/A                   | N/A       | JUNE                | N/A    | N/A                              | N/A                 | JUNE      | 80% BY JUNE | JUNE   | 80% BY JUNE                       | ten the debt collection and credit control for revenue enhancement consult debtors monthly |
| IDP E6.1           |              | Formulate debt settlement policy | Implement Debt Settlement Policy by June 2011    | Lead-time for the payment should agree to the Debt Settlement Policy | JUNE      | 0      | N/A                 | N/A       | N/A                   | N/A       | JUNE                | N/A    | N/A                              | N/A                 | JUNE      | 0           | June   | 30 days as per government gazette |  |

| NAME OF DEPARTMENT |              |  |   |  |                |        |                     |           |                       |           |                     |        |           | Planned Measures for Improvement |           |           |        |        |
|--------------------|--------------|--|---|--|----------------|--------|---------------------|-----------|-----------------------|-----------|---------------------|--------|-----------|----------------------------------|-----------|-----------|--------|--------|
| IDP Indicator No.  | National KPA | Strategic Objective                        | Measurable Objective/Output                                 | Performance Measure/Indicator  | 2009/2010      |        | 2010/2011           |           |                       |           | Annual Perf. Report |        |           |                                  |           |           |        |        |
|                    |              |  |   |  | Target         | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |        | Target    |                                  | Actual    |           |        |        |
|                    |              |  |   |  |                |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 | Target              | Actual | Target Q3 | Actual Q3                        | Target Q4 | Actual Q4 | Target | Actual |
| IDPE1              |              | Comply with financial statements           | Compliance by 30 June 2011                                  | GRAP compliant financial statements  | JUNE           | 0      | N/A                 | N/A       | N/A                   | N/A       | N/A                 | N/A    | N/A       | N/A                              | N/A       | N/A       | JUNE   | JUNE   |
| IDPE5.2            |              | Research and develop Supply Chain Policies | Implement and review policies and procedures annually       | Approved Supply Chain Management Policies that are in line with the MFEMA and Regulations by June 2011 | JUNE           | 0      | N/A                 | N/A       | N/A                   | N/A       | N/A                 | N/A    | N/A       | N/A                              | N/A       | N/A       | JUNE   | JUNE   |
| IDPE5              |              | Promote Black Economic Empowerment         | 10% increase in contracts awarded to BEE companies          | Number of contracts awarded to SMME through Joint Ventures and Consortiums                             |                |        | 4                   | 4         | 2                     | 2         | 6                   | 6      | 2         | 2                                | 2         | 2         | JUNE   | MAY    |
| IDPE5.2            |              | Reduce turn around time                    | 3 business days for purchase of goods                       | Time between requisition received and order issued   | 3 DAYS         | 3      | 3                   | 3         | 3                     | 3         | 3                   | 3      | 3         | 3                                | 3         | 3         | 3      | 3      |
| IDPE5.2            |              |  | 25 business days for the finalisation of the tender process |  | within 30 days |        |                     |           |                       |           |                     |        |           |                                  |           |           |        |        |

| NAME OF DEPARTMENT   |                              |   |  |   |           |           |                     |           |                       |           |                     |           |           | Planned Measures For Improvement |  |
|----------------------|------------------------------|---|--|---|-----------|-----------|---------------------|-----------|-----------------------|-----------|---------------------|-----------|-----------|----------------------------------|--|
| IDP Indicator or No. | National KPA                 | Strategic Objective   | Measurable Objective/Output                                  | Performance Measure/Indicator or  | 2009/2010 |           | 2010/2011           |           |                       |           | Annual Perf. Report |           |           |                                  |  |
|                      |                              |   |  |   | Target    | Actual    | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           | Q3 & Q4 Performance |           | Target    |                                  | Actual   |
|                      |                              |   |  |   | Target    | Actual    | Target              | Actual    | Target                | Actual    | Target              | Actual    | Target    | Actual                           |  |
| IDP E5.2             |                              |   | Set time frames for delivery at order date with the supplier | Time between order issued and delivery of goods                               | 1-3 DAYS  | 1-3 DAY S | 1-3 DAY S           | 1-3 DAY S | 1-3 DAY S             | 1-3 DAY S | 1-3 DAY S           | 1-3 DAY S | 1-3 DAY S | 1-3 DAY S                        | 1-3 NORMAL 30R MOR DEPENDS ONTHE NATURAL E OF GOODS                |
| IDP A8.8             | SPATIAL ANALYSIS & RATIONALE | Process development applications in line with the existing SDF & draft LUMS | Two development applications processed per week              | Development applications processed in line with the existing SDF & draft LUMS | 2 APP     | 2 APP     | 2 APP               | 2 APP     | 2 APP                 | 2 APP     | 2 APP               | 2 APP     | 2 APP     | 2 APP                            | WITH REGAR D TO LUMS FUNDING STILL AWAIT NING RESPO NSE FROM COGTA |

| IDP Indicator No. | National KPA | Strategic Objective   | Measurable Objective/Output  | Performance Measure/Indicator | 2009/2010 |        | 2010/2011           |           |                       |           | Planned Measures For Improvement |                     |        |                     |           |           |                                 |
|-------------------|--------------|---|--|-------------------------------|-----------|--------|---------------------|-----------|-----------------------|-----------|----------------------------------|---------------------|--------|---------------------|-----------|-----------|---------------------------------|
|                   |              |   |  |                               | Target    | Actual | Q1 & Q2 Performance |           | ½ Yearly Perf. Report |           |                                  | Q3 & Q4 Performance |        | Annual Perf. Report |           |           |                                 |
|                   |              |   |  |                               |           |        | Target Q1           | Actual Q1 | Target Q2             | Actual Q2 |                                  | Target              | Actual | Target Q3           | Actual Q3 | Target Q4 | Actual Q4                       |
| IDP A8            |              | Increase densification to improve economic viability  | Sewerage works will facilitate better planning/encourage development   | Bulk Infrastructure           |           |        |                     |           |                       |           |                                  |                     |        |                     |           |           | AWAITING FOR FUNDING OF THE SDF |
| IDP A8.2          |              | Alignment of Mkhambathini SDF & UMDM SDF  | All meetings attended according to schedule                            | All meetings attended         | MEETINGS  | N/A    | N/A                 | N/A       | N/A                   | N/A       | N/A                              | N/A                 | N/A    | N/A                 | N/A       | N/A       | NO SCHEDULED MEETINGS           |
| IDP A8.2          |              | Liaise with Department of Housing to ensure that the Mkhambathini human settlement needs are implemented in a sustainable | Stage one (planning) for 500 houses per ward completed by 30 June 2011 | Number of houses built        | 500       | 80     | 500                 | 80        | 500                   | 160       | 80                               | 500                 | 80     | 500                 | 320       |           |                                 |

| NAME OF DEPARTMENT            |              |  |   |  |           |        |                     |              |                          |              |                        |              |  |              |        |        |  |
|-------------------------------|--------------|--|---|--|-----------|--------|---------------------|--------------|--------------------------|--------------|------------------------|--------------|--|--------------|--------|--------|--|
| IDP<br>Indicator<br>or<br>No. | National KPA | Strategic<br>Objective   | Measurable<br>Objective/Output  | Performance<br>Measure/Indicator<br>or               | 2009/2010 |        | 2010/2011           |              |                          |              | Annual Perf.<br>Report |              | Planned<br>Measures For<br>Improvement |              |        |        |  |
|                               |              |  |   |  | Target    | Actual | Q1 & Q2 Performance |              | ½ Yearly Perf.<br>Report |              | Q3 & Q4 Performance    |              |  | Target       | Actual |        |  |
|                               |              |  |   |  | Target    | Actual | Target<br>Q1        | Actual<br>Q1 | Target<br>Q2             | Actual<br>Q2 | Target<br>Q3           | Actual<br>Q3 | Target<br>Q4                           | Actual<br>Q4 | Target | Actual |  |
|                               |              | manner,<br>into<br>adopted<br>housing<br>plan                                  |   |  |           |        |                     |              |                          |              |                        |              |  |              |        |        |  |
| IDP<br>F5.1                   |              | Provide<br>basic<br>services<br>in liaison<br>with<br>relevant<br>stakeholders | Planning for<br>implementation<br>of basic<br>services by 30<br>June 2011 | Planning for<br>implementing<br>of basic<br>services | JUNE      | 0      | N/A                 | N/A          | N/A                      | N/A          | N/A                    | N/A          | JUNE                                   | JUNE         | JUNE   | JUNE   |  |



## CHAPTER SIX

## **CHAPTER 6: Report of the Audit Committee**

### **Report of the Audit Committee**

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

#### **Audit Committee Members Attendance**

| <b>Name</b>                      | <b>Date</b>    | <b>Date</b>     | <b>Date</b>     | <b>Date</b> | <b>Date</b>  |
|----------------------------------|----------------|-----------------|-----------------|-------------|--------------|
| Mr. Vukani Dlamini (Chairperson) | 30 August 2010 | 22 October 2010 | 31 January 2011 | 13 May 2011 | 27 June 2011 |
| Mr. Joel Mathobela               | 30 August 2010 | 22 October 2010 | 31 January 2011 | 13 May 2011 | 27 June 2011 |
| Mr. Sikhumbuzo Kunene            | 30 August 2010 | 22 October 2010 | 31 January 2011 | 13 May 2011 | 27 June 2011 |

#### **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from Section 166 of the Municipal Finance Management Act. The Audit Committee also reports that it adopted appropriate formal terms of reference as its Audit Committee Charter, regulated its affairs in compliance with this Charter, and discharged its responsibilities as contained therein.

#### **The effectiveness of internal control**

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

The Committee wishes to thank the municipal officials, Internal and External Auditors for their contribution towards effective functioning of the municipality.

Vukani Dlamini  
Chairperson of the Audit Committee



## **CHAPTER SEVEN**



## **CHAPTER 7: Report of the Auditor General**

### **REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND THE COUNCIL ON MKHAMBATHINI MUNICIPALITY**

#### **REPORT ON THE FINANCIAL STATEMENTS**

##### **Introduction**

1. I have audited the accompanying financial statements of the Mkhambathini Municipality which comprise the statement of financial position as at 30 June 2011, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information, as set out on pages 9-13.

##### **Accounting officer's responsibility for the financial statements**

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

##### **Auditor-General's responsibility**

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on the financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice No. 1111 of 2010* issued in *Government Gazette No. 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

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

### **Opinion**

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

### **Emphasis of matters**

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

### **Significant uncertainties**

9. As disclosed in note 8 to the financial statements, included in accounts receivable is a value added taxation receivable amounting to R1,644 million, which is currently in dispute with the South African Revenue Service.

### **Restatement of corresponding figures**

10. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2010 have been restated as a result of errors discovered during 30 June 2011 in the financial statements of the municipality at, and for the year ended 30 June 2010.

### **Irregular expenditure**

11. The municipality incurred irregular expenditure of R739 807 as the expenditure incurred was in contravention of the Local Government: Municipal Supply Chain Management Regulations (MSCMR), 2005.

### **Additional matter**

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

### **Unaudited supplementary schedules**

13. The supplementary information set out on pages 3-4 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**

14. In accordance with the PAA and in terms of *General Notice No. 1111 of 2010*,

issued in *Government Gazette No. 33872 of 15 December 2010*, I include below my findings on the annual performance report and material non-compliance with laws and regulations applicable to the municipality.

### **Predetermined objectives**

#### **Usefulness of information**

15. The reported performance information was deficient in respect of the following criteria:

- Measurability: The indicators are not well defined, and targets are not measurable and time bound.

16. The following audit finding relates to the above criteria:

#### **Planned and reported targets / indicators are not measurable and time-bound**

17. For the selected objectives in respect of basic service delivery and infrastructure investment, 33% of the planned and reported targets were not:

- measurable in identifying the required performance;
- time-bound in specifying the time period or deadline for delivery.

### **Compliance with laws and regulations**

#### **Strategic planning and performance management**

18. The accounting officer of the municipality did not submit the results of the assessment on the performance of the municipality during the first half of the financial year to National and Provincial Treasury, as required by section 72(1) (b) of the MFMA.

#### **Annual financial statements**

19. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 (1) (a) of the MFMA. Material misstatements of capital assets, liabilities and disclosure items were identified by the auditors and were subsequently corrected resulting in the financial statements receiving an unqualified audit opinion.

#### **Procurement and contract management**

20. Awards were made to suppliers who did not submit a declaration on their employment by the state or their relationship to a person employed by the state as per the requirements regulations 13 (c) and 44 of the MSCMR.

21. The preference point system was not applied in all procurement of goods and services above R30 000 as required by section 2(a) of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and MSCMR 8(1) (a).

22. Awards were made to providers who are persons in service of other state institutions in contravention of the requirements of MSCMR 44.

### **Expenditure management**

23. The accounting officer did not take effective and appropriate steps to prevent irregular expenditure, as per the requirements of section 62(1) (d) of the MFMA.

### **INTERNAL CONTROL**

24. In accordance with the PAA and in terms of *General Notice No. 1111 of 2010*, issued in *Government Gazette No. 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the significant deficiencies that resulted in the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

### **Leadership**

25. The accounting officer and delegated officials have not exercised oversight responsibility over financial and performance reporting, compliance with laws and regulations and internal control. In this regard, the financial statements and performance reports were not adequately reviewed prior to submission for audit.

### **Financial and performance management**

26. Systems were not appropriate to facilitate the preparation of quality financial statements and performance reports resulting in corrections being recommended as a result of audit findings. Actions were not taken to address risks relating to the achievement of complete and accurate financial and performance reporting and to mitigate the risk resulting in non-compliance with regulatory and reporting requirements.

Pietermaritzburg

30 November 2011



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*



## **CHAPTER EIGHT**

**CHAPTER 8: AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION**

8.1 Refer to Annexure B

**8.2 GRANTS EXPENDITURE**

All intergovernmental grants received through the Division of Revenue Act (Dora) or through any means are listed below.

Furthermore, additional information provided for each grant in terms of the outputs and outcomes achieved and weather any of the grant conditions were not satisfied including inability to spend the funds in a timely manner or not properly accounting for the grant funds.

| <b>GRANT DETAILS</b>        | <b>AMOUNT RECEIVED AND SPENT EACH QUARTER</b> |                           |                           |                           |                           |                |
|-----------------------------|---|---------------------------|---------------------------|---------------------------|---------------------------|----------------|
| Grant Name, Purpose/Project | 1 Apr 2010 To 30 Jun 2010                     | 1 Jul 2010 To 30 Sep 2010 | 1 Oct 2010 To 31 Dec 2010 | 1 Jan 2011 To 31 Mar 2011 | 1 Apr 2011 To 30 Jun 2011 | Total Rand     |
| MSIG                        | -   | R750 000.00               | -                         | -                         | -                         | R750 000.00    |
| Equitable Share             | -   | R8 583 925.00             | R6 867 140.00             | R5 510 354.00             | -                         | R20 601 419.00 |
| Sport                       | -   | -                         | R525 000.00               | R525 000.00               | -                         | R105 0000      |
| Housing                     | -   | -                         | -                         | R1001385.50               | -                         | R1001385.50    |
| Pound                       | -   | -                         | -                         | R1 000 000.00             | -                         | R1 000 000.00  |
| MIG                         | R304 000                                      | -                         | R3 215 000.00             | R5 009 000.00             | -                         | R8 528 000     |
| Arts & Culture              | -   | -                         | -                         | R96 000.00                | -                         | R96 000.00     |

### 8.3 RESPONSE TO THE AUDIT REPORT ON THE AFS

#### AUDIT ACTION PLAN FOR THE AUDIT 2010/11

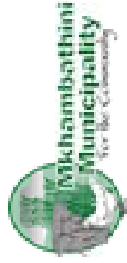
| AG ID No. | Query                                | Query Description  | Action to be taken   | Deadline  | Responsible person | Budget                |
|-----------|--------------------------------------|--|--|-----------|--------------------|-----------------------|
| 9         | Significant uncertainties            | VAT amounting R1 644 million under dispute with SARS   | Continues engagement with SARS through the consultant employed by the municipality to deal with the dispute. | 30-Apr-12 | CFO                | 15% of Claimed Amount |
| 11        | Irregular Expenditure                | Contravention of the Local Government: SCM Regulations (MSCMR) 2005  | Ensure full compliance will SCM Regulations  | 31-Mar-12 | CFO                | Nil                   |
| 17        | Planned and Reported targets         | Basic service delivery and infrastructure investment, 33% of the planned and reported targets were not measurable in identifying the required performance and time-bound in specifying the time period or deadline for delivery. | Set proper targets and timeframe for Service delivery  | 31-Jan-12 | PMSO               | Nil                   |
| 18        | Compliance with laws and regulations | Non submission of the results of the mid year performance assessment to National and Provincial Treasuries as required by S72(1) (a) of the MFMA   | Ensure the submission of Mid year performance assessment to National and Provincial Treasuries.              | Jan-12    | MM                 | Nil                   |
| 19        | AFS                                  | Material misstatements   | Prepare bi annual financial statements   | Feb-12    | CFO                | Nil                   |
| 18        | Procurement and contract management  | Awards to person employed by state   | All suppliers to sign declaration of interest before awarded contracts.                                      | 31-Jan-12 | CFO                |                       |
|           | Procurement and contract management  | Preference points were not applied in procurement of goods and services above R30 000  | To ensure full compliance with our SCM policy.   | Jan-12    |                    | Nil                   |

### **List of References**

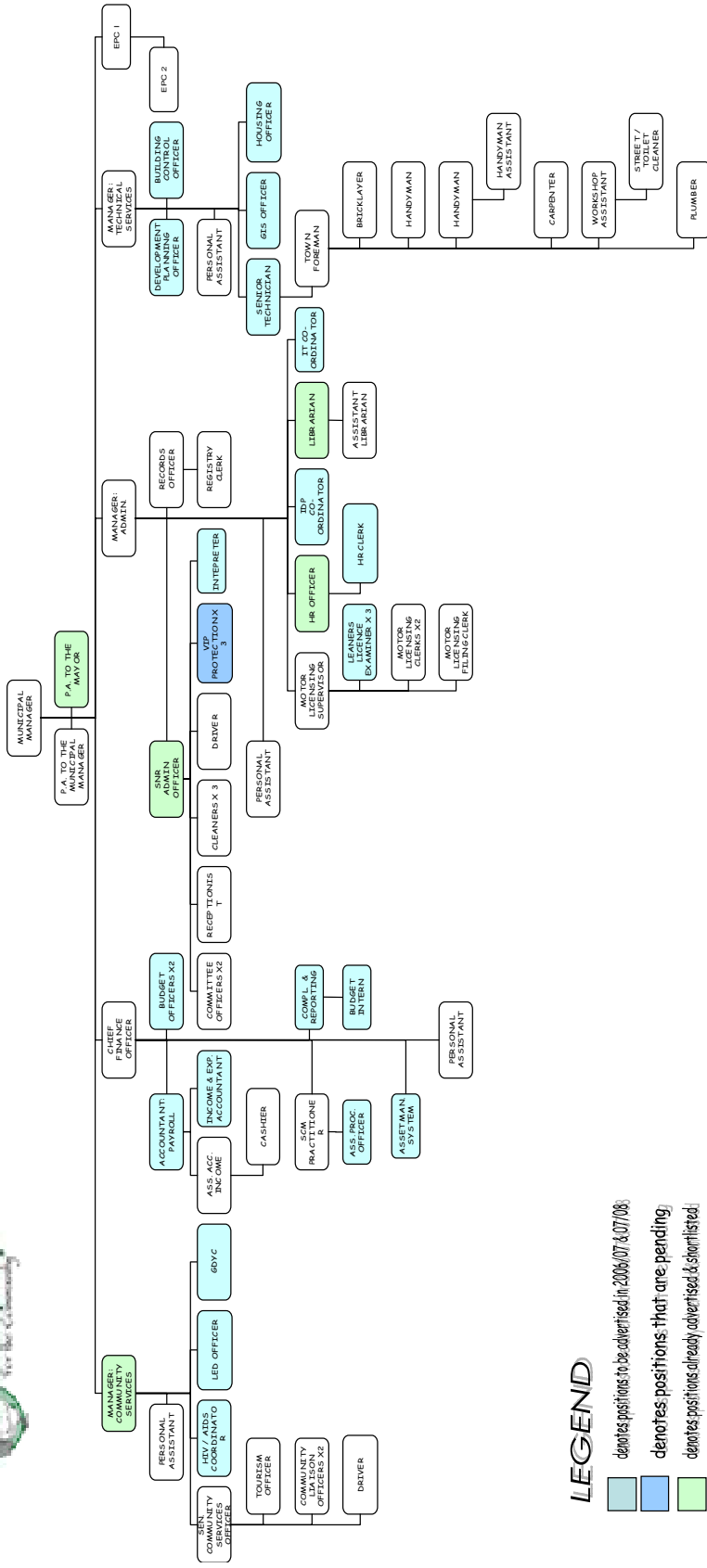
1. uMgungundlovu District Municipality Integrated Development Plan
2. Integrated Development Plan Guide Pack
3. Annual Reports of Numerous Municipalities
4. Policy Framework for managing Performance in the uMgungundlovu District Municipality
5. uMgungundlovu District Performance Management System
6. uMgungundlovu District Municipality Client and Quality of Life Survey
7. Relevant Legislation and Policy Directives



**Annexure "A": Organogram**



# ORGANISATIONAL STRUCTURE



**LEGEND**

- denotes positions to be advertised in 2006/07 & 07/08;
- denotes positions that are pending;
- denotes positions already advertised & shortlisted.

## Annexure B: Audited Financial Statements and Related Information